

MINERAL REPORT

Surface Use Determination
For
The Mill Site No. 1
Mill Site Claim

(Title)

LANDS INVOLVED
Clark County, Nevada
T. 13 S., R. 71 E., MDM
Section 21, SW¼
Consisting of 5 Acres

Prepared by: Edward Seum

(Signature)

Minerals Specialist

(Title)

May 9, 2001

(Date)

Mark Chatterton

(Signature)

Certified Review Mineral Examiner #033

(Title)

May 9, 2001

(Date)



Technical Approval:

Larry K. Steward

(Signature)

Geol CRME #013

(Title)

5/29/2001

(Date)

Management Acknowledgment:

Mark T. Lewis

(Signature)

LAC Legas & U.

(Title)

6-04-01

(Date)

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Attachments: Maps, Documents and Photographs

I. Summary

The Mill Site No. 1, mill site claim is a dependent mill site owned by Robert Kahre, John B. Nelson, and Richard Wellman. The mill site claim is 5 acres in size. The claimants are in the process of obtaining permits to explore lands owned by the State of Arizona, near Florence, Arizona. They also claim to have agreements in place for processing materials from claims near the mill site, but presented no evidence during the inspection. A letter (copy attached), sent to the claimants on January 16, 2001, requesting information on the claims and agreements elicited no response as to the agreements. At the time of the inspections none of the claims were being mined. Operations taking place on the Mill Site No. 1, mill site claim consist mainly of non mining related occupancy. The occupancy consists of two buildings and a fence with locked gate. Equipment potentially related to mining and milling operations shows little sign of use. There are no stockpiles of materials for processing on the site.

The subject lands are not located in a mining district. During the field investigation, locatable minerals, or indications thereof, were not observed on the subject lands, nor are there any reported occurrences in the literature.

The subject lands are prospectively valuable under the Mineral Leasing Act for oil and gas, sodium and potassium.

The site is located in an area made up of Quaternary alluvium. The potential for the production of saleable minerals is considered to be medium.

II. Conclusions

Based on the inspection of April 20, 2000, the follow-up inspection of January 4, 2001, and inspections prior to that, it is our professional opinion that activities on this site do not meet the requirements of 43 CFR 3715.2, 3715.2-1 or 3715.5.

- 1) No milling or mining operations are taking place on the mill site that would require the level of occupancy which is taking place.
- 2) Activities on the site do not constitute substantially regular work.
- 3) Activities and equipment on the site cannot be reasonably calculated to lead to the extraction and beneficiation of minerals.
- 4) Operations do not involve observable on-the-ground activities that BLM may verify under Sec. 3715.7.

- 5) The primary use of the mill site is not for mining or milling purposes. The equipment present that could be reasonably incident to a theoretical operation is not being put to use. There are no mining operations taking place on the site.
- 6) Since no valuable minerals are exposed, the present occupancy is beyond that needed to protect exposed, concentrated or otherwise accessible valuable minerals from theft or loss.
- 7) The occupancy is not needed to protect from theft or loss appropriate, operable equipment which is regularly used and cannot be protected by means other than occupancy. Equipment on the site is not being used and could be removed and stored off-site.
- 8) The occupancy is not needed to protect the public from appropriate, operable equipment which is regularly used, and if left unattended, creates a hazard to public safety.
- 9) The occupancy is not needed to protect the public from surface uses, workings, or improvements which, if left unattended, create a hazard to public safety. The occupancy and storage of equipment that is not being used create a hazard to the public. Removal of the occupancy and equipment would eliminate any perceived need for the occupancy.
- 10) The site is not located in an area so isolated or lacking in physical access as to require the mining claimant, operator or workers to remain on the site in order to work a full shift of a usual and customary length. The site is within a short travel distance of the Las Vegas, Nevada metropolitan area, Mesquite, Nevada and several other rural communities.
- 11) Having equipment, machinery and other personal property on the site that is not being operated, or which is inappropriate for the purposes to which the mill site is actually put, causes unnecessary and undue degradation of the public lands and resources.

III. Recommendations

Based on the field examinations of April 20, 2000 and January 4, 2001 the Bureau of Land Management should issue a notice of noncompliance as described in 43 CFR 3715.7-1 (c)(1). The notice of noncompliance should use the items in the conclusion section of this report to describe how the occupancy is not reasonably incident. The notice of noncompliance should require the removal of the locked gate, fence, buildings and equipment.

IV. Introduction

On April 20, 2000, an examination of the Mill Site No. 1 mill site, NMC 777017, was made by Edward Seum, a geologist, and Joel Mur, a natural resource specialist from the Las Vegas Field Office. Richard Wellman, one of the claimants, was present during the inspection. A subsequent inspection of the claims was completed by Edward Seum and Mark Chatterton on January 4, 2001. None of the claimants were present during the second inspection. The claim is located on public land in Clark County, Nevada. The site has occupancy in the form of two buildings and a fence with gate.

The purpose of the examination was to determine if the surface uses are reasonably incident to prospecting, mining, or processing operations within the meaning of 30 USC 612(a) and 43 CFR 3712.1 and 43 CFR 3715 (BLM Manuals 3891 and 3894, 1987). This report should not be used for any purposes other than that for which it was prepared.

V. Lands Involved and Physiographic Data

The Mill Site No. 1, mill site claim, NMC 777017, is located south of Mesquite, Nevada (Maps 1 & 2, Aerial Photo). Physical and legal access is provided by utilizing the road and highway system of Clark County, and the State of Nevada.

To reach the site from Las Vegas, Nevada, take Interstate Highway 15 north to the first Mesquite exit. Go east on S. R. 170 for approximately three fourths of a mile and turn south at the gas station. Travel approximately one mile and turn left. Travel for approximately three fourths of a mile and turn left. Travel for another mile, turn left and the site is slightly more than a tenth of a mile from the turn.

Both the surface and mineral estates are in Federal ownership (see MTP) and under the jurisdiction of the Bureau of Land Management. The following encumbrance is located along the east side of the Mill Site No. 1 claim:

A 50-foot utility right-of-way, Nev-051894

The legal description of the Mill Site No. 1 is:

Meridian:	Mount Diablo
Township:	13 South
Range:	71 East
Section:	21, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$
Acres:	5.0

Claim History

The Mill Site No.1, NMC 777017, and the adjacent Mill Site No. 2 through No. 7 mill sites, NMC 777018 - 777023, were located June 13, 1997. The claims were located by Robert Kahre, John B. Nelson and Richard Wellman in T. 13 S., R. 71 E., sec. 21. Robert Kahre, John B. Nelson and Richard Wellman are still the claimants of record and all required filings to keep the claims current are up to date. Prior to June 13, 1997, these claims were known as the White Park #1 - #7 (NMC 596689 - 596695). The White Park mill sites were located May 24, 1990, by White Park R&D Ltd. and quit claimed to Robert Kahre, John B. Nelson and Richard Wellman on July 17, 1997. The White Park claims were declared null and void August 26, 1997.

The most recent activities conducted on the Mill Site No. 1 claim under the 43 CFR 3809 regulations have been tracked under Notice N54-90-054N. However, do to a recent changeover in data bases, a new case file number, N-071785, has been assigned. The site was in existence prior to the Notice being submitted. This Notice was originally filed on June 14, 1990, with the claimants, White Park R&D Ltd., listed as the operator. Operations were to be confined to the White Park Mill Site #1. Clean up of the site was supposed to be taking place prior to the installation of new equipment. Some assaying and smelting of small amounts of materials were currently taking place. It was anticipated that on November 1, 1990 operations would start up. Activities at that time were to include crushing and pulverizing ore, and the leaching, smelting and refining of precious metals. Materials for processing were to come from adjacent claims.

On December 20, 1993 an update to the Notice was received. The site was to be operated as a joint venture between White Park R&D Ltd. and NICO, LLC. Materials from the Great Eastern and Key West mines were to be tested using an acid leach solution. Leach solutions would be shipped to Salt Lake City, Utah for further processing.

While the current claimants came into possession of the claims in June 1997, an amendment to the existing Notice was not filed until January 22, 1999. The amended Notice listed Richard Wellman as the operator. Proposed operations were estimated to start in May, 1999. Operations were to consist of processing "ores" provided by several local mineral claim holders. The type of processing to take place was unknown, until further negotiations with the claimants and analysis of the "ores" were completed.

VI. Environmental Considerations

The area is not located in a Mining District. No cultural features associated with past mining are known to be on the site. Reviews of the Notice by a BLM Archaeologist did identify the potential for prehistoric and historic cultural resources to be near the property.

The site is located within low density desert tortoise habitat. The desert tortoise is listed as a threatened species by the U.S. Fish and Wildlife Service. Within the area disturbed by this operation tortoise habitat no longer exists. No mitigation fees are required for lands disturbed under a Notice. The operator currently has no take of desert tortoise under the Endangered Species Act.

Operations on the site should not degrade either surface or ground waters of the State. Materials or substances which are potentially hazardous were found during the exam. However, they are located in an area where any discharge would go into a lined pond. A well does exist on the site. The well appears to be properly cased and maintained.

The site is not located in a non-attainment area. Currently no excavating or processing of materials is occurring. Reclamation of the site, by either the operator or claimant, is required by the 43 CFR 3809 Regulations. There are no other environmental considerations associated with this site.

VII. Inspection History

Inspections on this site have been performed by the BLM at various times. A table showing the dates of inspection, inspector and picture numbers (attached to this report) is shown below.

<u>Date Inspected</u>	<u>Inspector</u>	<u>Picture #</u>
08-29-90	Gary Beckman	1-2
09-11-91	Gary Beckman	3-6
11-07-91	Gary Beckman	
04-28-92	Joel Mur	7-9
07-29-92	Joel Mur	
11-24-92	Joel Mur	
02-12-93	Joel Mur	
05-06-93	Joel Mur	10-12
06-01-93	Joel Mur	
07-01-93	Joel Mur	

12-02-93	Joel Mur	13-16
03-22-94	Joel Mur	
06-15-94	Joel Mur	
09-14-94	Joel Mur	
11-10-94	Glen Miller	
12-06-94	Joel Mur	
03-20-95	Joel Mur	
05-19-95	Joel Mur	
08-16-95	Joel Mur	
09-19-95	Joel Mur	
11-08-95	Joel Mur	
12-06-95	Joel Mur	
01-08-96	Joel Mur	
05-16-96	Joel Mur	
10-07-96	Joel Mur	
12-02-96	Joel Mur	
06-04-97	Joel Mur	
10-21-97	Joel Mur	
10-06-98	Joel Mur	17-20
08-12-99	Joel Mur	21-23
04-20-00	Edward Seum/Joel Mur	24-45
07-06-00	Joel Mur	46

10-04-00

Joel Mur

47-51

01-04-01

Edward Seum/Mark Chatterton 52-66

On August 29, 1990, an inspection was made of the site (photos 1-2). Private Property and No Trespassing signs were posted at the entrance. A Winnebago with Virginia license plates was parked on the area. A number of ponds were on site, with one containing water with a pH of 3 to 4. Trash and metal debris were scattered over the site. Several people were on site but no operations were taking place.

On September 11, 1991, an inspection found that trash was still onsite. A new building with conveyor belts and bins had been placed on the area (photos 3-6). A new concrete storage pad and two large ponds had also been constructed. Small quantities of cyanide and sodium sulfide were stored on the area. A small rock crusher was being used by a friend of the claimants. A certified letter requiring removal of the trash was sent as a result of the inspection. A subsequent inspection on November 7, 1991 found that some of the trash had been removed. A number of barrels of Hydrochloric Acid were stored on site. No one was present during the inspection.

An inspection completed April 28, 1992 found that the site was generally cleaned up (photos 7-9). Cyanide, Hydrochloric Acid and Sulphuric Acid were still being stored on site. Some material from Utah was being processed. An inspection on July 29, 1992 found the site to be in a period of non-operation. Acids were to be moved inside. The operators were told that they needed to obtain a water permit because of the pond. The inspection of November 24, 1992 noted that no operations were occurring except for lab work.

A February 12, 1993 inspection found the site to be in non-operation. The May 6th inspection found sodium bromide on site but no operations occurring (photos 10-12). The cyanide had finally been removed. On June 1, 1993 an inspection found that Sodium Sulfide and thiourea had been brought onto the site. Some concentrates/residues from an electrolytic process were out in the open on a liner. A letter was sent requiring the claimant/operator to document where the cyanide had been taken, that NDEP be contacted regarding the chemicals, and that the residues be stored or disposed of properly. The inspection of July 1, 1993 found no change in the site. The operator was in Minnesota and some people were building a pilot plant on the site. The inspection of December 2, 1993 found that Paul Beaver was now the operator (photos 13-16). The site had been cleaned up. Some new mining equipment and tanks to hold acid had been brought in.

An inspection on March 22, 1994 by Mur found that work on the site was progressing. The inspection of June 15, 1994 found that materials from the Key West mine were on

site, but that no processing had occurred. Inspections on September 14th, November 10th and December 6, 1994 showed that efforts to get the site running were still continuing.

The inspection of March 20, 1995, found that some pilot testing had been done but that the plant needed to be improved. Inspections on May 19th, August 16th and September 19, 1995 found that the plant was still not operable. Inspections on November 8th and December 6, 1995 found that the operator was removing the acid leach circuit.

Inspections of the site on January 8th and May 16, 1996 found that clean-up and equipment removal were continuing. The October 7, 1996 inspection showed that the site had changed hands. As a result of the inspection, paperwork showing that the claims had been quit claimed to Rio Delta Mining Company were received in the Las Vegas office. No transfer of interest was filed for this transaction with the BLM State Office in Reno, Nevada. The December 2, 1996 inspection found no activity on the site.

An inspection on June 4, 1997 found the site being cleaned-up, with no processing activities taking place. During the inspection of October 21, 1997, no one was on site and no activities were taking place. The only change in the site was that equipment had been painted.

The inspection of October 6, 1998 found no activity and no one on site (photos 17-20). As a result of the inspection a letter was sent to the operator listing a number of noncompliance issues. These included a failure to amend the Notice, a long period of non-operation, no operating permits from the State of Nevada and no documentation of permits for the septic system and buildings. An amended Notice was received on January 22, 1999.

An inspection completed August 12, 1999 found no recent activity on the site (photos 21-23). The operator did not have any permits for operation from the Nevada Department of Environmental Protection.

On April 20, 2000, the first part of the occupancy exam was completed (photos 24-45). This report summarizes that inspection. Inspections of July 6th and October 4, 2000 found no activity or personnel on site (photos 46, 47-51).

Inspections post 1995 have found no mining or milling operations ever occurring. No operating permits are currently on record for the current operator. The site is being maintained but has exhibited an extended period of non-operation.

VIII. Geologic Setting

Regional Geology

The site sits on an alluvial fan (geologic map), on the south side of the Virgin River Valley, opposite the Mormon Mesa. The alluvial fan sits on the north facing slope of the Virgin Mountains. The alluvium is Quaternary in age. Drainage enters the Virgin River which flows into Lake Mead. Mormon Mesa is a relatively flat lying topographic feature underlain by Tertiary, sedimentary deposits of the Muddy Creek Formation. The mesa is capped by a caliche layer covered with a thin veneer of Quaternary sediments. The Muddy Creek Formation is exposed in steep bluffs along the eroded flanks of the mesa.

