

**First American Title Insurance Company**

**SCHEDULE B**

**PART TWO:**

1. Second installment of 2003 taxes, a lien, payable on or before March 1, 2004, and delinquent May 1, 2004.
2. Covenants, conditions and restrictions in the document recorded as Book 17 of Deeds, Page 193; recorded as Book 27 of Deeds, Page 233; recorded as Book 27 of Deeds, Page 366 and recorded as 1998-14275 of Official Records but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes.
3. An easement for diversion channel and incidental purposes, recorded as Book 13 of Miscellaneous, Page 598
4. An easement for pipe lines and telegraph lines and telephone lines and incidental purposes, recorded as Book 55 of Deeds, Page 287
5. An easement for drainage ditch and incidental purposes, recorded as Book 67 of Deeds, Page 103
6. An easement for telephone and telegraph lines and incidental purposes, recorded as Book 43 of Deeds, Page 245
7. An easement for pipelines and incidental purposes, recorded as Docket 374, Page 192
8. An easement for pipelines and incidental purposes, recorded as Docket 765, Page 693
9. An easement for electric lines and incidental purposes, recorded as 1998-2319 of Official Records.
10. An easement for electric power lines and incidental purposes, recorded as 2001-2456 of Official Records.
11. The rights of parties in possession by reason of any unrecorded lease or leases or month to month tenancies affecting any portion of the within described property.

NOTE: This matter will be more fully set forth or deleted upon compliance with the applicable requirement(s) set forth herein.

12. The following matters disclosed by an ALTA/ACSM survey made by Don Norman Surveying on August 22, 2000 designated Job No. n/a:

- A. Existing wall
- B. Existing 8 foot chain link fence
- C. Existing Retaining wall
- D. Utility Easement
- E. Existing Two Story Stucco Building

**End of Schedule B**

Territory of Arizona, )  
: SS  
County of Gila. )

Before me, Chas.A.Carden, a Notary Public in and for the County of Gila, Territory of Arizona, on this day personally appeared F.L.Toombs and O.A.Ingram, known to me to be the persons whose names are subscribed to the foregoing instrument as the President and Secretary respectively, of Miami Realty Company, a corporation and as such President and Secretary, respectively, acknowledged to me the execution of said instrument as the free act and deed of said corporation by each of them voluntarily executed for the purpose and consideration therein expressed.

Given under my hand and seal of office this 22nd day of June, A.D.1910.  
My commission expires July 10,1912.

Chas.A.Carden, Notary Public.

{ Se 1 |  
: Charles A.Carden :  
: Notary Public :  
: Gila County :  
: Arizona :

Filed and recorded at the request of Cons.Tel.Tel & Elec.Co., on the 27 day of June, A.D.1910 at 30 minutes past 10 o'clock A.M.  
E.T.STEWART County Recorder.

WARRANTY DEED.

KNOW ALL MEN BY THESE PRESENTS:

That the MIAMI TOWNSITE COMPANY, a corporation organized under the laws of the Territory of Arizona, party of the first part, in consideration of the sum of Five Dollars, (\$5.00) lawful money of the United States of America, to it in hand paid by MIAMI COPPER COMPANY, a corporation organized under the laws of the State of Delaware, and qualified under the laws of the Territory of Arizona to transact business in Gila County, said Territory, party of the second part, the receipt whereof is hereby acknowledged, and in further consideration of the covenants and promises herein contained to be performed by the party of the second part, has granted, bargained, sold and conveyed and does hereby grant, bargain, sell and convey unto the party of the second part, its successors and assigns forever, the surface and the ground to a depth of forty (40) feet immediately beneath the surface of that certain piece or parcel of land situate, lying and being in the northeast quarter of the southwest quarter of section thirty, township one north, range fifteen east, Gila and Salt River Base and Meridian, in Gila County, Territory of Arizona, particularly described as follows, to-wit: All of Block Fourteen (14) of the Original Townsite of Miami, according to the map of said townsite, entitled "Map of the Original Townsite of Miami", dated the eighth day of October, 1909, which map, accompanied by a dedication dated the ninth day of October, 1909, was filed in the office of the County Recorder of said Gila County on the ninth day of October, 1909, and is now of record in said office said Block Fourteen (14) consisting of and including Lots Forty (40), Forty two (42), Fortyfour(44), Fortysix(46), Three Hundred and Sixteen (316), and Three Hundred and Eighteen (318) according to said map; and certain other pieces or parcels of land indicated on said map as parts of said Block Fourteen (14), but not indicated thereon by lot numbers: provided, however, that this instrument is not intended to convey and does not convey any of the above described premises lying at a greater depth than forty (40) feet immediately beneath the surface, nor any of the ores or minerals contained in the ground lying at a greater depth than forty (40) feet immediately beneath the surface; and provided, further, that neither the party of the second part nor its successors or assigns shall be entitled to lateral or subjacent support of the surface of said premises or of the ground lying immediately beneath the surface of said premises to a depth of forty (40) feet, and neither the party of the first part nor its successors and assigns shall be liable for any loss, damage or injury that may be caused by the subsidence, disturbance, or alteration of the surface of said premises or of the ground lying immediately beneath the surface of said premises to a depth of forty (40) feet, resulting from mining or other operations carried on beneath the premises hereby conveyed.

