PHASE I ENVIRONMENTAL SITE ASSESSMENT

JX RANCH SITE GILA COUNTY, ARIZONA

Prepared for:

SWIFT CURRENT LAND & CATTLE COMPANY, LLC 2525 E. Arizona Biltmore Circle Suite C-135 Phoenix, Arizona 85016

Prepared by:

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> **MARCH 10, 2004** Job No. 807.05 JX 1060

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SUMMARY

WestLand Resources, Inc. (WestLand) was retained on behalf of Swift Current Land & Cattle Company, LLC to perform a Phase I Environmental Site Assessment (ESA) for an approximately 147-acre site (JX Ranch, or "the Property") along Turkey Creek in the Sierra Ancha Mountains of Tonto National Forest in Gila County, Arizona. Pursuant to the American Society for Testing Materials (ASTM) *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* (ASTM E 1527-00), the history and current use of the Property and surrounding parcels were determined, and a site reconnaissance was conducted.

The purpose of the work was to identify the presence or potential presence of "recognized environmental conditions" resulting from past or current activities. According to the ASTM guidelines, a recognized environmental condition is defined as the presence of any hazardous substance, at or immediately adjoining the property, under conditions that indicate a past release or the potential for a future release that may present a material risk of harm to public health or the environment.

The JX Ranch is a private in-holding of reportedly homesteaded land within the Tonto National Forest, surrounded by public land (with one other in-holding nearby but not adjacent), and historically used as a residence and for limited livestock grazing. The Property is currently vacant and used for unauthorized dispersed recreational activities by persons accessing the site from adjacent public lands. The ESA has revealed no evidence of recognized environmental conditions in connection with the Property or adjoining land. No further investigation of this site is recommended.

INTRODUCTION

WestLand Resources, Inc. (WestLand) was retained on behalf of Swift Current Land & Cattle Company, LLC (Swift Current) to perform a Phase I Environmental Site Assessment (ESA) of a 146.95-acre site along Turkey Creek in the Sierra Ancha Mountains of Tonto National Forest in Gila County, Arizona (the Property), as depicted in Figure 1. The Property is an irregularly shaped, privately owned in-holding surrounded by public lands (Figure 2).

PURPOSE

The purpose of the work was to identify the presence or potential presence of "recognized environmental conditions" resulting from past or current activities. A recognized environmental condition is defined as the presence of any hazardous substance, at or immediately adjoining the Property, under conditions that indicate a past release or the potential for a future release that may present a material risk of harm to public health or the environment. This investigation has been conducted in support of the due diligence investigation for property owners suggested by regulations promulgated pursuant to the *Comprehensive Environmental Response, Compensation, and Liability Act of 1980* (CERCLA, a.k.a. Superfund) and the *Superfund Amendments and Reauthorization Act of 1986* (SARA).

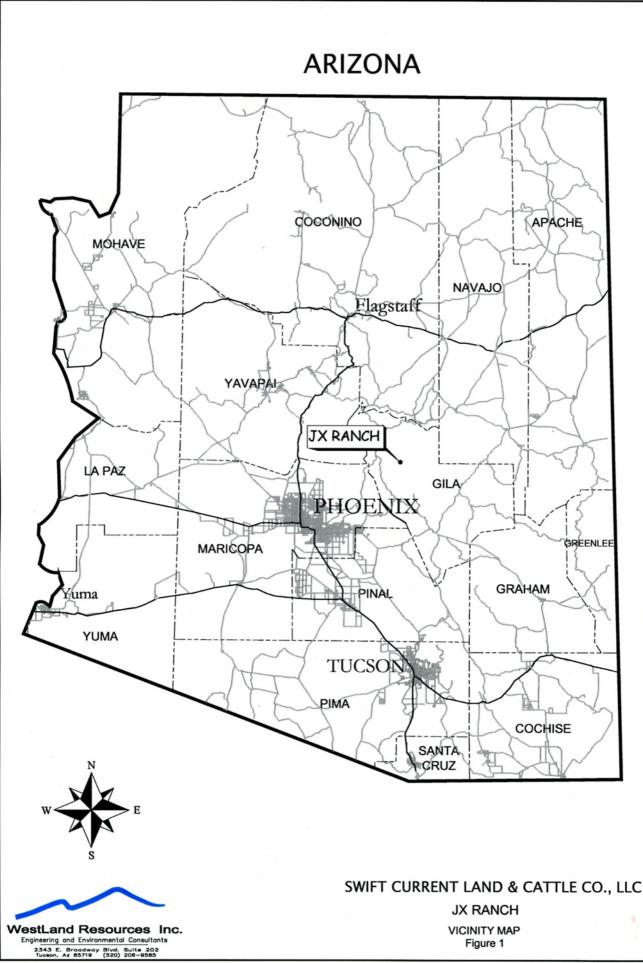
SCOPE OF SERVICES

This ESA was performed in general accordance with the American Society for Testing Materials (ASTM) *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* (E 1527-00), as described in our January 19, 2004 proposal entitled *Scope of Work: Offered Lands Property Evaluations, WestLand Proposal No. P2682.04.*