The Virgin Mountains is a highland that lies north of St. Thomas Gap and extend southwest across the Arizona-Nevada border. The highest point in the Virgin Mountains is Virgin Peak at 8,075 feet, which lies south of the Mill Site No.1 claim. Longwell describes this area of the Virgin Mountains as follows. "North of Virgin Peak the axial trace of a broad anticline follows an extensive outcrop of Precambrian metamorphic and granitic rocks. The northern limb of the anticline is marked along several miles of its extent by northwest-dipping formations, ranging in age from Cambrian to Triassic, exposed in irregular ridges and hills that rise above a wide gravel-covered slope. This limb of the fold is much complicated by faults, some oblique and others nearly parallel to the strike of bedding. Most significant is a low-angle fault striking nearly parallel to the fold axis and dipping 15 to 30 degrees NW. Movement on this fault has brought younger rocks in the hanging wall against older rocks in the footwall; but whether the movement has been reverse or normal has not been determined." The majority of the rock types in this area are Precambrian gneisses and schists and Cambrian limestones and dolomites.

IX. Site Geology

A field examination of the subject lands was conducted on April 20, 2000 and again on January 4, 2001. Approximately five acres of the land surface have been disturbed by activities conducted by the operator. The surrounding area has a sparse cover of vegetation.

The site is composed of silt, sand and gravel that contain a mixture of limestone and dolomite, which reflects the source rock. There were no excavations or down cut areas to determine the depth and quality of the materials. However, since the site is on an alluvial fan that is at least a mile from the source it is likely that the materials have some depth to them. The BLM sells mineral materials from the Mesquite Community Pit which is located about half a mile to the west. The potential for sand and gravel is at least moderate.

No samples for locatable minerals were taken. There are no reported occurrences of locatable minerals occurring on the alluvial fans in this area in the literature either.

X. Mining History of the Vicinity

The lands occur approximately eight miles to the north of the Copper King Mining District (Longwell et. al., 1965). The district was first described in the late 1890's following reports of the occurrence of copper. Most attempts at mining in the area have failed to successfully recover metals. Production figures indicate that at least 26,597 pounds of lead, 55 ounces of gold, 1,347 ounces of silver and 125,990 pounds of copper have been produced. Minor amounts of cobalt, palladium, platinum, nickel and tungsten have also been produced.

The Key West and Great Eastern mines are the closest mines to the subject lands. Both are to the south in secs. 22 and 23, T. 15 S., R. 70 E. The mines are located in Precambrian gneiss cut by hornblendite dikes. Of the two mines only the Key West had any reported production. Production figures for 1908 through 1935 indicate that copper, nickel, gold, silver, platinum and palladium were produced (Longwell et. al., 1965). No placer deposits have been reported to occur in the alluvial fans of this area (Vanderburg, 1936 and Johnson, 1973). Some mica-beryl prospects also lie southeast of the subject lands but there has been no recorded production from them.

The BLM sells mineral materials from the Mesquite Community Pit which is located about half a mile to the west. Some industrial minerals have been produced from areas well to the southwest of the subject lands. Silica sand is produced by Simplot Silica from an area south of Overton, Nevada. The sand is mainly used for glass and refractory purposes. Limestone used for landscaping is mined from an area near Glendale, Nevada. Tri States is in the process of getting a plan of operations approved to mine limestone for locatable purposes. Small amounts of limestone and clay are mined near Glendale for use in a local cement plant.

XI. Analysis of Surface Uses

Mill Site Development

On April 20, 2000, an examination of the Mill Site No.1 mill site claim, NMC 777018, was made by Edward Seum, geologist, and Joel Mur, Natural Resource Specialist, from the Las Vegas Field Office. Richard Wellman, claimant/operator, was present during the inspection. Activities on this site have disturbed at least five acres of the mining claim listed above.

The site is made up of an upper and lower level, with equipment and buildings on both levels. The following items are located on the upper level. A gate is across the main

entrance to the site (photos 17, 21). A large two story metal building (photos 3, 5, 8, 9, 19, 23, 32, 46, 49, 54) is on the site. The building has electricity and contains a shop area and office. Sewage is handled by septic tank but it was not possible to verify this during the inspection. A concrete containment area, for the storage of chemicals, is located to the east of the building (photos 26, 58). A water storage tank is located adjacent to the containment area. A pump is used to lift water from the well to the storage tank (photos 24, 25, 51, 59). The water storage tank is damaged as can be seen in photo 25, but is still serviceable. A small wooden building sits between the containment area and water storage tank. This building has recently been knocked over (photos 26, 51, 59). Equipment on the upper level includes mixing tanks, a spiral separator, jig table, generator and various bins and hoppers (photos 23, 27, 29-33, 46, 50, 54-57). The mixing tanks have been on the site since at least 1990 (photo 2), and the building since 1991 (photo 3).

The following items are located on the lower level of the site. A well located on the northeast corner of the mill site provides water (photos 35, 47, 65). A lab building houses some unused electro wining units, small furnaces and other items (photos 16, 37, 39-40). A storage trailer abuts the lab building (photos 16, 37, 61). Equipment on the lower area includes hoppers, storage and mixing tanks, furnaces, a propane tank, and a crusher (photos 6, 8, 13, 20, 28, 34, 37-38, 41-44, 48, 60, 62-64). A pond sits on the northwest boundary between the Mill Site No. 1 and Mill Site No. 2 claims (photos 13-14, 20, 28, 36, 60).

The following summarizes Mr. Wellman's oral statements, made to examiner Seum about the site, during the inspection.

1. The mill site is dependent on claims located just across the border in Arizona. These claims are under the same ownership as the Mill Site No. 1.
2. The claims in Arizona were not currently being worked, but a permit to explore the claims by drilling was being pursued. He thought that permission would be received in the late summer or early fall of 2000. (As it turns out, the lands referred to by Mr, Wellman are State of Arizona owned lands. Of the lands proposed for exploration, the State of Arizona owns the surface and mineral estates in section 16, and only the surface estate in section 21. The mineral estate in section 21 remains in the Federal domain. The claimants have applied for exploration permits from the State of Arizona (see attached copies)).
3. There were a number of agreements being pursued or in effect with other local claim holders to process "ore". He did not have any of the agreements with him and did not offer any names. No names or agreements have been provided since the inspections were completed either.

4. The large generator on the upper level was inoperable. Power and water to the site were usable. The water storage tank needed to be repaired or removed and replaced.
5. He was looking to use the mill site in the late summer or early fall.

Surface Use Evaluation

Mining claims pass through a number of phases prior to becoming a working mine. The phases include prospecting or exploring for ore, delineation of ore bodies, development of a mine and production. Surface uses appropriate to each phase will be carried out by a prudent operator in usual, customary and proficient operations. These uses cause due and necessary degradation of the surface which are allowed by the Mining Law. The magnitude of the degradation will be dependent on the phase. Unnecessary or undue degradation of the surface is prohibited by 43 USC 1732(c). Surface operations and occupancy on and associated with mining claims are regulated by the BLM through 43 CFR 3715 and 43 CFR 3809 to prevent undue or unnecessary degradation. A mining claimant or operator is entitled to use the surface of their mining claim for purposes reasonably incident to prospecting, mining, and processing operations.

Development of a mill site to process ores for extraction of valuable minerals by a prudent operator will normally take place in conjunction with development of a mine. Prior to outlays for capital improvements to a mill site, the ore samples will undergo numerous physical and chemical tests. Physical disturbance of the proposed mill site is not required at this point. The tests will determine the types of equipment and chemicals which might be needed to extract the valuable minerals. Equipment is then brought in to set up in the proper circuits for processing ore. This will take extensive testing to make sure that proper sizing and treatment of the ores will occur. Other facilities such as ponds, leach pads and laboratories are put in place. Many times these facilities are fenced off to reduce hazards to the public. These improvements and facilities are likely to remain during temporary shutdowns under the care of a watchman or maintenance crew who reside on the site.

There are no operations taking place on the Mill Site No. 1 mill site. While the site is relatively clean and the equipment maintained, there are no signs of use. There are no stockpiles of materials to be processed. Equipment on the site is set up in incomplete circuits and would need to be moved around or added to, in order to efficiently process materials. As stated in the Notice the type of processing to take place was unknown, until further negotiations with the claimants and analysis of the "ores" were completed. Therefore, the claimants do not know whether any of the equipment on site would be of use in operations which might take place.

The claimants have applied for exploration permits on lands owned by the State of Arizona. The exploration would only consist of drilling and channel sampling to obtain

samples for testing. At this point it is unknown if the samples will show that there is enough material available to process at the subject mill site. The claimants have presented no evidence of any contracts to process specific quantities of ore for metallic minerals from surrounding mining claims owned by others. There are no mining operations taking place on any claims in an area close enough to supply materials to this site. There can be no showing that there are ongoing and more or less continuous operations at this site.

The primary use of the claims is for occupancy. No operations have occurred since at least 1995, which constitutes an extended period of non-operation. The storage of equipment and personal property along with the occupancy constitutes unnecessary and undue degradation of the public lands. This site does not meet the occupancy requirements of 43 CFR 3715.2, 3715.2-1, or 3715.5. In addition the site is not being used or occupied for mining, milling, processing or beneficiation within the meaning of 30 USC 612 (a) and 43 CFR 3712.1.

XIII. Bibliography

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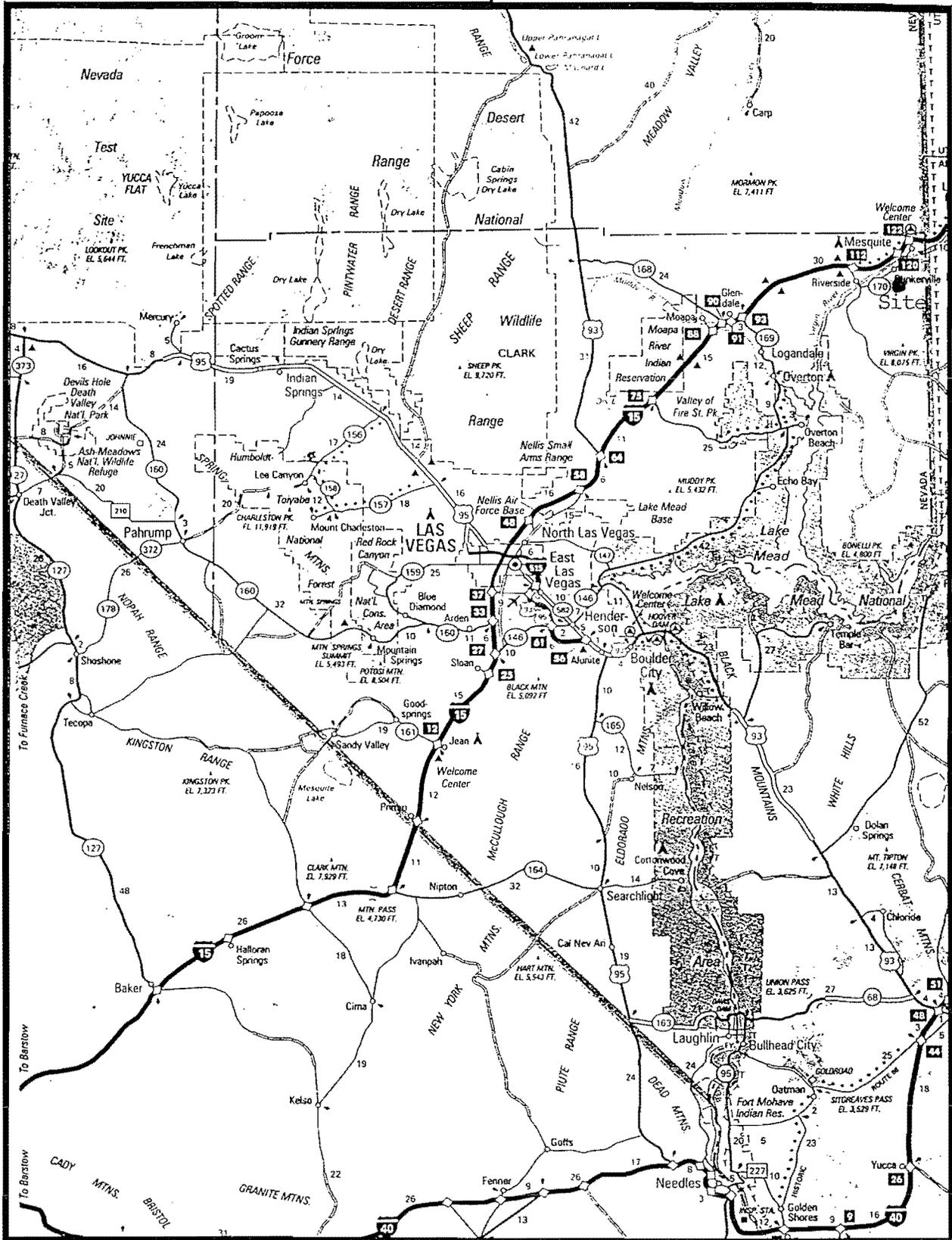
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Longwell, C. R., E. H. Pampeyan, Ben Bower and R. J. Roberts; Geology and Mineral Deposits of Clark County, Nevada; Bulletin 62; 1965, Reno; Nevada Bureau of Mines and Geology.

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Lands Valuable for Oil and Gas (Nevada), revised 1983, 1:500,000, U.S. Geological Survey, Conservation Division, Western Region, Office of the Area Geologist.