Together with all the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the rents, issue, and profits thereof.

And in order that the party of the first part and all persons claiming under or through it may be protected in their convenient use and enjoyment of other lands which are neighboring lands to the premises hereby conveyed, the conveyance hereby made shall be subject to certain covenants and conditions which shall run with the land and be binding upon the party of the second part and its successors and assigns forever, and are as follows, to-wit:

That neither said premises nor any part thereof shall ever be used as a house or place of prostitution, assignation or ill-fame, nor for the assemblage of men or women for any immoral purpose, nor for the purpose of a slaughter house, cow house or hog pen, nor for the storing of hides, nor for any other noxious, unwholesome or offensive trade, calling or business whatever; and that no nuisance shall be maintained or suffered on said premises.

And the party of the second part for itself, its successors and assigns, does hereby covenant and agree that upon any violation of any of the covenants or conditions aforesaid, the party of the first part, its successors or assigns, shall have the option either to enjoin the commission or continuance of said violation, or to re-enter said premises and every part thereof, with or without process of law, and to dispossess the party of the second part, its successors and assigns of said premises, which shall thereupon revert to the party of the first part, its successors and assigns, and to hold said premises as of their former estate, anything herein contained to the contrary notwithstanding, and may exercise both or either of said remedies.

TO HAVE AND TO HOLD, all and singular, the above described premises, together with the appurtenances, unto the party of the second part, its successors and assigns.



Book 17 of Deeds, Page 199

forever.

And the party of the first part does hereby bind itself, its successors and assigns, to warrant and forever defend said premises in the quiet and peaceable possession of the party of the second part, its successors and assigns, against every person whomsoever, lawfully claiming or to claim the same or any part thereof or interest therein.

IN WITNESS WHEREOF the party of the first part has caused these presents to be executed and its corporate seal to be hereunto affixed by its officers, thereunto duly authorized, this 27th day of June, A.D.1910.

MIAMI TOWNSITE COMPANY.  
By Cleve M. Van Dyke, President.  
and Joe V. Prochaska, Secretary.

| Corporate Seal |  
: Miami Townsite Company :  
| Arizona 1909 |

TERRITORY OF ARIZONA, )  
: )  
County of Gila. )

Before me, Mary Kavanaugh, a Notary Public in and for the County of Gila, Territory of Arizona, on this day personally appeared CLEVE W. VAN DYKE and JOE V. PROCHASKA known to me to be the persons whose names are subscribed to the foregoing instrument as the President and Secretary, respectively of Miami Townsite Company, a corporation, and as such President and Secretary respectively, acknowledged to me the execution of said instrument as the free act and deed of said corporation by each of them voluntarily executed for the purpose and consideration therein expressed.

Given under my hand and seal of office this 27th day of June, 1910.  
My commission expires February 8, 1913. Mary Kavanaugh, Notary Public.

| Seal |  
: Mary Kavanaugh Notary: |  
: Public Gila County : |  
| Arizona |

Filed and recorded at the request of Alderman & Elliott on the 28 day of June, A.D. 1910 at 25 minutes past 2 o'clock P.M.  
E.T. STEWART County Recorder.

15030

THE UNITED STATES OF AMERICA,

To all to whom these presents shall come, Greeting;  
Phoenix 06747.

WHEREAS, In pursuance of the Act of Congress approved April 5, 1872, entitled "An Act for the relief of THOMAS B. VALENTINE," there has been deposited in the General Land Office Special Certificate of Location E-124, for forty acres, in favor of THOMAS B. VALENTINE, with evidence that the same has been duly located upon the northeast quarter of the northwest quarter of Section fourteen in Township five south of Range fifteen east of the Gila and Salt River Meridian, Arizona, containing forty acres, according to the Official Plat of the Survey of the said land, returned to the General Land Office by the Surveyor General; the said Special Certificate of Location having been duly assigned to Ernest Stenger;

NOW KNOW YE, That there is, therefore, granted by the United States, unto the said ERNEST STENGER, and to his heirs, the tract of land above described; TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereof, unto the said Ernest Stenger, and to his heirs and assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs, used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts. And there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States.

