BRUCE BABBITT
GOVERNOR

Arizona
State Land Department
1624 WEST ADAMS
PHOENIX, ARIZONA 85007

OFFICE OF
STATE LAND COMMISSIONER

December 29, 1986

Cyprus Bagdad Copper Co.
P.O. Box 245
Bagdad, Arizona 86321

Certified No. 405936

RE: Public Auction Sale No. 126GW20
Application No. 21-93375 thru 21-93379

Gentlemen:

Enclosed is a copy of the sales notice which shall be advertised for ten consecutive weeks in both the Arizona Business Gazette and the Courier.

The groundwater will be sold at public auction at 3:00 p.m. on Thursday, March 19, 1987, at the north entrance to the Yavapai County Courthouse, in Prescott, Arizona.

Sincerely,

Carla Smith

Carla Smith,
Sales Section
255-1704

Enclosure

ARIZONA STATE LAND DEPARTMENT
NOTICE OF PUBLIC AUCTION SALE NO. 126G
WATER

Pursuant to Title 37, Arizona Revised Statutes, the State of Arizona through the Arizona State Land Department (the Department) offers for sale the right to remove WATER. Public Auction Sale No. 126GW20 will be held at 3:00 p.m. on Thursday, March 19, 1987, at the north entrance to the Yavapai County Courthouse in Prescott, Arizona.

Any person who desires to protest any of the terms of this auction shall file a written protest with the Department within thirty days after the first day of publication of the terms of the proposed auction. All protests shall state specifically the term or terms of the auction to which objection is made and state specifically the reasons for each objection. An objection not specifically stated or timely made is deemed to be waived.

TOWNSHIP 13 NORTH, RANGE 9 WEST, G&SRB&M, YAVAPAI COUNTY, ARIZONA

PARCEL 1: M&B in SWSWNW of Section 17, containing 10.00 acres, more or less.

TERMS OF SALE FOR PARCEL 1: (A) At the time of sale, the Buyer must pay the following in cash or cashiers check: (1) A minimum annual royalty of $1,050.00 for the minimum annual removal of 30 acre feet at $35.00 per acre foot, (2) selling and administrative expenses fee of 3% of the minimum annual royalty, which is $31.50 and (3) A water sales agreement issuance fee of $10.00, (4) appraisal fee of $175.00, (5) estimated advertising expenses of $400.00. The total amount due at the time of sale is $1,666.50. 21-93375

(B) Within 30 days after the time of sale the buyer must pay full balance of the amount bid for the water and pay (for selling and administrative expenses fee) 3% of the purchase price for the water less the amount paid under (A) (2) above.

(C) A minimum annual royalty of $1,050.00 or more, and a 3% contract and administration fee of $31.50 or more, depending on the appraised value of the water shall be due and payable in advance on each anniversary of the sales agreement. Buyer will be billed monthly for each acre foot of water which exceeds the minimum purchase.

(D) Term of Water Sales Agreement is for ten (10) year from date of sale.

(E) Special conditions of this sale are available for viewing at the Arizona State Land Department, 1624 W. Adams Street, Phoenix, Arizona.

TOWNSHIP 14.5 NORTH, RANGE 8 WEST, G&SRB&M, YAVAPAI COUNTY, ARIZONA

PARCEL 2: M&B in SESWSW; SWSESW of Section 29, containing 20.00 acres more or less.

TERMS OF SALE FOR PARCEL 2: (A) At the time of sale, the Buyer must pay the following in cash or cashiers check: (1) A minimum annual royalty of $2,800.00 for the minimum annual removal of 80 acre feet at $35.00 per acre foot, (2) selling and administrative expenses fee of 3% of the minimum annual royalty, which is $84.00 and (3) a water sales agreement issuance fee of $10.00, (4) appraisal fee of $175.00, (5) estimated advertising expenses of $400.00. The total amount due at the time of sale is $3,469.00. 21-93376

(B) Within 30 days after the time of sale the buyer must pay full balance of the amount bid for the water and pay (for selling and administrative expenses fee) 3% of the purchase price for the water less the amount paid under (A) (2) above.

(C) A minimum annual royalty of $2,800.00 or more, and a 3% contract and administration fee of $84.00 or more, depending on the appraised value of the water shall be due and payable in advance on each anniversary of the sales agreement. Buyer will be billed monthly for each acre foot of water which exceeds the minimum purchase.

(D) Term of Water Sales Agreement is for ten (10) years from date of sale.

(E) Special condition of this sale are available for viewing at the Arizona State Land Department, 1624 W. Adams Street, Phoenix, Arizona.

TOWNSHIP 15 NORTH, RANGE 9 WEST, G&SRB&M, YAVAPAI COUNTY, ARIZONA

PARCEL 3: M&B in NWSENW of Section 1, containing 10.00 acres, more or less.