Map 1



11/99 E. Seum 1/2" = 10 miles



MAP 2

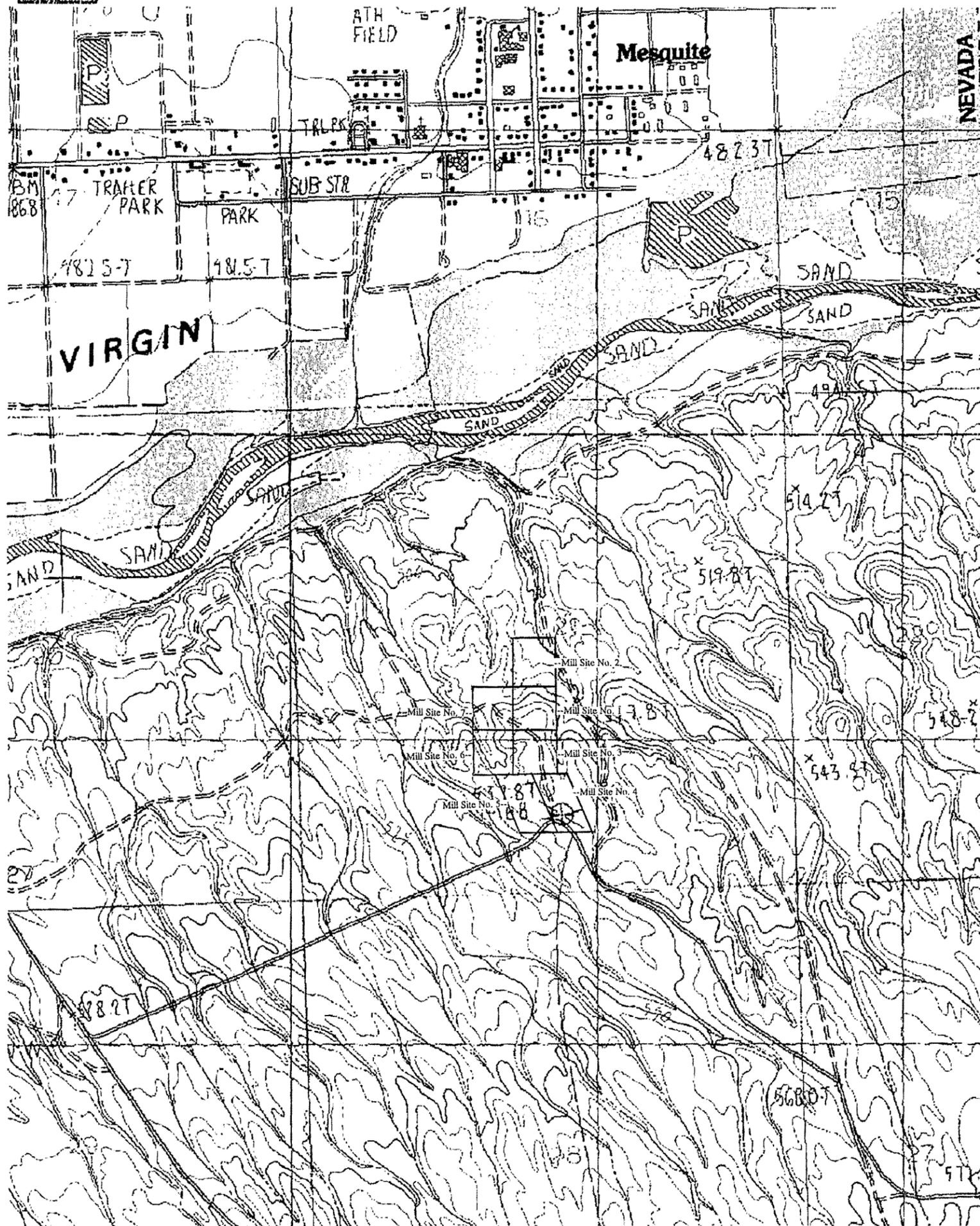
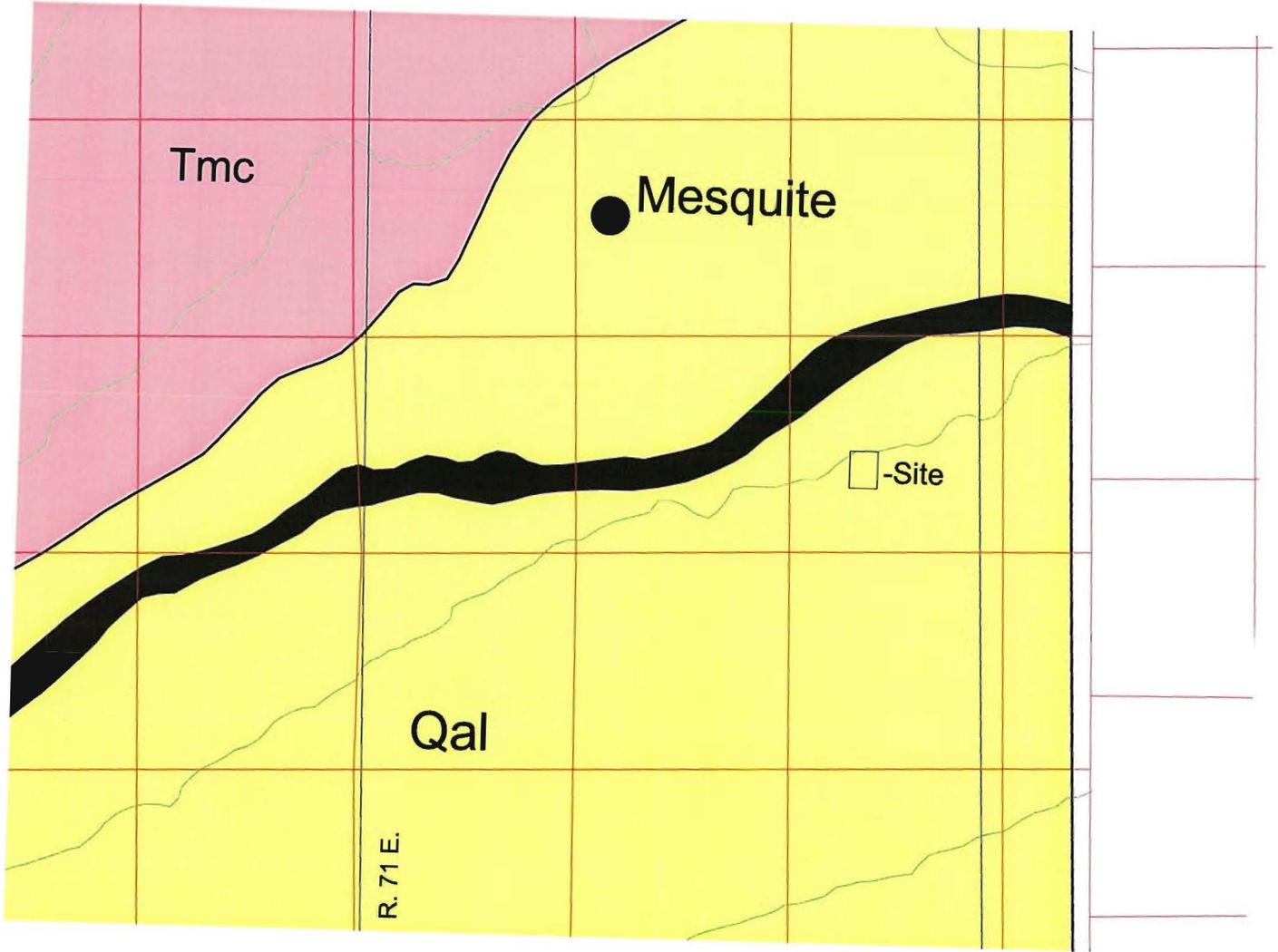


Image courtesy of the US Geological Survey.

Geologic Map of the Mesquite Area

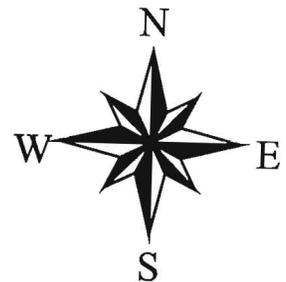


Legend

-  Sections
-  Township
-  Nev_rds
-  Contours 100m_lvdo

Formations

-  Qal
-  Tmc





0 0.5Km 0 0.25Mi

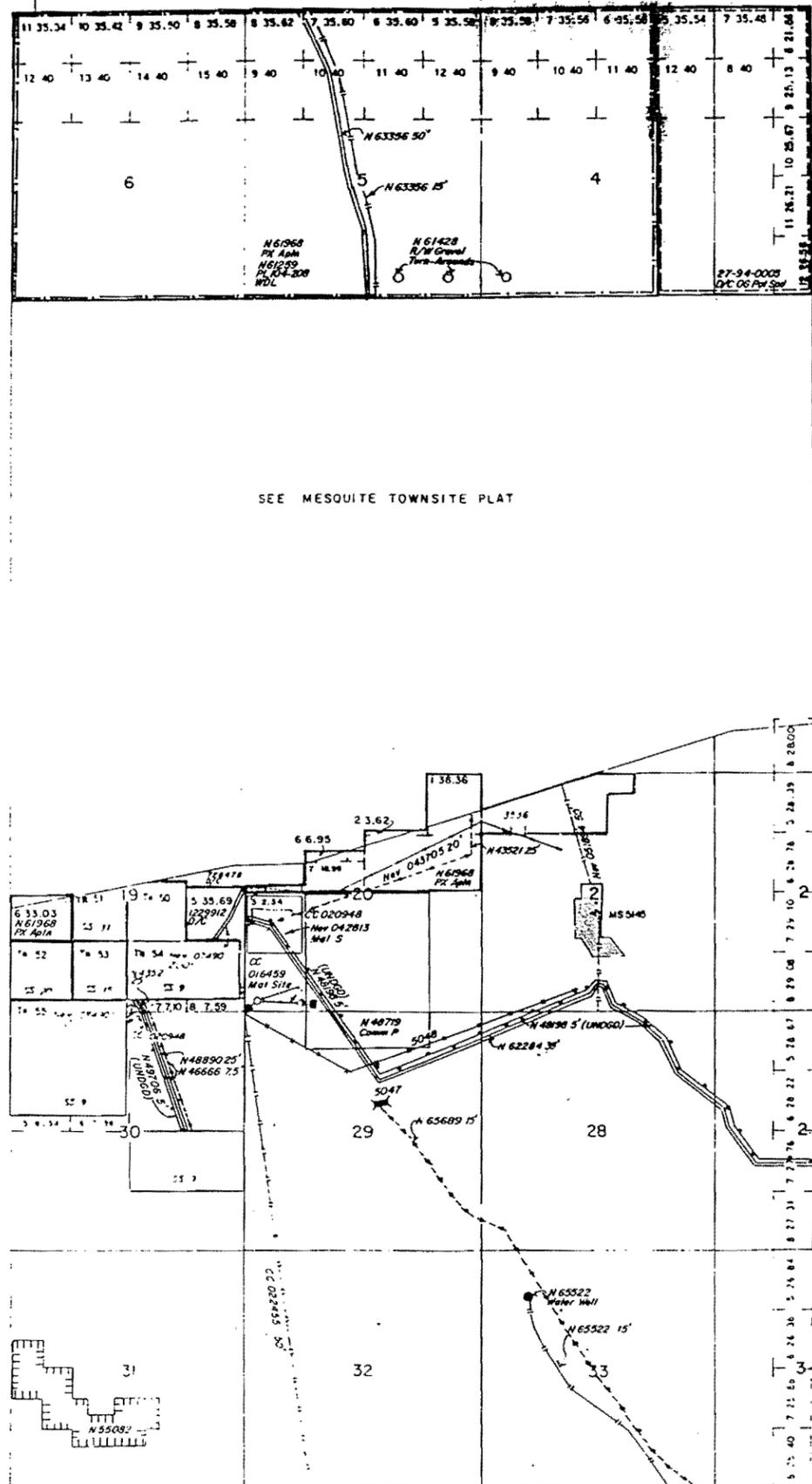
Image courtesy of the US Geological Survey.

TOWNSHIP 13 SOUTH RANGE 71 EAST OF THE MOUNT DIABLO MERIDIAN, NEVADA

CLARK COUNTY

STATUS OF PUBLIC DOMAIN
LAND AND MINERAL TITLES

MT PLAT



A
N
O
Z
I
R
A

INDEX TO SEGREGATED TRACTS				
RESURVEY	ORIGINAL SURVEY			
TRACT NO.	T	R	SEC.	SUBDIVISION
37	13S	71E	15	SE 1/4, LOT 1
	13S	71E	16	E 1/2 SW 1/4, NE 1/4 NW 1/4
				SE 1/4 NW 1/4, SE 1/4 NW 1/4
38	13S	71E	16	NW 1/4 NW 1/4
	13S	71E	16	SW 1/4
39	13S	71E	16	W 1/2 SW 1/4
	13S	71E	17	SW 1/4 SW 1/4
	13S	71E	20	NW 1/4 NW 1/4
40	13S	71E	17	SE 1/4 SW 1/4
41	13S	71E	17	NW 1/4 NW 1/4
42	13S	71E	17	SW 1/4
	13S	71E	18	SE 1/4 SW 1/4
43	13S	71E	18	NE 1/4 SW 1/4
44	13S	71E	18	NW 1/4 NW 1/4
	13S	71E	18	LOT 3, 4
45	13S	71E	18	SE 1/4 NW 1/4, SE 1/4 NW 1/4
	13S	71E	19	NE 1/4 NW 1/4
46	13S	71E	19	NE 1/4
47	13S	71E	19	SE 1/4, LOT 1, 2
	13S	71E	24	SE 1/4
48	13S	71E	24	NW 1/4, SE 1/4
	13S	71E	24	SW 1/4
49	13S	71E	24	SW 1/4
	13S	71E	29	SW 1/4
50	13S	71E	19	NW 1/4 SW 1/4
51	13S	71E	19	NE 1/4 SW 1/4
52	13S	71E	19	LOT 4
53	13S	71E	19	SE 1/4 SW 1/4
54	13S	71E	19	SE 1/4
55	13S	71E	20	E 1/2 NW 1/4, LOT 1, 2
55 a	13S	71E	20	Contiguous

FOR ORDERS EFFECTING DISPOSAL OR USE OF
UNAPPORTIONED LANDS WITHDRAWN FOR CLASSIFICATION,
MINERALS, WATER AND/OR OTHER PUBLIC PURPOSES,
REFER TO INDEX OF MISCELLANEOUS DOCUMENTS.

- N 37865 Flood Control Dam
Sec 19 Lots 7, 8
- N 47155 R/W Detention Dam, Impoundment Area and A/R/D
effects:
Sec 4: SW 1/4 NW 1/4, W 1/2 SW 1/4, SW 1/4 SE 1/4
SW 1/4 W 1/2
Sec 5: E 1/2 SE 1/4 NE 1/4, E 1/2 E 1/2 SE 1/4 W 1/2
- N 55660 LUP
Sec 20 SE 1/4 SW 1/4 NW 1/4 NE 1/4
- N 49692 R/W Water Collection and Distribution System
Sec 20 SW 1/4
Sec 28: SW 1/4 SW 1/4 SW 1/4
Sec 29: NW 1/4 NW 1/4, SE 1/4 NW 1/4, W 1/2 NE 1/4
NW 1/4 SE 1/4, E 1/2 SE 1/4
Sec 33: NW 1/4 NW 1/4 NW 1/4

CLAIM GROUP

CURRENT TO	BY
7-0	
5-16-88	
9/27/95	

8

WARNING STATEMENT
This plat is the Bureau's Record of Title and should be used
only as a graphic display of the township survey data. Rec-
ords herein do not reflect title changes which may have been
made by the Bureau's records of deeds or other public water
titles to the central survey for official survey information.

N-050
T 13 S
R 71 E



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Las Vegas Field Office
4765 Vegas Drive
Las Vegas, Nevada 89108
<http://www.nv.blm.gov>

*SEUM
1/16/2001*

In Reply Refer To:
N54-90-054N
3715
NV-053

JAN 16 2001

Richard Wellman
1421 Betty Lane
Las Vegas, Nevada 89110

Dear Mr. Wellman:

This office is nearing completion of its review of your occupancy of the Mill Site No. 1 claim, located near Mesquite, Nevada. During an inspection of the site on April 20, 2000, you stated that the mill site was dependent on claims located in Arizona. At that time, you were in the process of obtaining approval for exploration of those claims, and intended to use the mill site in the late summer or early fall of 2000.