IN TESTIMONY WHEREOF, I, William H. Taft, President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, at the City of Washington, the sixth day of June, in the year of our Lord one thousand nine hundred and ten, and of the Independence of the United States the one hundred and thirty-fourth.

By the President: Wm. H. Taft  
By M.P. LeRoy, Secretary.

| Seal |  
: United States General :  
| Land Office | H.W. Sanford, Recorder of the General  
Land Office.

Patent Number 134475.  
Recorded - - Vol - - Page - -

Filed and recorded at the request of Ray Consolidated Copper Co. on the 30 day of June, A.D. 1910 at 20 minutes past 9 o'clock A.M.  
E.T. STEWART County Recorder.

15031

THE UNITED STATES OF AMERICA,

To all to whom these presents shall come, Greeting;  
Phoenix 06746.

WHEREAS, In pursuance of the Act of Congress approved April 5, 1872, entitled "An Act for the relief of THOMAS B. VALENTINE," there has been deposited in the General Land Office Special Certificate of Location E-214, for forty acres, in favor of THOMAS B. VALENTINE, with evidence that the same has been duly located upon the northwest quarter of the northeast quarter of Section fourteen in Township five south of Range fifteen east of the Gila and Salt River Meridian, Arizona, containing forty acres, according to the Official Plat of



Filed and recorded at the request of Frank Forbes on the 19 day of  
December, A.D. 1916, at 5 minutes past 3 o'clock P.M.  
E. T. STEWART, County Recorder,  
by L. B. Feland, Deputy Recorder.

36103

D E E D.

THIS INDENTURE, made this 28th day of June, 1916, between the TOWN OF MIAMI, in Gila County, State of Arizona, a municipal corporation organized and existing under the laws of the State of Arizona, party of the first part and MIAMI COPPER COMPANY, a corporation organized under the laws of the State of Delaware and qualified to transact business and transacting business in said Gila County, party of the second part, WITNESSETH:

WHEREAS, by a resolution entitled "A Resolution providing for vacating a portion of Sullivan Street in the Town of Miami, for adding the portion so vacated to the property of the abutting property owner, and for conveying said portion to said abutting property owner," a certain portion of Sullivan Street, in said Town of Miami, (which portion constitutes a strip or parcel of land particularly described in said resolution and hereinafter particularly described), was vacated, and

WHEREAS, by the same resolution it was provided that on the payment to said Town of the sum of \$100 by the owner of the property abutting on said strip and parcel of land, said strip and parcel of land be added to the property of such abutting property owner and that said strip and parcel of land be conveyed to said abutting property owner by a good and sufficient deed, to be executed in the name of said Town by its Mayor and Clerk, said deed to contain a promise by the grantee that a building costing not less than \$40,000.00, to be occupied by and devoted to the purposes of a local branch of the Young Men's Christian Associations, shall be erected on said strip and parcel of land within eighteen months after said resolution should become operative; and

WHEREAS, the party of the second part is the owner of the property abutting on said strip and parcel of land and has paid to said Town the sum of \$100; and

WHEREAS, said resolution was regularly passed and approved on the 14th day of June, 1916, by the affirmative vote of all the members elected to the Town Council of said town, taken by ayes and noes, and after the passage and approval thereof said resolution was approved by the Mayor of said Town on the 14th day of June, 1916; and

WHEREAS, said resolution was an emergency measure necessary for the immediate preservation of the peace and health of said Town and stated in a separate section the reasons why it was necessary that it should become immediately operative and did become operative immediately after such passage and approval;

NOW THEREFORE, in consideration of the premises, and in consideration of the payment of said sum of \$100, as aforesaid, and for the purpose of carrying into effect the provisions of said resolution, the party of the first part, by its Mayor and Clerk, does by these presents grant, bargain, sell and convey, unto the party of the second part, its successors and assigns, forever, that certain strip or parcel of land situated in the Original Townsite of Miami, in Gila County, State of Arizona, according to the map of said townsite now on file and of record in the office of the County Recorder of said Gila County, said strip or parcel of land constituting the portion of said Sullivan Street so vacated and being bounded and particularly described as follows, to-wit:

Beginning at the southerly corner of Block 14 of said Original Townsite of Miami, run thence S. 36° 18' E. along the easterly side line of Miami Avenue, in said townsite 35 feet; thence N. 53° 42' E. to the north boundary line of said townsite; thence westerly along said north boundary line to the point of intersection with the southeasterly boundary line of said Block 14; thence S. 53° 42' W. a long said southeasterly boundary line of said Block 14 to the place of beginning.

