



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

NOTICE OF APPRAISAL

June 27, 1986

In the matter of Application to Purchase Water No. 21-93379, submitted by Cyprus Mines Corporation, on March 17, 1986, for 10.00 acres, more or less in Section 24, Township 15N, Range 9W, Yavapai County, Arizona.

You are hereby noticed that the Commissioner appraises the Water at \$35.00 per acre feet for a total appraised value of \$35.00 per acre feet. Guaranteed annual minimum of 596.82 acre feet, annual minimum royalty \$20,888.70.

Total appraised value of the improvements is \$ N/A. Improvements on the land consist of: Electric submersible pump. Power transmission facilities.

Special Conditions: (see attachment).

This appraisal is not a final determination of the merits of the application.

STATE  
LAND  
DEPARTMENT  
SEAL

*[Handwritten Signature]*  
STATE LAND COMMISSIONER

Appeal of this appraisal may be made in writing, stating the specific grounds, to the State Land Commissioner, attention: Sales Administrator, Contracts & Records Division, within 30 days from the date of this appraisal. Applicant may waive his appeal by signing and returning one copy of the following waiver, and by so doing expedites the processing of the application.

I waive my right to appeal the appraisal of the Mineral Materials in the subject application to purchase.

Date: \_\_\_\_\_

\_\_\_\_\_  
Applicant

### SPECIAL WATER CONDITIONS

- a. A minimum charge for groundwater used in the conduct of lessee's business will be assessed each year. This charge will be subject to annual reappraisal.
- b. Lessee agrees to pay the Department for all water withdrawn over the minimum amount.
- c. Monthly reports of water must be submitted to the Department on standard forms supplied by the Department.
- d. Lessee is required to measure withdrawals if groundwater is pumped from a non-exempt well. However, if well has been granted a Type 2 Grandfathered Right or a groundwater withdrawal permit for ten acre feet or less, there is no requirement to measure withdrawals.
- e. The Arizona Department of Water Resources requires an annual report of groundwater pumped from non-exempt wells within Active Management Areas and Irrigation Non-Expansion Areas. The annual report and any withdrawal fee should be submitted to the Land Department in a timely manner, as set by the Department.
- f. If groundwater is pumped off State land or is used for purpose(s) different from the lease, then lessee must immediately notify the Department to hold a public auction sale for the water.
- g. Department personnel will have access to well(s) during reasonable hours.

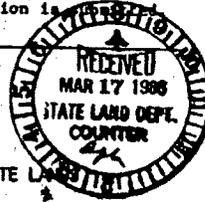
INSTRUCTIONS

21-93379-08

101000

1. No single application for the auction of water from State lands shall include well sites located in more than one section of land.
2. This application will not be considered unless it is fully completed and all supplemental forms and information, including the hydrology report referred to in question 15, are completed and attached.
3. Attach additional pages, if necessary.
4. Filing fee of \$30.00 must be paid at the time this application is

ARIZONA STATE LAND DEPARTMENT  
 1624 West Adams  
 Phoenix, Arizona 85007



APPLICATION FOR THE COMMISSIONER TO AUCTION WATER FROM STATE LANDS

APPLICANT INFORMATION

I/we Cyprus Mines Corporation  
 (name)  
 of Post Office Box 245, Bagdad, Arizona 86321  
 (address)

do hereby make application for the auction of water under the lands hereinafter described, in accordance with the provisions of the law of the State of Arizona, the rules and regulations of the State Land Department, the provisions of the surface lease, easement or permit, and provisions of the Water Agreement.

Subdivision	Section	Township	Range	Acreage	County
NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$	24	15N	9W	10	Yavapai 031

1. State whether individual, partnership or corporation. corporation
2. If individual, state: Age n/a Sex \_\_\_\_\_ Marital Status \_\_\_\_\_
3. If corporation, give State in which incorporated. Delaware  
 Is the corporation authorized to do business in Arizona? yes
4. If a partnership, state the names and addresses of each partner.  
n/a
5. Would the rights under a Water Agreement be held in trust for anyone other than the applicant? No If yes, please attach a certified recorded copy of the trust agreement showing the name, address, age, citizenship and marital status of each beneficiary, principal or ward.

I hereby certify under the penalty of perjury, that the information contained and statements herein made are, to the best of my knowledge and belief, true, correct, and complete.

Dated this 15th day of March, A.D., 19 86.

Cyprus Mines Corporation

Applicant

By

C.W. Reno, VP and General Manager

THE FOLLOWING IS NOT TO BE FILLED IN BY APPLICANT:

Fees Received: \_\_\_\_\_ Receipts No: \_\_\_\_\_ Recorded by: \_\_\_\_\_  
 Date of Contract \_\_\_\_\_ Approved or denied by [Signature] Date: JUN 13 1986  
 Cause of Denial \_\_\_\_\_