Please advise this office of any progress you may have made on obtaining approval for exploration of these claims. Also provide the names/mining claim numbers of the claims and the office from which you have, or are in the process of obtaining approval from. In addition, if you have any contracts with outside sources to process materials on the Mill Site No. 1 claim, provide that information to this office as well. Please provide the required information by January 31, 2001. Upon receipt of the information this office will complete the occupancy review.

If you have questions contact Edward Seum at 647-5070.

Sincerely,

ED SEUM

Mark R. Chatterton
Assistant Field Manager
Nonrenewable Resources

cc: Robert Kahre
1283 Bledsoe
Las Vegas, NV 89110

John B. Nelson
14675 C.R. 35.6
Mancos, CO 81328

Robert Kahre
1555 Bledsoe
Las Vegas, Nevada 89110
(702) 454-9256

RECEIVED
FEB 8 7 30 AM '01

BUREAU OF LAND MANAGEMENT
LAS VEGAS

February 7, 2001

Certified Mail No. 7000 0520 0026 3973 8413

Mark R. Chatterton
Bureau of Land Management
Las Vegas District
4765 Vegas Drive
Las Vegas, Nevada 89108

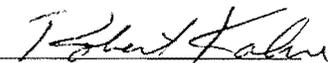
We are in receipt of your letter dated January 16, 2001, attached hereto. Please forgive the delay in responding to your letter, but I received it late due to my address change. Please note my new address at the head of this letter.

I have enclosed the permit applications we submitted to the Arizona State Land Department for Sections 16 and 21. We received the Exploration Permit for Section 16, (Permit No. 08-104270, enclosed), but are still waiting for the Special Use Permit for Section 21, which are State trust lands. We were informed the delay is due to a staffing shortage in the area.

Our exploration has been delayed since, as you can see from the enclosed maps, the area we need to work on is split over Sections 16 and 21, and as we only have been permitted for Section 16, this has caused some problems with the Arizona State Land Department. It appears, however, that we are near a resolution of this, and will be drilling the property very shortly.

We will keep you completely informed of any and all developments.

Sincerely,


Robert Kahre



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Las Vegas Field Office
4765 Vegas Drive
Las Vegas, Nevada 89108
<http://www.nv.blm.gov>

In Reply Refer To:
N54-90-054N
3715
NV-053

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1421 Betty Lane
Las Vegas, Nevada 89110

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Please advise this office of any progress you may have made on obtaining approval for exploration of these claims. Also provide the names/mining claim numbers of the claims and the office from which you have, or are in the process of obtaining approval from. In addition, if you have any contracts with _____ to process materials on the Mill Site No. 1 claim, provide that information to this office as well. Please provide the required information by January 31, 2001. Upon receipt of the information this office will complete the occupancy review.

If you have questions contact Edward Seum at 647-5070.

Sincerely,
ED SEUM

Mark R. Chatterton
Assistant Field Manager
Nonrenewable Resources

cc: Robert Kahre
1283 Bledsoe
Las Vegas, NV 89110

John B. Nelson
14675 C.R. 35.6
Mancos, CO 81328

Robert Kahre

1555 Bledsoe
Las Vegas, Nevada 89110
(702) 454-9256

Karen J. McCarrick
Arizona State Lands Department
1616 West Adams Street
Phoenix, Arizona 85007
Tel: (602) 542-4628

January 31, 2000
USPS Express Mail No. EK112390178US

Dear Ms. McCarrick,

I received your letter dated January 24, 2000 (attached hereto), which you wrote in response to the applications we sent in a few weeks ago. Pursuant to your request, I have enclosed the following:

1. The original "Application to Obtain Mineral Resources" for Section 16 which you returned to us. We have made the changes you requested relating to the acreage and the legal description.
2. "Plan of Operation" for Section 16.
3. "Special Land Use Permit Application" for Section 21, reflecting the changes you requested in the legal description and acreage.
4. "Plan of Operation" for Section 21.

If we can be of any further assistance, please do not hesitate to contact us.

Sincerely,


Robert Kahre

enclosures



Arizona
State Land Department

Jane Dee Hull
Governor
Michael E. Anable
State Land
Commissioner

1616 West Adams Street Phoenix, AZ 85007 www.land.state.az.us

January 24, 2000

Mr. Robert Kahre
Mr. John Nelson
1555 Bledsoe Lane
Las Vegas, NV 89110

RE: Mineral Exploration Application 08-104270

Dear Gentlemen:

The referenced application is being returned to you for the following reasons:

1. An application must contain at least 20.0 acres
2. Legal descriptions must conform to the Public Land Survey (Refer to information brochure enclosed)

Also, a separate Plan of Operation is required for each type of application. I have enclosed a blank form for you to use for the exploration permit.

When you have made the changes to your application, return it to the Department, to my attention, and it will be processed without further delay.

Please call me at (602) 542-4628 if you need further assistance.

Sincerely,

Karen J. McCarrick
Minerals Section
Natural Resources Division

:kjm

Enclosures

PERMIT NO. 08-104270

EFFECTIVE DATE March 22, 2000

STATE LAND DEPARTMENT
STATE OF ARIZONA

MINERAL EXPLORATION PERMIT

The STATE OF ARIZONA grants to ROBERT KAHRE and JOHN NELSON
the exclusive right, for a period of one (1) year from date, subject to renewals as hereinafter set forth,
but in no event beyond the 21st day of March, 2005, to prospect for minerals on the State
land hereinafter described upon the following expressed conditions which are a part of the permit.

ARTICLES

1. The Permittee shall have those surface rights necessary for the prospecting and exploration for mineral, but may remove from the land only that amount of mineral required for sampling, assay and metallurgical testing purposes.
2. The Permittee shall have the right of ingress to and egress from the land covered by the permit but only along routes first approved by the State Land Commissioner.
3. The Permittee shall be liable to and shall compensate the owner and lessee of the surface of the State land covered by this permit, or across which the Permittee exercises the right of ingress and egress, for any loss to such owner and lessee from damage or destruction caused by the Permittee, his or its agents or employees, to grasses, forage, crops or improvements upon such State land.
4. This permit shall terminate automatically, as of the end of any annual period from and after the date of issuance thereof unless during such annual period the Permittee shall have expended in exploration for valuable mineral deposits on the State land covered by this permit the prescribed amount per acre, file an application for renewal and submit proof of the amount expended on exploration. The amount to be expended during each of the first two (2) annual periods in which this permit may be in effect shall not be less than ten dollars (\$10.00) for each acre of land covered by this permit at the commencement of such annual period, and the amount to be expended during each of the last three annual periods in which this permit may be in effect shall be not less than twenty dollars (\$20.00) for each acre covered by this permit at the commencement of such annual period.
5. Prior to the termination of any annual period, the Permittee may file a release with the State Land Department, releasing acreage covered by this permit, provided that the acreage released be contained within one or more rectangular subdivisions of twenty (20) acres more or less, or lots, according to the lines of the public land survey.
6. Upon any partial or total relinquishment, or the cancellation or expiration of the permit, other than by issuance of a mineral lease, the Permittee shall fill any holes, ditches, or other excavations as may be required by the State Land Commissioner and so far as reasonably possible, reclaim the surface to its former condition.

7. The Permittee may, prior to expiration of the annual period for which the permit was issued, or prior to the expiration period for which this permit was renewed, file with the State Land Department an application for renewal for the ensuing annual period. This permit shall not be renewed for more than four (4) successive annual periods following expiration of the first annual period.

8. No rental shall be payable for the first annual period for which the permit may be renewed. The rental for each of the three (3) subsequent annual periods following the first annual period for which a permit may be renewed, shall be one dollar (\$1.00) for each acre of State land for which the application for renewal is filed.

9. The Permittee shall file an affidavit of expenditure of the required amount in exploration during the current annual period, together with proof in support of such expenditure.

10. Following discovery of a valuable mineral deposit on the State land covered by this permit within a rectangular subdivision of twenty (20) acres, more or less, or lot, of the public land survey, the Permittee may apply to the State Land Commissioner for a mineral lease upon the State land within such rectangular subdivision, or lot.

11. This permit is subject to existing laws and rules and regulations and any laws or rules and regulations hereinafter enacted, or adopted, and in no event shall the State be liable for damages or otherwise under the provisions hereof.

12. The Permittee shall not assign or sub-let this mineral exploration permit, or any right or rights thereunder, without first obtaining the written consent of the State Land Commissioner thereto.

In order to minimize or prevent surface or underground waste and pollution and promote maximum conservation, the Permittee shall seal or separate oil, gas, helium, water, mineral or other natural resource strata in order to prevent their contents from passing into another stratum.

The Lessee agrees to indemnify, hold and save Lessor harmless against all loss, damage, liability, expense, costs and charges incident to or resulting in any way from any injuries to person or damage to property caused by or resulting from the use, condition or occupation of the land.

The Permittee shall not, for exploration purposes, enter upon that part of the permitted area encompassed by rights-of-way and permits granted to the Arizona State Highway Department without the express written permission of the State Highway Engineer and not then until the State Land Commissioner has, in writing, approved such entry.

The Permittee agrees that any mineral lease of a claim issued as a result of exploratory activity under this permit shall contain an additional and special condition denying the Lessee entry to the area encompassed by those rights-of-way and permits mentioned next above for the purposes of extracting and shipping mineral unless and until the State Highway Engineer has given express written permission and not then until the State Land Commissioner has, in writing, approved such entry.

If at any time during the duration of the permit, the whole or any part of the permitted premises shall be taken for any quasi-public or public purpose by any person, private or public corporation, or any governmental agency having authority to exercise the power of eminent domain or condemnation proceedings pursuant to any law, general, special or otherwise, this permit shall expire on the date when

the permitted property shall be so taken or acquired and the Permittee shall have no compensable right or interest in the real property being condemned and shall have no compensable right or interest in severance damages which may accrue to the remaining permitted property not acquired by condemnation proceedings. Net rent to be paid by the tenant shall be apportioned and paid to the date of such taking.

The State shall be entitled to and shall receive any and all awards, including severance damages to remaining State lands, that may be made for any eminent domain or condemnation proceedings concerning the land which is the subject of this permit, except that the Permittee shall have the right to receive any and all awards or payments made for any buildings or other improvements lawfully placed on the subject property by the Permittee with the approval of the State Land Department.

This permit is issued for such leasable minerals now owned by the State of Arizona and in regard to which there has been no reservation by a predecessor in title to the State of Arizona.

Federal records may or may not reflect mineral interest claims that pre-date the State's claim to some or all of these lands; the State does not warrant that it owns the minerals sought to be prospected under this permit.

This permit issued subject to all the rights of the owner of the non-mineral land estate.

Provided however, in regard to those parcels of State lands sold under the provisions of ARS 37-231, providing for a reservation of minerals to the State, there shall be no entry upon such lands by an Arizona State Land Department lessee or permittee without express written approval of the Arizona State Land Commissioner following compliance with Arizona State Land Department Rule #12-5-707D by such lessee or permittee.

"Before significant earth movement may commence, the Lessee or Permittee hereof shall satisfy the Arizona State Land Department, in writing, that no significant cultural, historical, antiquity or archaeological values will be destroyed, and, in the event such values will be destroyed, that proper mitigation measures have been agreed upon between said Lessee or Permittee and the Arizona State Land Department, and further said Lessee or Permittee shall report all of such values as they are later discovered after such approval is given initially."

NOTICE OF STATE AUTHORITY TO CANCEL THIS CONTRACT:

A. The State may cancel any contract, without penalty or further obligation, made after September 4, 1978 by the State or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State or any of its departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

B. This contract is subject to cancellation pursuant to A.R.S. 38-511.

NATIVE PLANT LAW:

If the removal of plants protected under the Arizona Native Plant Law is necessary to enjoy the privilege of this document, the Permittee hereunder must previously acquire the written permission of the Arizona State Land Department and the Arizona Department of Agriculture to remove those plants.

ADDITIONAL CONDITION

PRIOR TO THE BEGINNING OF ANY EXPLORATION, A PLAN OF OPERATIONS AND RECLAMATION MUST BE FILED WITH THE STATE LAND DEPARTMENT AND APPROVED BY THE STATE LAND COMMISSIONER OR HIS DEPUTY.

IN WITNESS HEREOF, the parties hereto have signed this permit agreement effective the day and year set forth previously herein.

Robert Kahre and John Nelson
Permittee

Robert Kahre 8-16-2000
Signature Date

John B Nelson 8/16/2000
Signature Date

STATE OF ARIZONA, PERMITTOR

By: _____
For State Land Commissioner

(SEAL)

STATE OF ARIZONA LAND DEPARTMENT
1616 W. ADAMS
PHOENIX, AZ 85007

RUN DATE: 11-FEB-2000
RUN TIME: 07:58:30
PAGE: 001

RELEASE 008-104270-00-000
AMENDMENT NUMBER 0

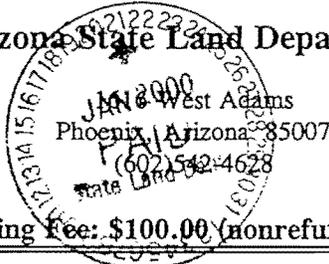
<u>LAND#</u>	<u>LEGAL DESCRIPTION</u>	<u>C.C.</u>	<u>ACREAGE</u>
04.0-S-11.0-E-16-11-030-1005	S2S2SW		40.000
	Totals		40.000

DEPARTMENTAL USE ONLY

Arizona State Land Department

Examiner: Karen

Rolodex # 15855



Filing Fee: \$100.00 (nonrefundable)

Accounting	Recommendation / Initial	Date
	Approved	
	Denied	
	Rejected	
	Withdrawn	

APPLICATION TO OBTAIN MINERAL RESOURCES

APPLICATION # 08-104270

I. APPLICANT

Principal ROBERT KAHRE and JOHN NELSON

Agent ERIC LOROS and ALEX LOGLIA

Address 1555 BLEDSOE LANE

City LAS VEGAS State NV Zip 89110 Phone (702) 454-9256

Is this application being filed in conjunction with any other application(s), or to assist another applicant in procuring an Exploration Permit? Yes No

II. APPLICATION TYPE

<input checked="" type="checkbox"/> Exploration Permit <input type="checkbox"/> Mineral Lease <input type="checkbox"/> Mineral Materials <input type="checkbox"/> Oil/Gas <input type="checkbox"/> Other _____	<p>If converting your current exploration permit to a mineral lease, indicate the permit number below:</p> <p>Exploration Permit No. _____</p>
--	---

III. LOCATION/ACCESS

Twp. 4S Rge. 11E Sec. 16 Acres 40 County PINAL

Legal Section 16; Township 4 South; Range 11 East; S2SE4S2

Access SEE ATTACHED TOPOGRAPHICAL MAP

Is access across other state lands required? Yes No Nearest residence: 5 miles.