Together with all the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, unto the party of the second part, its successors and assigns forever.

And the party of the second part does hereby covenant, promise and agree that a building costing not less than \$40,000.00, to be occupied by and devoted to the purposes of a local branch of the Young Men's Christian Associations, shall be erected on said strip and parcel of land within eighteen months after the 14th day of June, 1916.

IN WITNESS WHEREOF, the party of the first part has caused these presents to be executed by its Mayor and Clerk, and the party of the second part has caused these presents to be executed by its General Manager, the



Book 27 of Deed,  
Page 367

day and year first above written.

(Seal Town of Miami )  
( Arizona )  
( Incorporated 1916 )

TOWN OF MIAMI,  
By S.E.D.Sears, Mayor  
and J.H.Davis, Jr., Clerk.

STATE OF ARIZONA )  
 ) SS  
County of Gila. )

MIAMI COPPER COMPANY,  
by B.Britton Gottsberger,  
Its general Manager.

This instrument was acknowledged before me this 30th day of June, 1916, by S.E.D.Sears and Jeff Davis Jr., as the Mayor and Clerk, respectively, of the Town of Miami, a municipal corporation. My commission as Notary Public expires Feb. 26-1920.

Geo.F.Senner, Notary Public in and for  
Gila County, State of Arizona.

(Seal Geo.F.Senner )  
( Notary Public )  
( Gila County )  
( Arizona )

STATE OF ARIZONA, )  
 ) SS  
County of Gila. )

This instrument was acknowledged before me this 20th day of December, 1916, by B.BRITTON GOTTSBERGER, as General Manager of MIAMI COPPER COMPANY, a corporation. My commission as Notary Public expires October 6, 1919.

Louise L.Ross, Notary Public in and for  
Gila County, State of Arizona.

(Seal Louise L.Ross )  
( Notary Public )  
( Gila County Arizona )

Filed and recorded at the request of Morris & Mallott on the 20 day of December, A.D.1916, at 10 minutes past 4 o'clock P.M.

E.T.STEWART, County Recorder,  
by L.B.Feland, Deputy Recorder.

36105

WARRANTY DEED.

THIS INDENTURE, Made this 20th day of December, 1916, between R.M.ANDERSON and MATTIE A. ANDERSON, his wife, parties of the first part, grantors; and W.R.HENRY and EMMA HENRY, his wife, parties of the second part, grantees, WITNESSETH:

That for and in consideration of the sum of Two Hundred and Fifty (\$250.00) Dollars, lawful money of the United States of America, in hand paid to the parties of the first part this day by the parties of the second part, the receipt whereof is hereby acknowledged, the said parties of the first part have granted, bargained, sold and conveyed, and by these presents do grant, bargain, sell and convey unto the said W.R. Henry and Emma Henry, his wife, all that certain premises described as follows, to wit: Lots 17, 18, 19 and 20, in Block No. 77 East Globe Townsite, City of Globe, County of Gila, State of Arizona, said property being situated at the corner of Fifth and Bailey Streets, as the same appears on the map of said Townsite on file in the office of the Clerk of the Superior Court of Gila County, State of Arizona.

TO HAVE AND TO HOLD, the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said parties of the second part, their heirs and assigns forever.

And we hereby bind ourselves, our heirs, executors and administrators, to warrant and forever defend, all and singular the premises unto the said parties of the second part, their heirs and assigns, against every person whomsoever, lawfully claiming or to claim the same or any part thereof.

WITNESS our hands this 20th day of December, A.D.1916.

R.M.Anderson  
Mattie A. Anderson,  
Parties of the First Part

Witness- Hinson Thomas.  
STATE OF ARIZONA, )  
 ) SS  
County of GILA. )

Before me Hinson Thomas, a Notary Public in and for the County of Gila, State of Arizona, on this day personally appeared R.M.Anderson and Mattie A. Anderson, his wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 20th day of December, 1916.

My commission expires Feb. 21, 1920.

Hinson Thomas, Notary Public.



STATE OF ARIZONA )  
County of Coconino)ss.