TERMS OF SALE FOR PARCEL 3: (A) At the time of sale, the Buyer must pay the following in cash or cashiers check: (1) A minimum annual royalty of $2,800.00 for the minimum annual removal of 80 acre feet at $35.00 per acre foot, (2) selling and administrative expenses fee of 3% of the minimum annual royalty, which is $84.00 and (3) A water sales agreement issuance fee of $10.00, (4) appraisal fee of $175.00, (5) estimated advertising expenses of $400.00. The total amount due at the time of sale is $3,469.00. 21-93377

(B) Within 30 days after the time of sale the buyer must pay full balance of the amount bid for the water and pay (for selling and administrative expenses fee) 3% of the purchase price for the water less the amount paid under (A) (2) above.

(C) A minimum annual royalty of $2,800.00 or more, and a 3% contract and administration fee of $84.00 or more, depending on the appraised value of the water shall be due and payable in advance on each anniversary of the sales agreement. Buyer will be billed monthly for each acre foot of water which exceeds the minimum purchase.

(D) Term of Water Sales Agreement is for ten (10) year from date of sale.

(E) Special conditions of this sale are available for viewing at the Arizona State Land Department, 1624 W. Adams Street, Phoenix, Arizona.

TOWNSHIP 15 NORTH, RANGE 9 WEST, G&SRB&M, YAVAPAI COUNTY, ARIZONA

PARCEL 4: M&B in SESESE of Section 11, containing 10.00 acres more or less.

TERMS OF SALE FOR PARCEL 4: (A) At the time of sale, the Buyer must pay the following in cash or cashiers check: (1) A minimum annual royalty of $2,800.00 for the minimum annual removal of 80 acre feet at $35.00 per acre foot, (2) selling and administrative expenses fee of 3% of the minimum annual royalty, which is $84.00 and (3) a water sales agreement issuance fee of $10.00, (4) appraisal fee of $175.00, (5) estimated advertising expenses of $400.00. The total amount due at the time of sale is $3,469.00. 21-93378

(B) Within 30 days after the time of sale the buyer must pay full balance of the amount bid for the water and pay (for selling and administrative expenses fee) 3% of the purchase price for the water less the amount paid under (A) (2) above.

(C) A minimum annual royalty of $2,800.00 or more, and a 3% contract and administration fee of $84.00 or more, depending on the appraised value of the water shall be due and payable in advance on each anniversary of the sales agreement. Buyer will be billed monthly for each acre foot of water which exceeds the minimum purchase.

(D) Term of Water Sales Agreement is for ten (10) years from date of sale.

(E) Special condition of this sale are available for viewing at the Arizona State Land Department, 1624 W. Adams Street, Phoenix, Arizona.

TOWNSHIP 15 NORTH, RANGE 9 WEST, G&SRB&M, YAVAPAI COUNTY, ARIZONA

PARCEL 5: M&B in NENENE of Section 24, containing 10.00 acres more or less.

TERMS OF SALE FOR PARCEL 5: (A) At the time of sale, the Buyer must pay the following in cash or cashiers check: (1) A minimum annual royalty of $1,050.00 for the minimum annual removal of 30 acre feet at $35.00 per acre foot, (2) selling and administrative expenses fee of 3% of the minimum annual royalty, which is $31.50 and (3) a water sales agreement issuance fee of $10.00, (4) appraisal fee of $175.00, (5) estimated advertising expenses of $400.00. The total amount due at the time of sale is $1,666.50. 21-93379

(B) Within 30 days after the time of sale the buyer must pay full balance of the amount bid for the water and pay (for selling and administrative expenses fee) 3% of the purchase price for the water less the amount paid under (A) (2) above.

(C) A minimum annual royalty of $2,800.00 or more, and a 3% contract and administration fee of $84.00 or more, depending on the appraised value of the water shall be due and payable in advance on each anniversary of the sales agreement. Buyer will be billed monthly for each acre foot of water which exceeds the minimum purchase.

(D) Term of Water Sales Agreement is for ten (10) years from date of sale.

(E) Special condition of this sale are available for viewing at the Arizona State Land Department, 1624 W. Adams Street, Phoenix, Arizona.

TERMS OF SALE FOR ALL PARCELS 1, 2, 3, 4, & 5: (A) A bid for less than the appraised value of the water or by a party who has not previously inspected the property will not be considered. The buyer must sign an affidavit stating that buyer has inspected the property. The Department reserves the right to reject any and all bids.

(B) The Department may cancel this sale in whole or in part at any time prior to the acceptance of a final bid.

(C) The successful bidder agrees to execute the Department's Water Agreement within 30 days of receipt, and to perform all the terms, covenants, and conditions thereof.

(D) The Department reserves the right to reject any and all bids.

(E) If water is to be drawn from a designated Active Management Area or Irrigation Non-expansion area, permission in the form of a Groundwater Withdrawal Permit or other permit, must be obtained from the Department of Water Resources prior to use of the water.

Specific indemnity clauses, together with all sales conditions and documents regarding this sale are available and may be obtained from the Arizona State Land Department, 1624 West Adams Street, Phoenix, Arizona 85007.

Dated this 24th day of December, 1986.

STATE LAND DEPARTMENT SEAL

ARIZONA STATE LAND DEPARTMENT

BY WILLIAM P. FOSTER
(for) STATE LAND COMMISSIONER