Nearest city FLORENCE, ARIZONA Distance from: 20 miles.

Will you be operating within a 100 year Flood Plain boundary? Yes No

USGS Topographic Map showing location, residences and access must be included.

IV. OPERATIONS

1. Commodities: Primary SILVER Secondary COPPER

2. Est. Reserves N/A Annual Production < 36,500 tons cyds , lbs , oz

3. Prior Mining? Yes , No By _____

4. Surface Disturbance: Prior < 5 acres, New proposed 0 acres (outline on topo map)

5. Deposit Type: Lode , Placer , Other _____

6. Mine Type: Open Pit Underground , Quarry , Other _____

7. Intended use of product PRECIOUS METALS DEVELOPMENT

8. Water: Est. annual use N/A Gal. , Acre-Ft. , Source _____, Owner _____

9. Water discharge off-site? Yes No (if yes, show location on topo map)

ARIZONA STATE LAND DEPARTMENT ENVIRONMENTAL DISCLOSURE QUESTIONNAIRE

This page is part of the application - DO NOT DETACH.

The purpose of this questionnaire is to give the Department an opportunity to detect proposed land uses that may have potential environmental impacts and risks, and to consider these impacts and risks in the processing of the application.

If you have questions regarding this questionnaire, please contact the State Land Department, Environmental Section at (602) 542-2119.

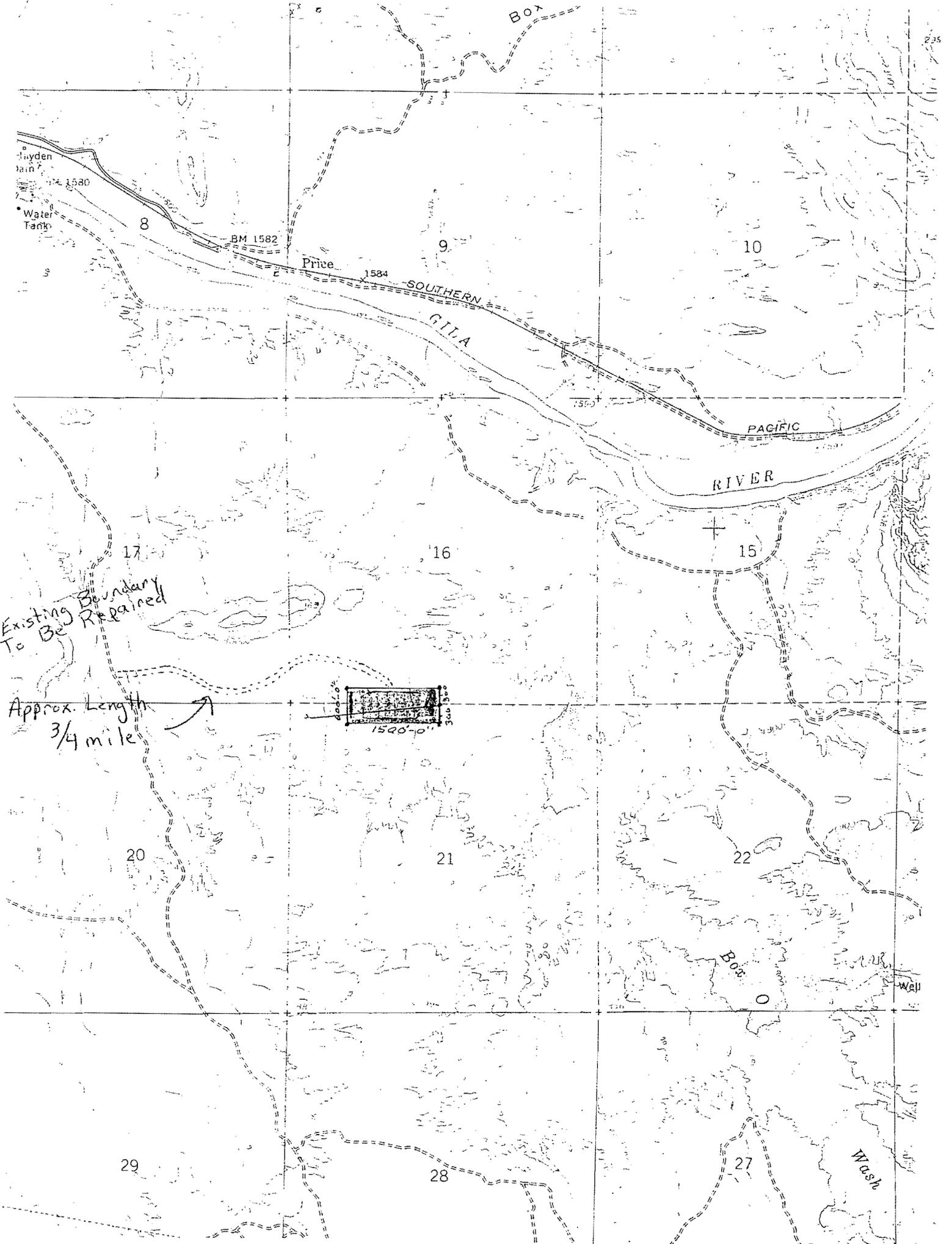
Other Federal, State, County and local agencies may also need to be contacted regarding environmental regulations.

PLEASE INDICATE BELOW THE TYPE(S) OF POTENTIAL ENVIRONMENTAL IMPACTS FROM YOUR CURRENT OR PROPOSED USE:

TYPE OF ENVIRONMENTAL IMPACT

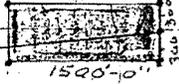
WILL YOUR USE INVOLVE:

- | <u>YES</u> | <u>NO</u> | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>WASTE TIRES</u>
The collection of waste tires? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>LEAD ACID BATTERIES</u>
The sale and disposal of lead acid batteries? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>DISCHARGE IMPACTING GROUNDWATER</u>
Generating a discharge that may potentially impact groundwater? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>PESTICIDES ?</u> If yes, explain use: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>DRY WELLS ?</u> If yes, ADEQ Registration #(s): _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>POTABLE WATER (DRINKING WATER) SYSTEMS ?</u> If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>WASTEWATER COLLECTION AND TREATMENT SYSTEMS</u>
Wastewater collection and/or treatment? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>AIR CONTAMINANTS/AIR POLLUTION CONTROL</u>
Air contaminant emissions? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>SOLID WASTE - GENERAL</u>
Solid waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>SOLID WASTE - MEDICAL WASTE</u>
Medical waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>SOLID WASTE - SEWAGE SLUDGE/SEPTAGE (Septic Tank Waste)</u>
Sewage sludge/septage generation, transportation, treatment, storage, use or disposal? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>USED OIL</u>
Used oil generation, transportation, storage, recycling, use, disposal, marketing or burning? If yes, explain: _____ |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>RECYCLING ACTIVITIES ?</u> If yes, explain: _____ |



Existing Boundary
To Be Retained

Approx. Length
3/4 mile



ARIZONA STATE LAND DEPARTMENT
Minerals Section

PLAN OF OPERATION

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining related activities on State land. In the case of exploration permits, the plan will only be approved for a period of one year. Any change in the below described operations must first be approved by the Department.

Note: This form is intended to provide the Department with information describing only the basic components of a scope of work. A mining operation will therefore require that separate written descriptions and attachments be submitted in order to fully describe the proposal. There should be included in a mining proposal all information such as site plans, flow charts, mining boundaries, preproduction development, infrastructure, pit and bench designs, etc.

Plan evaluation and approval may require 30 to 60 days.

PERMIT OR LEASE NUMBER(S) _____

NAME IN WHICH ISSUED ROBERT KAHRE and JOHN NELSON

NAME OF OPERATOR ROBERT KAHRE TELEPHONE (702)4549256

ADDRESS OF OPERATOR 1555 Bledsoe Lane, Las Vegas, Nevada 89110

NAME OF FIELD REPRESENTATIVE _____

(If different than operator include address and telephone) _____

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a U.S.G.S. topographic map of the referenced property.

County Pinal Township T4S Range 11E Section(s) 16

2) PERIOD OF OPERATION

The operation is proposed to begin on 25 March 2000 and end on 25 July 2000. If exploration operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed exploration sites (Topographic Map, Exhibit A). If unable to show on topographic map, complete attached Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.
(see area in green)

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.) hole diameter, ground elevation and proposed total depth.

Track drill - Dresser Leroi - 12E, Drilling medium is air. Hole diameter is 2 and 3/4 ". Ground elevation is 1700' - 1800'.

Maximum hole depth is 100'.

** Hole Identification	Elevation	Total Depth
1	1750'	100'
2	"	"
3	"	"
4	"	"
5	"	50'
6	"	"
7	"	"
8	"	"
9	"	"
10	"	"

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

All drill cuttings (and additional fill as required) will be returned to drill holes. Holes will be filled to match existing grade at surface.

** Holes # 11 - 30 will be drilled to a depth of 50'.
Elevation consistnet at 1750'.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Exploration Permit: If required, all land surface affected by exploration activities including access roads.
- B. Mineral and Mineral Material Leases: Archaeological clearance must be obtained for all mineral and mineral material leases. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

If the destruction or removal of protected native plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Department of Agriculture. The applicant also agrees to either salvage the plants for use in reclaiming the property or purchase the plants from the Arizona State Land Department.

The applicant agrees to abide by the methods and extent of the operations described herein.

APPLICANT: ^{1/28/2000} Robert Kalan ^{Jan. 28, 2000} John B. Nelson
 Signature and Date

Applicant must be the permit holder, statutory agent, have a power of attorney on file with the Department, or be a duly authorized representative of the company.

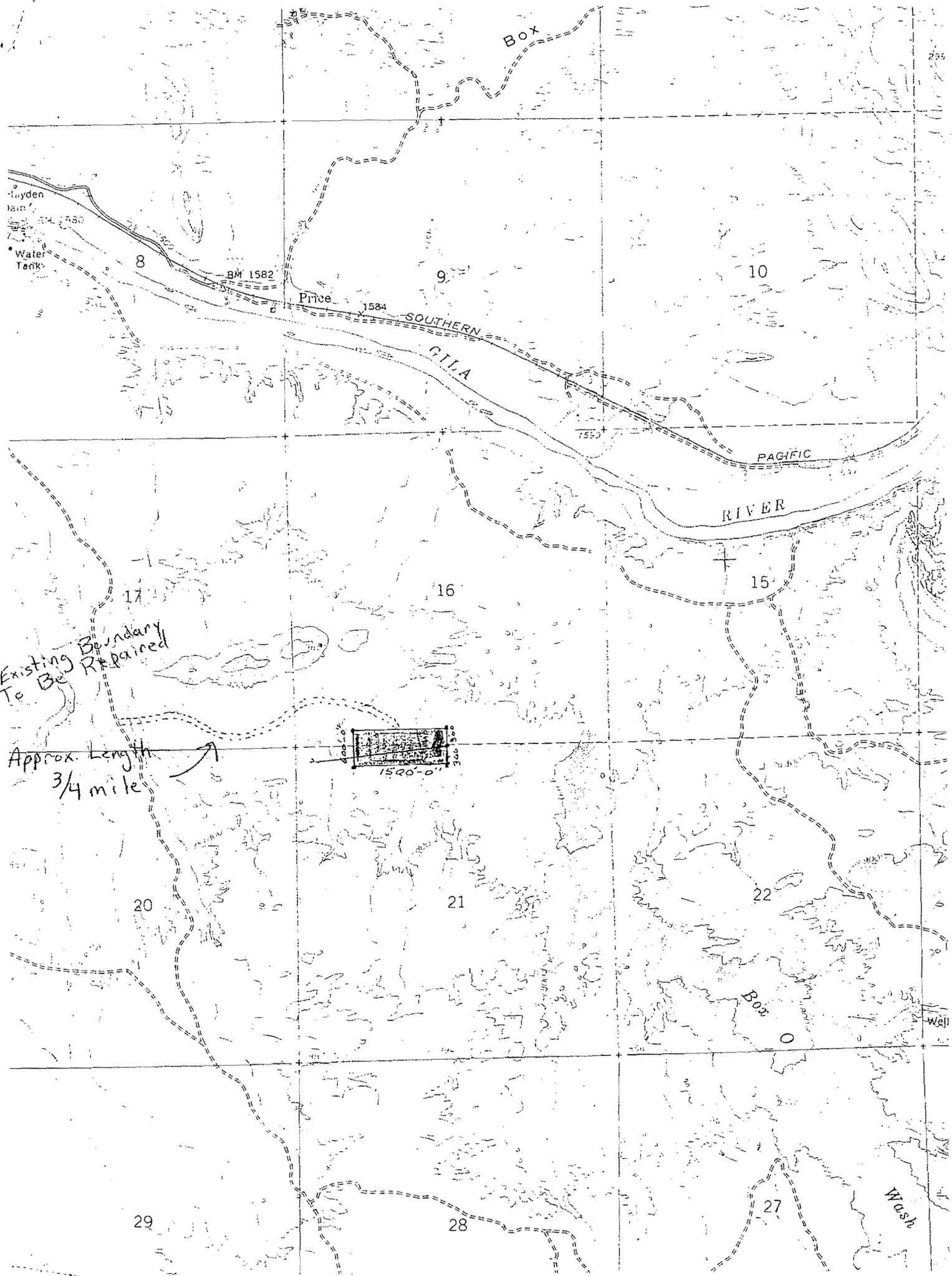
CONDITIONS OF APPROVAL: _____

Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: _____
 Signature and Date

SECTION PLAT SHEET
(Exhibit A)

SECTION _____ TOWNSHIP _____ RANGE _____
COUNTY _____ STATE _____ SCALE 1" = 660'



RETURN TO:

ARIZONA STATE LAND DEPARTMENT
PUBLIC COUNTER
1616 WEST ADAMS
PHOENIX, ARIZONA 85007

SUBMIT FILING FEE:*100

*Filing fees are non-refundable

DEPARTMENTAL USE ONLY		ROLODEX # _____	
ACCOUNTING	T & C	RECOMMENDATION/ INITIAL	DATE
Filing Fee: \$100	Exam: _____	Approve _____	_____
	Exam # _____	Deny _____	_____
	Int Title: _____	Reject _____	_____
N(34) R(35)	App Entry: _____	Withdraw _____	_____

SPECIAL LAND USE PERMIT APPLICATION

Type or print in ink.

APPLICATION NO. 23- _____

COMPLETE ALL QUESTIONS, SIGN APPLICATION AND ATTACH filing fee of \$100.

1. APPLICANTS:

Robert Kahre _____

Name(s)

John Nelson _____

1555 Bledsoe Lane _____

Mailing Address

Las Vegas, Nevada 89110 _____

City State Zip

Robert Kahre (702) 454-9256 _____

Contact Person Phone No.

2. TYPE OF APPLICATION:

NEW

RENEWAL

(Commercial Applicants complete #4)

Applicants Federal ID or Social Security No. _____

3. REQUEST FOR SPECIAL LAND USE PERMIT: Applicant hereby makes application for a Special Land Use Permit to use the State lands described below in accordance with the laws of the State of Arizona and the rules of the State Land Department.