This instrument was acknowledged before me this 31st day of December A.D., 1914, by Lincoln R. Fuller and Annie B. Fuller, his wife. My commission expires August 25, 1917. John Zalaha, Notary Public.

(Seal John Zalaha )  
(Notary Public )  
(Coconino County Ariz.)

Filed and recorded at the request of John Zalaha on the 18 day of August A.D., 1916, at 5 minutes past 9 o'clock A.M.

E.T. Stewart, County Recorder,  
By L.B. Feland, Deputy Recorder.

Compared 34407

DEED.

THIS INDENTURE, made this 8th day of August 1916, between GILA COUNTY, a body corporate and political subdivision of the State of Arizona, party of the first part, and MIAMI COPPER COMPANY, a corporation organized under the laws of the State of Delaware and qualified to transact business and transacting business in said Gila County, party of the second part, WITNESSETH:

WHEREAS, by a resolution on July 22, 1916 a certain portion of Sullivan Street in the town of Miami, in said Gila County, (which portion constitutes a strip or parcel of land particularly described in said resolution and hereinafter particularly described) was vacated; and

WHEREAS, by the same resolution, it was provided that on the payment to said Gila County of the sum of \$100.00 by the owner of the property abutting on said strip or parcel of land, said strip and parcel of land be added to the property of such abutting property owner, and that said strip and parcel of land be conveyed to said abutting property owner by a good and sufficient deed to be executed in the name of said Gila County by the Chairman of the Board of Supervisors of said County, attested by the Clerk of said Board, said deed to contain a promise by the grantee that a building costing not less than \$40,000.00 to be occupied by and devoted to the purposes of a local branch of the Young Men's Christian Associations, shall be erected on said strip of land within eighteen months after these resolutions shall become operative; and

WHEREAS, the party of the second part is the owner of the property abutting on said strip and parcel of land and has paid to said Gila County the sum of \$100.00.

NOW THEREFORE, in consideration of the premises and in consideration of the payment of said sum of \$100.00 as aforesaid, and for the purpose of carrying into effect the provisions of said resolution, the party of the first part, by the Chairman of the Board of Supervisors of said County and the Clerk of said Board, does by these presents remise, release and quitclaim unto the party of the second part, its successors and assigns forever, that certain strip or parcel of land, situated in the Original Townsite of Miami, in Gila County, State of Arizona, according to the map of said townsite now on file and of record in the office of the County Recorder of said Gila County, said strip or parcel of land constituting a portion of said Sullivan Street so vacated and being bounded and particularly described as follows, to-wit:

Beginning at the southerly corner of Block 14 of said Original Townsite of Miami run thence S. 36° 18' E along the easterly side line of Miami Avenue in said Townsite, 35 feet; thence N. 53° 42' E to the north boundary line of said townsite; thence westerly along said north boundary line to the point of intersection with the southeasterly boundary line of said Block 14, thence S. 53° 42' W. Along said southeasterly boundary line of said Block 14 to the place of beginning.

Together with all the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, unto the party of the second part, its successors and assigns, forever.

And the party of the second part does hereby covenant, promise and agree that a building costing not less than \$40,000.00 to be occupied by and devoted to the purposes of a local branch of the Young Men's Christian Association, shall be erected on said strip and parcel of land within eighteen months after the 14th day of June 1916.

IN WITNESS WHEREOF, the party of the first part has caused these presents



Book 27 of  
Deeds, Pg 234

to be executed by the Chairman of the Board of Supervisors of said County, attested by the Clerk of said Board, and the party of the second part has caused these presents to be executed by its General Manager, the day and year first above written.

Gila County,

By W.B. Nash, Chairman of the Board of Supervisors.

Attest,

Frank L. Gates, Clerk of the Board of Supervisors.  
(Board of Supervisors)  
(Gila County Arizona)  
( Seal Dit Deus )

Miami Copper Company,  
By B. Britton Gottsberger,  
Its General Manager.

STATE OF ARIZONA )  
County of Gila ) ss.

This instrument was acknowledged before me this 8th day of August 1916, by Walter B. Nash and Frank L. Gates as the Chairman and Clerk, respectively of the Board of Supervisors of Gila County, a body corporate and political subdivision of the State of Arizona.

My commission as Notary Public expires Sept. 4<sup>th</sup> 1916.

(Seal Belle Maldonado)  
(Notary Public )  
(Gila County Arizona )

Belle Maldonado, Notary Public in and for Gila County, State of Arizona.

STATE OF ARIZONA )  
County of Gila ) ss.