4. LEGAL DESCRIPTION: (To be completed by new applicants only.)

TWN.	RNG.	SEC.	LEGAL DESCRIPTION	ACRES	COUNTY
T4S	11E	21	Section 21; Township 4 South; Range 11 East; N2NE4N2	40	Pinal
_____	_____	_____	(Also see attached Notice of Location)	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

SLD USE ONLY CTY GRT PARCEL

5. PURPOSE FOR THE SPECIAL LAND USE PERMIT: Exploration Drilling

6. TERM: Duration of proposed use? 1 Year

9. WATER OR HYDROLOGY:

A. Are there any springs, wells, or stock tanks on the land? Yes No

If yes, describe: _____

B. Will the purpose of the Permit require water? Yes No

If yes, describe: _____

C. What is the source of the water? _____

10. MINERAL(S) and TIMBER:

A. Does the land contain minerals? Yes No If yes, specify: Silver and Coppe
lode ore.

B. Does the land contain timber? Yes No If yes, specify: _____

11. APPLICANT(S) COMPLETE AND SIGN PAGE 4.

12. APPLICANT(S), COMPLETE AND ATTACH ONLY THE APPROPRIATE QUESTIONNAIRE
(See pages 5 through 11)

A. GRAZING Permit Applicant Only: Complete pages 5 and 6.

B. COMMERCIAL Permit Applicant Only: Complete pages 7 and 8.

C. APIARY Permit Applicant Only: Complete page 9.

D. SIGN or ADVERTISING DISPLAY Permit Applicant Only: Complete Pages 10 and 11.

GRAZING APPLICANT ONLY

COMPLETE THE FOLLOWING QUESTIONS IF YOU ARE SUBMITTING A SPECIAL LAND USE PERMIT APPLICATION FOR GRAZING PURPOSES ONLY:

No credit shall be given to the applicant for any claimed grazing use of private or federal lands within the ranch unit, unless disclosed at this time or subsequently disclosed by an amended statement of your ranch holding

1. CONTROL AND OWNERSHIP:

Do you control a federal grazing allotment that will be used in association with this Special Land Use Permit? Yes No If yes, indicate the following:

Total acres of federal land: _____ Name of the federal grazing allotment: _____

Federal agency that administers that allotment: _____ District office: _____

a. Do you control any contiguous private land by written agreement that will be used in connection with this Special Land Use Permit? Yes No If yes, indicate the total acres _____, and supply a copy of each written agreement for private lands you control but do not own.

b. Do you own contiguous land which will be used in connection with this Special Land Use Permit? Yes No If yes, indicate the total acres _____ and provide supporting documentation to show proof of ownership.

2. **BRAND:** Have you attached a copy of your certificate indicating proof of an Arizona Registered Brand? Yes No IF NOT, YOUR APPLICATION WILL BE RETURNED.

3. **TYPE OF LIVESTOCK:** Indicate below the type of livestock operation you intend to manage on the subject land: (check one)

cow/calf cow/calf/stocker cow/calf/yearling stocker other ;

describe: _____

4. **TIME OF YEAR:** Indicate the time of year livestock will be grazed upon the subject land: (check one)

year long seasonal : Date of use, from ____ / ____ / ____ to ____ / ____ / ____ other

describe: _____

5. **RIGHTS:** Do you claim superior right to use this tract by virtue of other land holdings, water rights, or other equities in the vicinity of same? Yes No If yes, explain in detail _____

6. **COMPLETE THE MAP ON PAGE 6 OF THIS APPLICATION IF YOU ARE APPLYING FOR GRAZING PURPOSES ONLY.**

COMMERCIAL APPLICANTS ONLY
COMPLETE THE FOLLOWING QUESTIONS IF YOU ARE SUBMITTING A
SPECIAL LAND USE PERMIT APPLICATION FOR COMMERCIAL PURPOSES ONLY:

NOTE: Construction of permanent improvements is prohibited. Only removable improvements may be placed on the subject land and only with prior written approval of the Department. An Application to Place Improvement must be submitted to and approval granted by the Department prior to placement. Removable improvements must be removed and the land restored to its original condition at the cancellation, expiration or abandonment of the permit.

PURPOSE AND NATURE OF BUSINESS:

- A. Give a full description of the nature of the business that you propose to operate on the subject land. Only that use of the subject land as approved will be permitted, and a change in that use will result in cancellation of the permit.**

- B. List other activities that may be associated with the proposed use (i.e., concessions or other sale of goods or services).**

- C. Does the proposed use require utility service? Yes _____ No _____ If yes, describe service required:**

NOTE: Obtaining utility service and any necessary rights of way for such service is the responsibility of the Permittee.

- D. Attach a site plan.**

APIARY APPLICANT ONLY:
**COMPLETE THE FOLLOWING QUESTIONS IF YOU ARE SUBMITTING A
SPECIAL LAND USE PERMIT APPLICATION FOR APIARY PURPOSES ONLY:**

1. **NUMBER OF BEEHIVES:** Indicate the number of beehives per site: _____

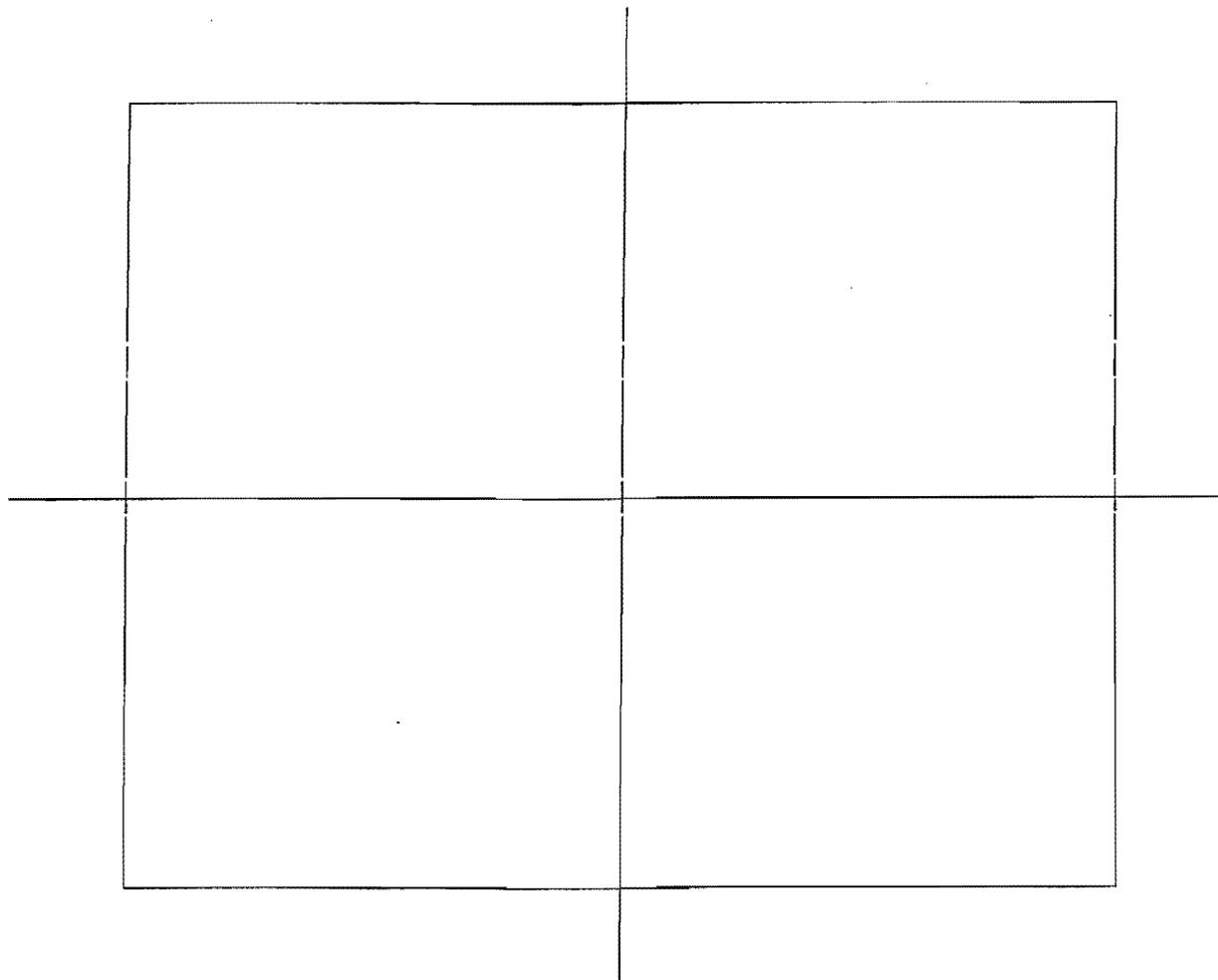
2. **REGISTRATION NUMBER:** What is the Agriculture & Horticulture Commission Registration No.?

3. **SEASONS:** Check season(s) of use: Fall _____ Winter _____ Spring _____ Summer _____

4. **BRAND OR MARK:** How will your beehives be branded or the site marked to show ownership?

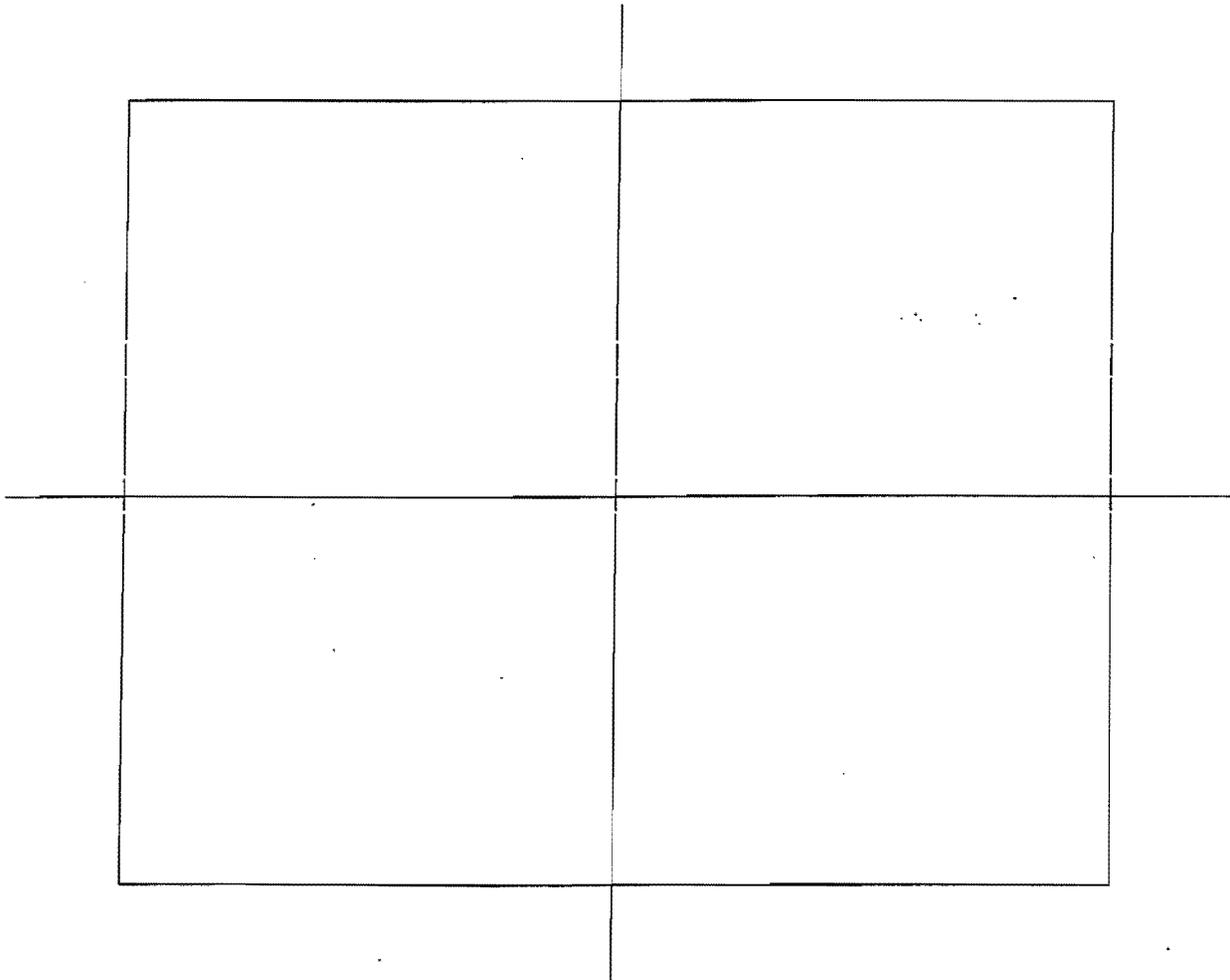
Describe: _____

5. **LOCATION:** Indicate the location of each hive or site on the map below.



G. Using the map below, indicate:

1. The location of the display within a 10 acre site (i.e., the NWNWNWNW) of Sec. _____, T _____, R _____;
2. The location of the adjacent road and any significant adjacent physical features;
3. The directional marker and distance, measured by highway travel to the nearest city or town, if display is outside city or town limits.



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N
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ARIZONA STATE LAND DEPARTMENT ENVIRONMENTAL DISCLOSURE QUESTIONNAIRE

This page is part of the application - DO NOT DETACH.

The purpose of this questionnaire is to give the Department an opportunity to detect proposed land uses that may have potential environmental impacts and risks, and to consider these impacts and risks in the processing of the application.

If you have questions regarding this questionnaire, please contact the State Land Department, Environmental Section at (602) 542-2119.

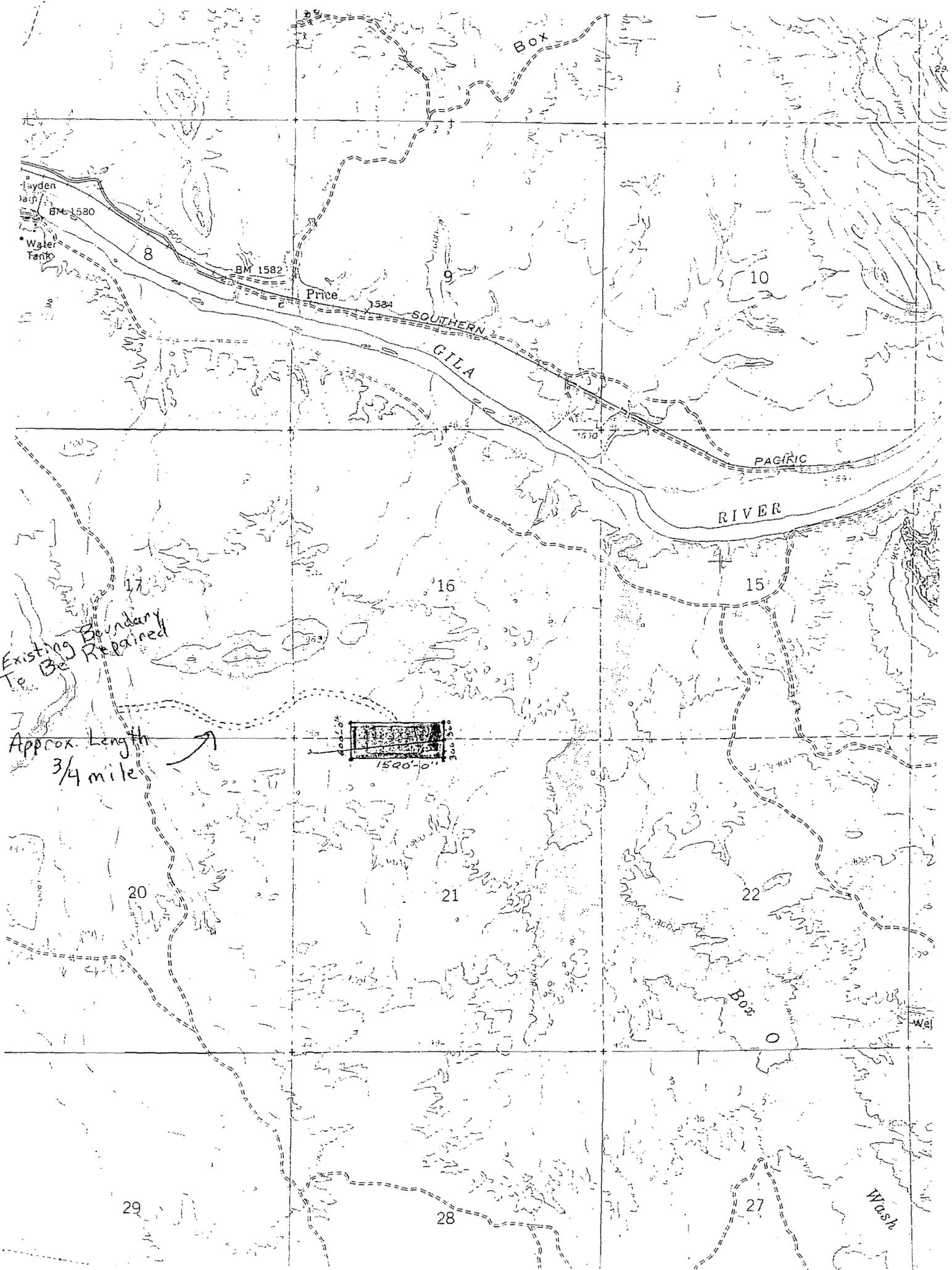
Other Federal, State, County and local agencies may also need to be contacted regarding environmental regulations.

PLEASE INDICATE BELOW THE TYPE(S) OF POTENTIAL ENVIRONMENTAL IMPACTS FROM YOUR CURRENT OR PROPOSED USE:

TYPE OF ENVIRONMENTAL IMPACT

WILL YOUR USE INVOLVE:

- YES NO
XX WASTE TIRES
The collection of waste tires? If yes, explain: _____
- XX LEAD ACID BATTERIES
The sale and disposal of lead acid batteries? If yes, explain: _____
- XX DISCHARGE IMPACTING GROUNDWATER
Generating a discharge that may potentially impact groundwater? If yes, explain: _____
- XX PESTICIDES ? If yes, explain use: _____
- XX DRY WELLS ? If yes, ADEQ Registration #(s): _____
- XX POTABLE WATER (DRINKING WATER) SYSTEMS ? If yes, explain: _____
- XX WASTEWATER COLLECTION AND TREATMENT SYSTEMS
Wastewater collection and/or treatment? If yes, explain: _____
- XX AIR CONTAMINANTS/AIR POLLUTION CONTROL
Air contaminant emissions? If yes, explain: _____
- XX SOLID WASTE - GENERAL
Solid waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: _____
- XX SOLID WASTE - MEDICAL WASTE
Medical waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: _____
- XX SOLID WASTE - SEWAGE SLUDGE/SEPTAGE (Septic Tank Waste)
Sewage sludge/septage generation, transportation, treatment, storage, use or disposal? If yes, explain: _____
- XX USED OIL
Used oil generation, transportation, storage, recycling, use, disposal, marketing or burning? If yes, explain: _____



Existing Boundary
To Be Repaired

Approx. Length
3/4 mile

1520'-0"

92

when recorded mail to :
Robert Kahre
1555 Bledsoe
Las Vegas NV 89110



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTLER

DATE: 06/14/99 TIME: 1242
FEE : 10.00
PAGES: 2
FEE NO: 1999-026902

(The above space reserved for recording information)

CAPTION HEADING

MINING CLAIM
NOTICE OF LOCATION

DO NOT DISCARD THIS SHEET. THIS COVER PAGE IS RECORDED AS PART OF YOUR DOCUMENT. THE CERTIFICATE OF RECORDATION WITH THE FEE NUMBER IN THE UPPER RIGHT CORNER IS THE PERMANENT REFERENCE NUMBER OF THIS DOCUMENT IN THE PINAL COUNTY RECORDER'S OFFICE.

NOTICE IS HEREBY GIVEN, that the undersigned located and now claim 1500'-0" feet in length along this vein or lode containing valuable minerals, together with 300'-0" feet in width on each side of the middle of said vein at the surface, and all veins, lodes, mineral and surface ground within the lines of this claim, the general course of said vein or lode running 1490'-0" feet WESTERLY and 10'-0" feet EASTERLY from the discovery monument on which this notice is posted. This claim is in UNKNOWN Mining District, PINAL County, ARIZONA and is more particularly described and marked on the ground as follows:*

FROM THE END CENTER MONUMENT MARKER
RUNNING 300'-0" NORTHERLY TO THE N.E. END CORNER
MONUMENT MARKER #1, THENCE RUNNING 1500'-0"
WESTERLY TO THE N.W. END CORNER MONUMENT MARKER #2
THENCE RUNNING 600'-0" SOUTHERLY TO THE S.W. END
CORNER MONUMENT MARKER #3, THENCE RUNNING 1500'-0"
EASTERLY TO THE S.E. END CORNER MONUMENT
MARKER #4, THENCE RUNNING 300'-0" NORTHERLY
BACK TO THE POINT OF BEGINING.

THIS CLAIM IS SITUATED IN T4S. S. 16 R1E.
AND T4S. S. 21 R1E - MORE PARTICULARLY DEFINED BY
LEGAL SUBDIVISION AS S 1/2 S. 16 - N 1/2 S. 21 - T4S. R1E.

The above described claim is named

ROBERT KAHRBE LODE MINING CLAIM #1

Located this 13th day of JUNE, 1999

ROBERT KAHRBE

Robert Kahre

1555 BLEDSOE LAS VEGAS

NEVADA 89110

ARIZONA STATE LAND DEPARTMENT
Minerals Section

PLAN OF OPERATION

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining related activities on State land. In the case of exploration permits, the plan will only be approved for a period of one year. Any change in the below described operations must first be approved by the Department.

Note: This form is intended to provide the Department with information describing only the basic components of a scope of work. A mining operation will therefore require that separate written descriptions and attachments be submitted in order to fully describe the proposal. There should be included in a mining proposal all information such as site plans, flow charts, mining boundaries, preproduction development, infrastructure, pit and bench designs, etc.

Plan evaluation and approval may require 30 to 60 days.

PERMIT OR LEASE NUMBER(S) _____

NAME IN WHICH ISSUED Robert Kahre and John Nelson

NAME OF OPERATOR Robert Kahre TELEPHONE (702) 454-9256

ADDRESS OF OPERATOR 1555 Bledsoe Lane, Las Vegas, Nevada 89110

NAME OF FIELD REPRESENTATIVE _____

(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a U.S.G.S. topographic map of the referenced property.

County Pinal Township T4S Range 11E Section(s) 21

2) PERIOD OF OPERATION

The operation is proposed to begin on 25 March 2000 and end on 25 July 2000. If exploration operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed exploration sites (Topographic Map, Exhibit A). If unable to show on topographic map, complete attached Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.
(see area in green)

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.) hole diameter, ground elevation and proposed total depth.

Track drill - Dresser Leroi-12E, Drilling medium is air. Hole diameter is 2 and 3/4 ". Ground elevation is 1700' - 1800'.

Maximum hole depth is 100'.

** Hole Identification	Elevation	Total Depth
1	1750'	100'
2	"	"
3	"	"
4	"	"
5	"	50'
6	"	"
7	"	"
8	"	"
9	"	"
10	"	"

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

All drill cuttings (and additional fill as required) will be returned to drill holes. Holes will be filled to match existing grade at surface.

** Holes # 11 - 30 will all be drilled to a depth of 50'.
Elevation consistent at 1750'.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Exploration Permit: If required, all land surface affected by exploration activities including access roads.
- B. Mineral and Mineral Material Leases: Archaeological clearance must be obtained for all mineral and mineral material leases. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

If the destruction or removal of protected native plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Department of Agriculture. The applicant also agrees to either salvage the plants for use in reclaiming the property or purchase the plants from the Arizona State Land Department.

The applicant agrees to abide by the methods and extent of the operations described herein.

APPLICANT: ^{1/28/2000} Robert Kohler John B. Nelson ^{Jan. 28, 2000}
Signature and Date

Applicant must be the permit holder, statutory agent, have a power of attorney on file with the Department, or be a duly authorized representative of the company.

CONDITIONS OF APPROVAL: _____

Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

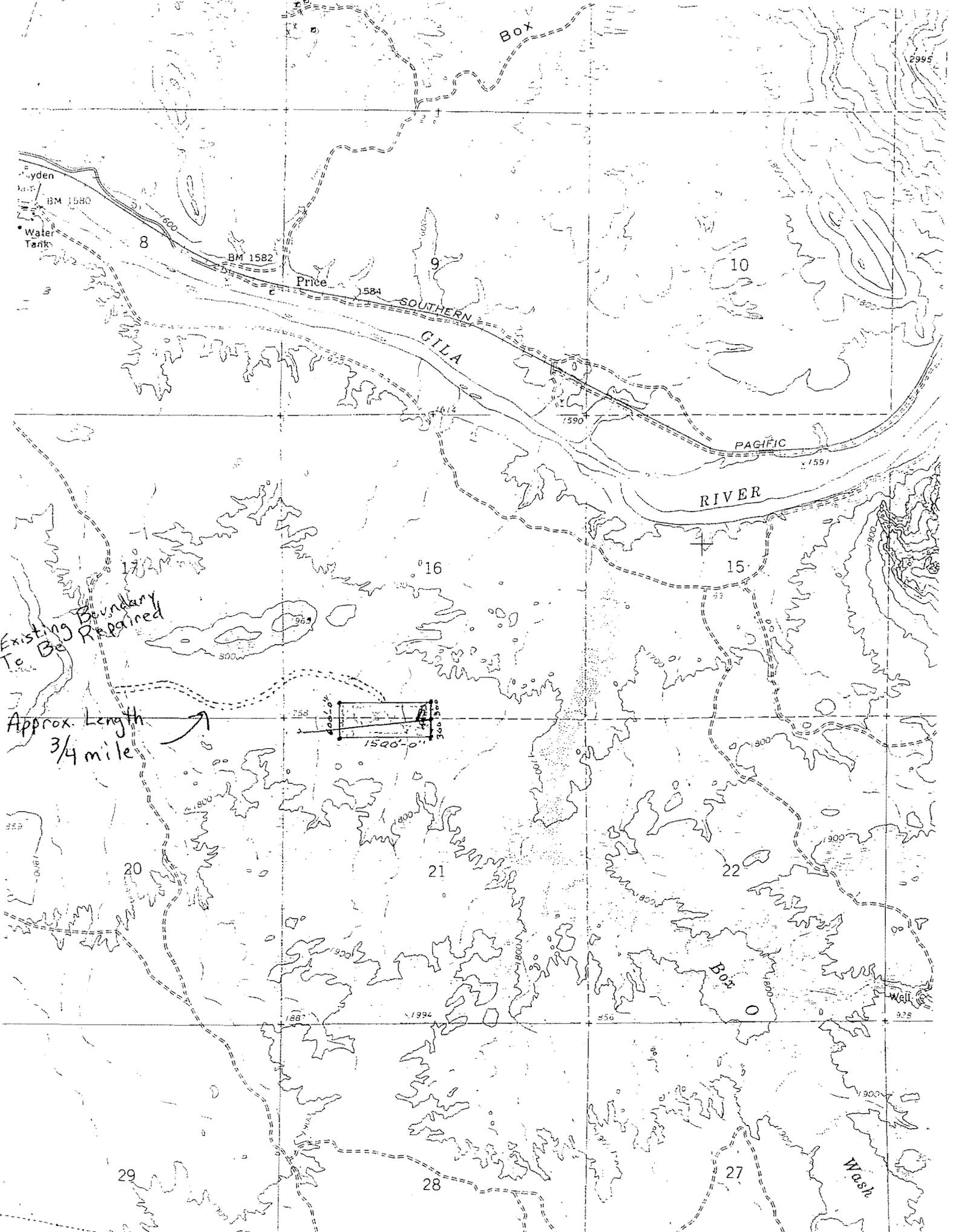
APPLICANT: _____
Signature and Date

SECTION PLAT SHEET

(Exhibit A)

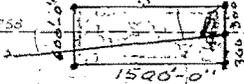
SECTION _____ TOWNSHIP _____ RANGE _____

COUNTY _____ STATE _____ SCALE 1" = 660'



Existing Boundary
To Be Rejoined

Approx. Length
3/4 mile



Box

2995

10

9

Price

SOUTHERN
GILA

PACIFIC
RIVER

16

15

20

21

22

Box

29

28

27

Wash



Photo #1 - Taken by G. Beckman on 8/29/90. Shows a small pond on the White Park #1 mill site.



Photo #2 - Taken by G. Beckman on 8/29/90. Shows mixing tanks and camper on the White Park #1 mill site.



Photo #3 - Taken by G. Beckman on 9/11/91. Looking north at operations taking place on the White Park #1 mill site.



Photo #4 - Taken by G. Beckman on 9/11/91. Shows some of the equipment and ponds on the lower level of the White Park #1 and #2 mill sites.



Photo #5 - Taken by G. Beckman on 9/11/91. Looking east. Shows part of upper and lower levels of the White Park #1 mill site.



Photo #6 - Taken by G. Beckman on 9/11/91. Shows trailer and mixing tanks on the lower level of the White Park #1 mill site.



Photo #7 - Taken by J. Mur on 4/28/92. Looking north at operations occurring on the White Park #1 mill site. See also photo 3.