This instrument was acknowledged before me this 9th day of August 1916, by B. Britton Gottsberger, as General Manager of Miami Copper Company a corporation.

My commission as Notary Public expires March 24, 1918.

(Seal H.G. Lancaster )  
( Notary Public )  
( Gila County Arizona )

H.G. Lancaster, Notary Public in and Gila County, State of Arizona.

Filed and recorded at the request of Alderman & Elliott on the 11th day of August A.D., 1916 at 10 minutes past 4 o'clock P.M.

E.T. Stewart, County recorder,  
By L.B. Feland, Deputy recorder.

Compared 34416

WARRANTY DEED.

KNOW ALL MEN BY THESE PRESENTS:

That George R. Reynolds, sometimes written George R. Reynolds, and Lourilla Reynolds, his wife, of the County of Gila, State of Arizona, the parties of the first part, for and in consideration of the sum of Ten (10) dollars lawful money of the United States to them in hand paid by Inspiration Consolidated Copper Company, a corporation organized under the laws of the State of Maine and qualified to do business in Gila County, State of Arizona, the party of the second part, the receipt whereof is hereby acknowledged, have granted, sold and conveyed, and do hereby sell, grant, and convey unto the party of the second part, its successors and assigns, forever all that certain lot, piece, or parcel of land situated in the County of Gila, State of Arizona, designated as Lot No 8 in Block No 35 as shown upon a map embracing a portion of Section 29, Township 1 North Range 15 East, G & S.R. B. & M. and a portion of Section 20 in said Township, which said map is entitled "Miami Map No 3" and is on file and of record in the office of the County Recorder of Gila County State of Arizona.

Together with all the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining and the rents, issues and profits thereof.







EXHIBIT "D"

When recorded, return to.

520/385+3100



BHP COPPER INC.  
7400 North Oracle Road  
Suite 200  
Tucson, Arizona 85704  
Attention: Patricia Peraza

DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS AND RESTRICTIONS (this "Declaration") is made as of the 6 day of August, 1998, by and between BHP COPPER INC., a Delaware corporation ("BHP"), and BUFFALO HILL TRADING COMPANY, an Arizona Corporation ("BUFFALO HILL").

RECITALS

- A. BHP is the owner of the real property described on Exhibit "A" attached hereto and incorporated herein by this reference, together with any improvements located thereon (collectively, the "Property").
- B. Contemporaneously with the execution of this Declaration, BUFFALO HILL has acquired from BHP the Property.
- C. BHP and BUFFALO HILL desire for the benefit of themselves and their respective successors and assigns to provide for certain covenants, conditions, restrictions and easements upon the Property.

AGREEMENT

For good and valuable consideration the receipt and the sufficiency of which are hereby acknowledged, BHP and BUFFALO HILL agree as follows:

1. Restoration

1.1 BUFFALO HILL shall commence restoration within one hundred eighty (180) days from the date of this Declaration of a building on the Property (the "Building"), and shall complete restoration of the Building within three (3) years from the date of this Declaration.

UNP... 09/11/1998



In addition to any design review and other permits and approvals required by the Town of Miami, Arizona and any underlying covenants, conditions, and restrictions on the Property, the exterior features of the Building (including, but not limited to, site plan landscape, signage, materials, colors, and other matters) shall be subject to the Town of Miami, Arizona's prior approval, which approval shall not be unreasonably withheld or delayed. The restoration of the Building, in accordance with plans and specifications approved by the Town of Miami, Arizona shall be performed in good and workmanlike manner using new materials and shall be in conformity with all applicable laws, statutes, codes, ordinances, rules and regulations of any governmental authority having jurisdiction over the Building.

1.2 In the event BUFFALO HILL fails to commence construction of the Building within one hundred eighty (180) days from the date of this Declaration or complete such construction within three (3) years from the date of this Declaration in accordance with plans and specifications approved by BHP, BHP shall have the right to repurchase the Property for the purchase price of TEN DOLLARS (\$10.00) and otherwise on the same terms as acquired by BUFFALO HILL. If BHP elects to repurchase the Property as provided above, BHP shall notify BUFFALO HILL of such election within thirty (30) days after BUFFALO HILL's failure to commence or complete construction of the Building within the time periods set forth above, and the closing of the repurchase shall occur within one hundred twenty (120) days after BUFFALO HILL receives notice of BHP's repurchase election.