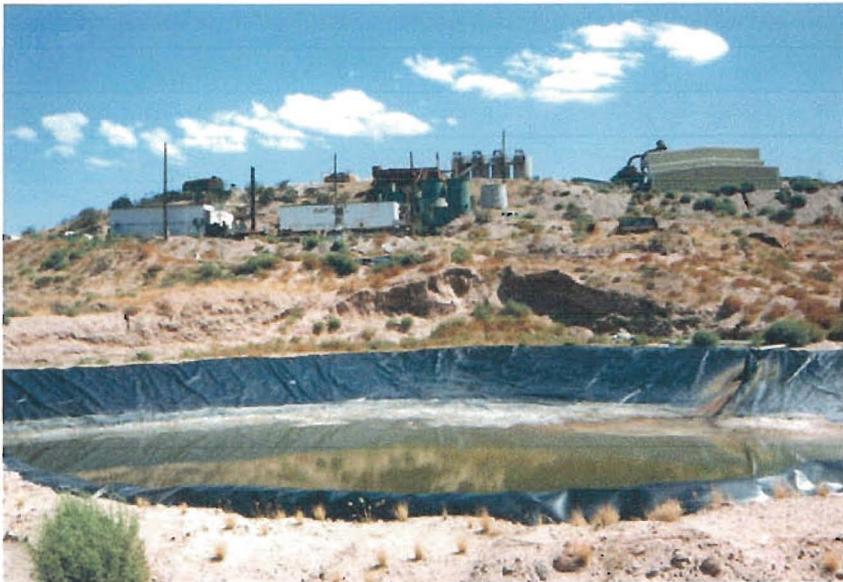


Photo #8 - Taken by J. Mur on 4/28/92. Looking south at operations occurring on the White Park #1 mill site.



Photo #9 - Taken by J. Mur on 4/28/92. Looking northeast on upper level, at operations occurring on the White Park #1 mill site.



Photo #10 - Taken by J. Mur on 5/6/93. Shows area with slag stored on the White Park #1 mill site.



Photo #11 - Taken by J. Mur on 5/6/93. Close-up of area with slag stored on the White Park #1 mill site.



Photo #12 - Taken by J. Mur on 5/6/93. Shows area with processing residues stored on the White Park #1 mill site.



Photo #13 - Taken by J. Mur on 12/2/93. Shows part of the operation on the lower level of the White Park #1 mill site.



Photo #14 - Taken by J. Mur on 12/2/93. Shows pond which sits on the White Park #1 & #2 mill sites.



Photo #15 - Taken by J. Mur on 12/2/93. Shows some chemicals stored on the White Park #1 mill site.



Photo #16 - Taken by J. Mur on 12/2/93. Shows storage trailer and lab on the lower level of the White Park #1 mill site.



Photo #17 - Taken by J. Mur on 10/6/98. Shows gate at entrance to the Mill Site No. 1 claim.

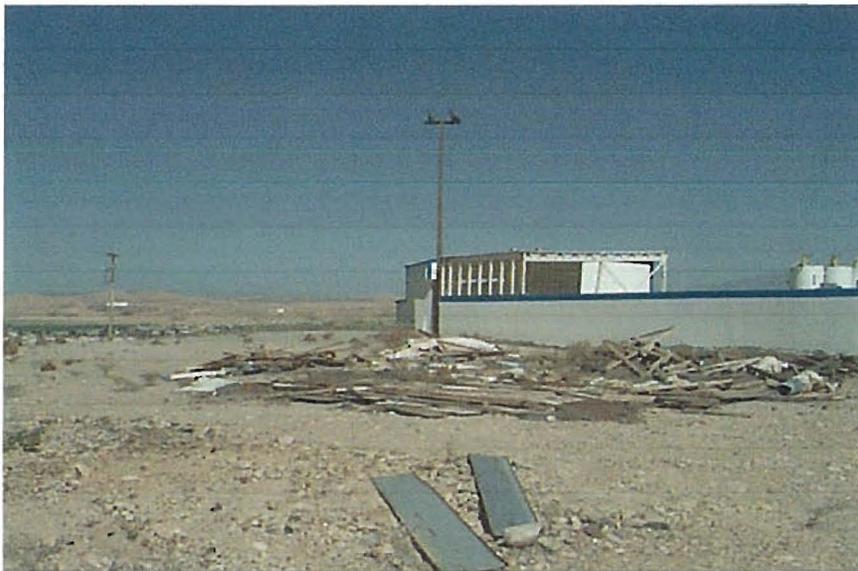


Photo #18 - Taken by J. Mur on 10/6/98. Shows debris on the Mill Site No. 1 claim.



Photo #19 - Taken by J. Mur on 10/6/98. Shows closed mill building, upper level, on the Mill Site No. 1 claim.



Photo #20 - Taken by J. Mur on 10/6/98. Shows part of processing area, lower level, on the Mill Site No. 1 claim.



Photo #21 - Taken by J. Mur on 8/12/99. Shows entrance to the Mill Site No. 1 claim.

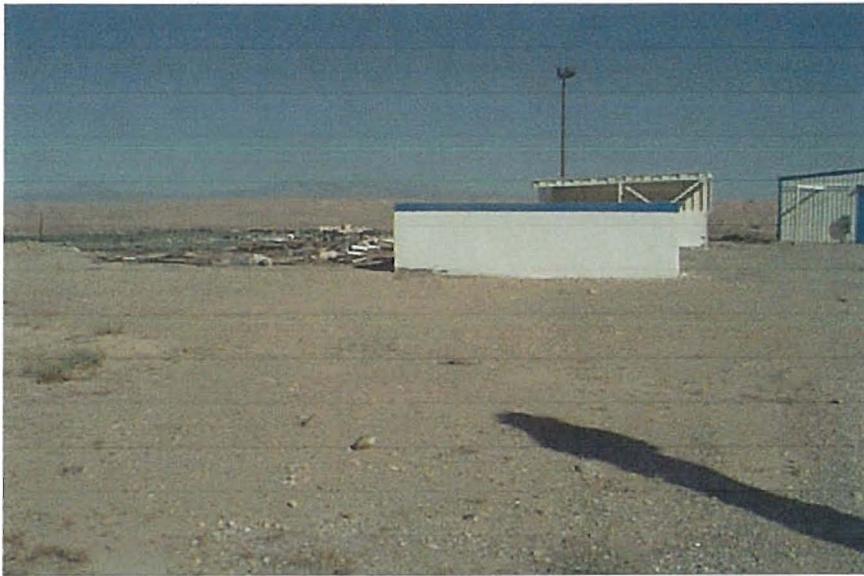


Photo #22 - Taken by J. Mur on 8/12/99. Shows disturbance on southwest portion of the Mill Site No. 1 claim.



Photo #23 - Taken by J. Mur on 8/12/99. Shows closed mill building and processing area, upper level, on the Mill Site No. 1 claim. See also photos 9, 19.



Photo #24 - Taken by E. Seum on 4/20/00. Shows water pump used to move water to storage tank from the well. Located on upper level of the Mill Site No. 1 claim.



Photo #25 - Taken by E. Seum on 4/20/00. Shows damaged water storage tank. Located on upper level of the Mill Site No. 1 claim.



Photo #26 - Taken by E. Seum on 4/20/00. Shows containment area with acid storage. Located on upper level of the Mill Site No. 1 claim.



Photo #27 - Taken by E. Seum on 4/20/00. Shows equipment located on upper level of the Mill Site No. 1 claim. Note cleanliness showing lack of use.



Photo #28 - Taken by E. Seum on 4/20/00. Shows tanks and pond on lower level of the Mill Site No. 1 claim. Part of pond is on Mill Site No. 2. See also photos 13, 20.



Photo #29 - Taken by E. Seum on 4/20/00. Shows mixing tanks, not in use, on upper level of the Mill Site No. 1 claim.

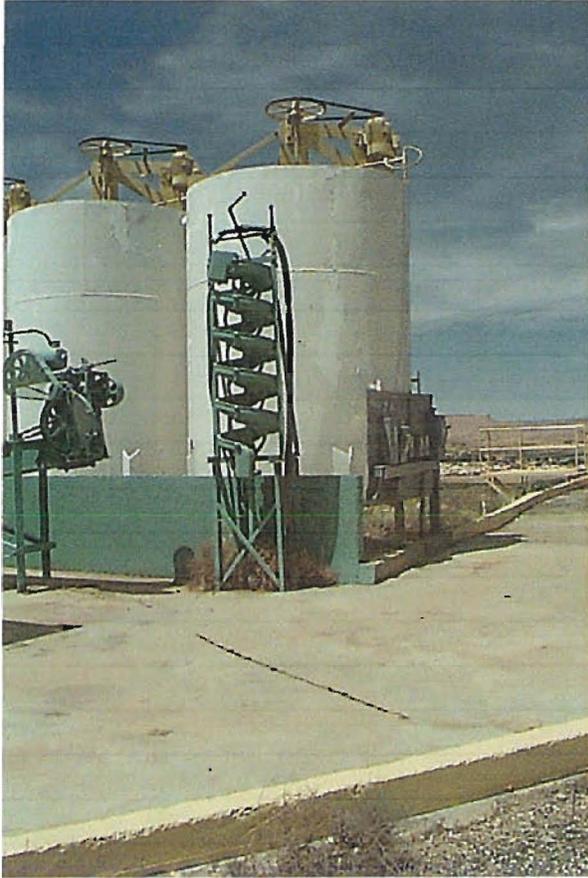


Photo #30 - Taken by E. Seum on 4/20/00. Shows spiral separator located on upper level of the Mill Site No. 1 claim.



Photo #31 - Taken by E. Seum on 4/20/00. Shows unused jig table located on upper level of the Mill Site No. 1 claim.



Photo #32 - Taken by E. Seum on 4/20/00. Shows generator, not used for operations, located on upper level of the Mill Site No. 1 claim.



Photo #33 - Taken by E. Seum on 4/20/00. Shows equipment located on upper level of the Mill Site No. 1 claim. Again, note cleanliness showing lack of use.



Photo #34 - Taken by E. Seum on 4/20/00. Shows equipment located on lower level of the Mill Site No. 1 claim.



Photo #35 - Taken by E. Seum on 4/20/00. Shows well located on lower level of the Mill Site No. 1 claim.



Photo #36 - Taken by E. Seum on 4/20/00. Shows pond located on lower level of the Mill Site No. 1 claim. Part of pond also on Mill Site No. 2.



Photo #37 - Taken by E. Seum on 4/20/00. Shows lab building located on lower level of the Mill Site No. 1 claim.



Photo #38 - Taken by E. Seum on 4/20/00. Shows propane tank located on lower level of the Mill Site No. 1 claim.



Photo #39 - Taken by E. Seum on 4/20/00. Shows interior of lab building, located on lower level of the Mill Site No. 1 claim.

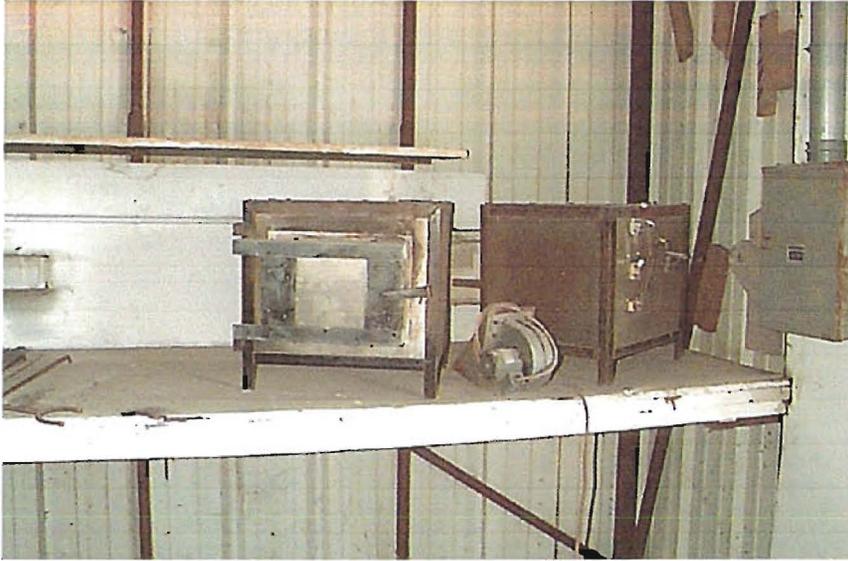


Photo #40 - Taken by E. Seum on 4/20/00. Shows small furnaces in lab building, located on lower level of the Mill Site No. 1 claim.



Photo #41 - Taken by E. Seum on 4/20/00. Shows equipment located on lower level of the Mill Site No. 1 claim.



Photo #42 - Taken by E. Seum on 4/20/00. Shows equipment located on lower level of the Mill Site No. 1 claim.



Photo #43 - Taken by E. Seum on 4/20/00. Shows equipment, located on lower level of the Mill Site No. 1 claim.



Photo #44 - Taken by E. Seum on 4/20/00. Shows crusher located on lower level of the Mill Site No. 1 claim.



Photo #45 - Taken by E. Seum on 4/20/00. Shows collapsed roof located on upper level of the Mill Site No. 1 claim.



Photo #46 - Taken by J. Mur on 7/6/00. Shows building and processing equipment located on the upper level of Mill Site No. 1 claim. See also photos 19, 23.



Photo #47 - Taken by J. Mur on 10/4/00. Shows well located on the Mill Site No. 1 claim.



Photo #48 - Taken by J. Mur on 10/4/00. Shows lower and upper levels on the Mill Site No. 1 claim. See also photo 8.



Photo #49 - Taken by J. Mur on 10/4/00. Shows building on upper level on the Mill Site No. 1 claim. See also photos 19, 23, 46.

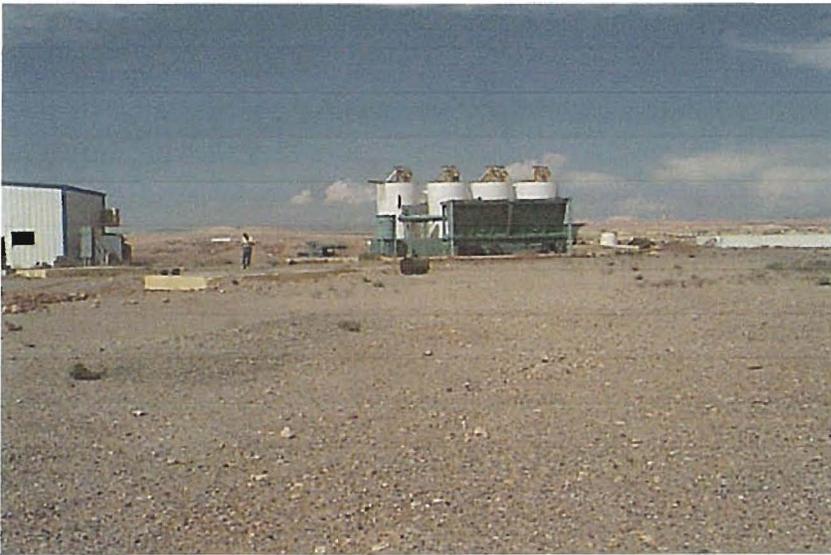


Photo #50 - Taken by J. Mur on 10/4/00. Shows processing area on upper level on the Mill Site No. 1 claim.



Photo #51 - Taken by J. Mur on 10/4/00. Shows water storage tank on upper level on the Mill Site No. 1 claim. See also photo 25.