1.3 No improvements (whether permanent or temporary), demolition, remodeling, alterations, repairs, excavation, grading, lighting, landscaping or other work which in any way alters the exterior appearance of the Building or any other structure or improvement on the Property shall be made or done, and no building, fence, exterior wall, or other structure shall be commenced, erected, maintained, improved, or altered on the Property without the prior written approval of the Town of Miami, Arizona. No changes or deviations in or from the plans and specifications once approved by the Town of Miami, Arizona shall be made without the prior written approval of the Town of Miami, Arizona.

2. Use of Property, Acknowledgment.

2.1 Without the prior written consent of BHP, the Property shall not be used for any residential purpose, which shall be deemed to include any use pursuant any owner, tenant, guest or other resident remains on the Property overnight, or for any commercial use involving part-time residency. Without limiting the generality of the foregoing, part-time residency shall include, without limitation, child care or residential treatment facilities.

2.2 BHP shall not be liable to BUFFALO HILL, or any successor to BUFFALO HILL, or any tenants, guests, invitees, servants, agents, or employees for any personal injury or damage resulting from activity emanating from any property owned or held by BHP. By virtue of taking title to the Property, BUFFALO HILL, or any successor agrees to assume the risk of injury or damage to property or persons resulting from activity emanating from property owned or held by BHP. BUFFALO HILL, or any successor, acknowledges that the use of property



held by BHP may involve activities not compatible with any use of the Property, including, without limitation, the proscribed uses identified in paragraph 2.1, above. All of the foregoing may cause inconvenience and disturbance to BUFFALO HILL and/or successor, and possible injury or damage to persons and personal property. BUFFALO HILL and/or successor, and tenants, guests, invitees, servants, agents, and employees will release BHP from any and all loss, damage, and liability related to or arising in connection with any disturbance, inconvenience, injury, or damage resulting from activities or occurrences described above.

3 Environmental Indemnity. BUFFALO HILL shall, and does hereby, indemnify, defend and hold harmless BHP, its tenants, employees, successors and assigns, against and from any and all claims, demands, actions, suits, expenses, and liabilities, including attorneys' fees and costs, and any actions or proceedings in connection with, arising from, due to or as a result of the violation of any applicable federal, state or local law or regulation pertaining to the use, storage, transportation or handling of Hazardous Substances on the Property, including, without limitation, any release or discharge of Hazardous Substances or contamination resulting therefrom. For purposes of this paragraph, the term "Hazardous Substances" shall be deemed to include all pollutants or substances defined as "Hazardous Waste," "Hazardous Substances," "Hazardous Materials" or "Toxic Substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 (PL 99-499); the Hazardous Materials Transportation Act, 49 U.S.C. §1801, *et seq.*, the Toxic Substance Control Act, 15 U.S.C. §2601, *et seq.*; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, *et seq.*, the Arizona Environmental Quality Act, and the rules and regulations adopted and guidelines promulgated pursuant to said laws.

4. Run with the Land. All of the terms, covenants, conditions, restrictions, and easements in this Declaration shall run with the land which constitutes the Property and shall be binding upon and inure to the benefit of BHP and BUFFALO HILL and all of their respective heirs, successors, assigns, grantees, mortgages, and any other persons acquiring any portion of the Project or any interest therein.

5. Notices and Approvals. For the purposes of providing any notice or request for approvals as required hereunder, such notices and other communications shall be made in writing and delivered by (a) hand delivery, or (b) by certified or registered mail, postage prepaid, return receipt requested, to the last known address of the party to receive such notice or other communication. Notice shall be deemed received and effective upon receipt, if delivered by hand delivery, or two (2) days following deposit in the United States Mail, if mailed by certified or registered mail.

6. Arizona Law. This Declaration shall be governed in accordance with Arizona law.

7. Waiver. No waiver of a breach of this Declaration and no delay or failure to enforce any of the provisions of this Declaration by any party having rights under this Declaration shall be construed or held to be a waiver of any preceding or succeeding breach of the same by

the defaulting party. No waiver shall be implied from any omission by a non-defaulting party to take any action on account of such default, and no express waiver shall affect a breach other than as specified in said waiver. The consent or approval of any action shall not be deemed a waiver or render unnecessary any party's consent or approval required hereunder to or of any subsequent similar acts.

8. Costs of Enforcement. If any legal or equitable action or proceeding is instituted to enforce any provision of this Declaration, the party prevailing in such action shall be entitled to recover from the non-prevailing party all of its costs, including court costs and attorneys' fees.

9. Headings. The Section headings used herein are for convenience only and are not a part of this instrument and do not in any way limit or define the scope or intent of the provisions hereof.

10. Invalidity of any Provision. If any provision of this Declaration shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect any other provision of this Declaration, or the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Declaration as a whole.

11. Time of the Essence. Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Declaration

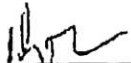
12. Exhibit. The exhibit attached hereto shall constitute a part of this Declaration.

13. Authority. Each individual executing this Declaration represents and warrants that he or she is duly authorized to bind the entity on behalf of which he or she is signing.

14. Negative Pledge The Property may not be subjected to any lien, consensual or otherwise, not previously approved in writing by the Declarant, until and unless the restoration described in paragraph 1, above, is complete. Such restoration shall be regarded as complete upon certification thereof by the Town of Miami, provided, such certification must be satisfactory to Declarant in all respects.

IN WITNESS WHEREOF, the undersigned have executed this Declaration as of the date first above written

JHP COPPER INC., a Delaware corporation

By:   
Name: John T. Perry  
Title: Vice President

-4-

C:\W\INSTR\GOW\142 1000\290443

98 14275 0004 0000 0000

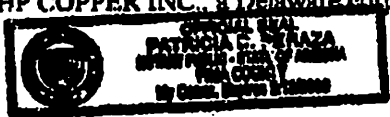


BUFFALO HILL TRADING COMPANY, an  
Arizona Corporation

By: [Signature]  
Name: Edd C Lewis  
Title: MEMBER, LLC.

STATE OF ARIZONA )  
County of Pima ) ss.

The foregoing instrument was executed before me this 6 day of August, 1998,  
by John T. Periy the Vice President  
of BHP COPPER INC., a Delaware corporation, for and on behalf of the corporation.



[Signature]  
Notary Public

My commission expires: 5-12-00

STATE OF ARIZONA )  
County of Gila ) ss.

The foregoing instrument was executed before me this 10 day of July, 1998,  
by Edd C. Lewis the Member  
of BUFFALO HILL TRADING COMPANY, an Arizona Corporation, for and on behalf of the  
corporation.



[Signature]  
Notary Public

My commission expires: 7-8-2000

EXHIBIT "A"

A parcel of land situate in and being all of Block 14 in ORIGINAL TOWNSITE OF MIAMI as recorded in Map No. 24, Gila County Records Office, and portions of abandoned Sullivan Street contiguous to said Block 14, and a portion of the Northwest Quarter of Section 30, Township 1 North, Range 15 East, Gila and Salt River Base and Meridian, Gila County, Arizona, having a boundary more particularly described as follows:

Commencing at the Southwest corner of said Block 14, ORIGINAL TOWNSITE OF MIAMI, said point being the POINT OF BEGINNING of the herein described parcel;  
THENCE North 36°18'00" West, along the Easterly right of way of Miami Avenue, 108.85 feet to the Northerly boundary of said Miami Townsite;  
THENCE continuing North 36°18'00" West, 128.04 feet;  
THENCE North 69°43'36" East, 92.05 feet;  
THENCE North 20°15'24" West, 6.41 feet;  
THENCE North 72°26'24" East, 22.83 feet;  
THENCE South 74°52'53" East, 5.82 feet;  
THENCE South 42°58'14" East, 40.16 feet;  
THENCE South 22°44'04" East, 31.10 feet;  
THENCE South 55°32'57" East, 117.80 feet;  
THENCE South 71°26'27" East, 45.70 feet;  
THENCE North 08°15'15" East, 6.48 feet;  
THENCE South 84°02'16" East, 21.66 feet;  
THENCE South 08°15'15" West, 2.00 feet;  
THENCE South 84°22'45" West, 9.00 feet;  
THENCE South 10°00'31" West, 10.02 feet to the Northerly boundary of ORIGINAL TOWNSITE OF MIAMI;  
THENCE South 89°44'00" West, along said Northerly Townsite boundary, 5.27 feet to a point 5.00 feet Southeasterly from the centerline of partially abandoned Sullivan Street;  
THENCE South 53°42'00" West, parallel with said centerline, 197.74 feet to point 27.50 feet Northeasterly from the centerline of Miami Avenue;  
THENCE North 36°18'00" West, parallel with the centerline of Miami Avenue, 35.00 feet to the POINT OF BEGINNING.

EXCEPT all oil, gas, casinghead gas, helium, sulfur associated with the oil and gas, and all other hydrocarbons and constituents thereof, including but not limited to, tar sands and oil shale, as reserved in Deed recorded in Docket 601, Page 744, records of Gila County, Arizona.