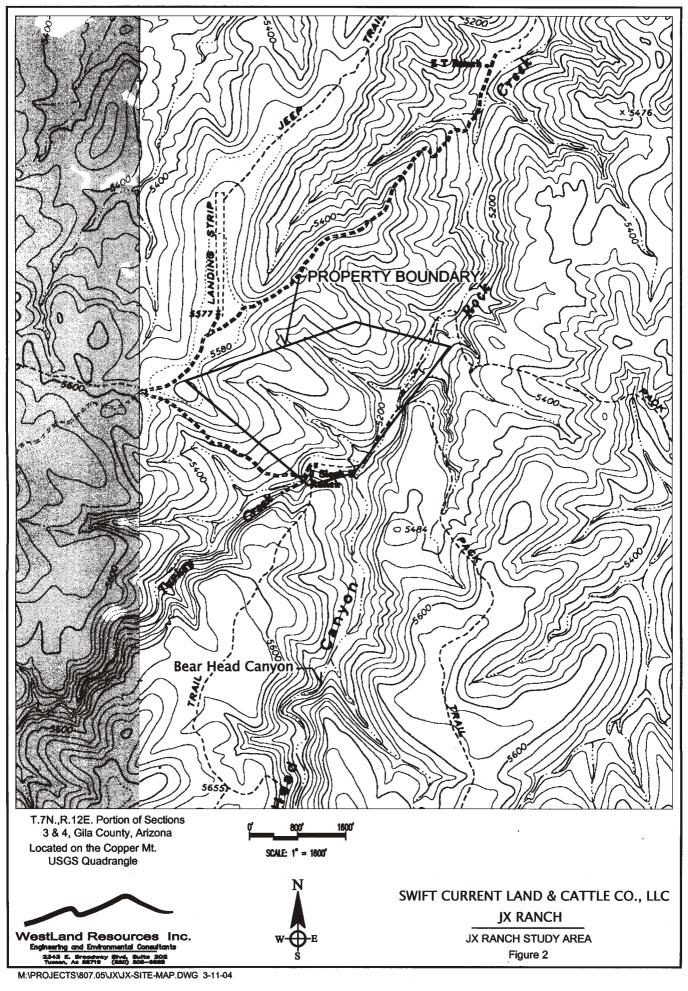
The scope of this study is limited to those elements and tasks described in the ASTM Standard Practice E1527-00. The Property and adjoining parcels were surveyed using both vehicular transportation and foot pacing. Detailed assessment of adjoining parcels is not within the scope of this study. Where necessary, the format of this report has been modified from the recommended standard in order to more effectively address site-specific findings and conditions.

LIMITATIONS AND EXCEPTIONS

This assessment is intended to identify existing or potential sources for hazardous substances on or immediately adjoining the Property. Hazardous substances found on the property may be considered a liability if they are present in significant amounts or concentrations (i.e., above acceptable limits set by the federal or state government). Similarly, substances offsite may impact the Property if the potential for



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contaminant migration exists through exposure pathways (e.g., groundwater). Materials that may contain substances that the Environmental Protection Agency (EPA) does not currently deem hazardous were not considered as part of this study.

Hazardous substances that occur naturally in plants, soils, and rocks (e.g., heavy metals, naturally occurring asbestos, or radon) are not considered in this investigation, nor are nuisance environmental conditions, such as dust and other air quality concerns, odors, visual obstructions or eyesores, and noise. Similarly, construction debris (e.g., discarded concrete, asphalt) is not generally deemed hazardous unless observations suggest that hazardous substances (such as asbestos) are likely to be present in significant concentrations within the debris. None of the environmental concerns listed in this paragraph have been addressed in this report.

As noted above, this ESA was conducted in general accordance with ASTM standards. However, as stated in our proposal, a title search was not conducted.

SPECIAL TERMS AND CONDITIONS

No special terms or conditions apply to this work.

USER RELIANCE

This ESA was prepared exclusively for the use of Swift Current, or their subsidiaries and affiliates, with the care and skill generally exercised by reputable professionals under similar circumstances, in this or similar localities, and may not be utilized by any other party without the written permission of WestLand. No other warranty, expressed or inferred, is made as to the professional advice presented herein.

SITE DESCRIPTION

LOCATION AND LEGAL DESCRIPTION

The Property is located within the streambed and adjacent upland areas along Turkey Creek in the Sierra Ancha Mountains of Tonto National Forest in Gila County, Arizona. A legal description of the Property was not available from the Property owner. As depicted in Figure 1, the Property is an irregularly shaped, approximately 147-acre parcel located largely within Section 3 of Township 7 North, Range 12 East of the Gila and Salt River Meridian. The western extent of the Property extends minimally into Section 4.

SITE AND VICINITY GENERAL CHARACTERISTICS

The Property and general vicinity are largely undisturbed land owned by private individuals (as inholdings) or public agencies (the US Forest Service, Tonto National Forest). Terrain is rugged to moderately rolling, with natural vegetation present but burned in some areas by recent forest fires. Perennial, intermittent, and ephemeral streams course through the Property and surrounding land.

CURRENT USE OF THE PROPERTY

Currently, the Property is not actively used for any specific purpose. Surrounding public land is used for dispersed recreational activities (hunting, hiking, off-road vehicle use); some of these activities have encroached upon the Property.

DESCRIPTION OF IMPROVEMENTS ON THE SITE

The Property is accessed by Forest Road (FR) 416, which reaches the western corner of the Property. A primitive road ("jeep trail") crosses the Property, leading from FR 416 down the slope to Turkey Creek and thereafter roughly following the course of Turkey and Rock creeks. The Property was reportedly homesteaded in the early 1880s, and remnants of those improvements are evident on the Property in a meadow adjacent to Turkey Creek near the southwestern corner of the Property. A small stone wall structure, measuring approximately 10 feet by 10 feet and up to 3 feet high, is present near the western extent of this meadow. This structure has a dirt floor and no roof. It may have been a root cellar or similar storage facility. Nearby is a low L-shaped dirt mound with a pile of rocks at one end and flat stones embedded in the ground around portions of the perimeter. This feature may have been a cabin, since burned, with the stones evidence of a chimney and simple foundation. A shallow excavation, approximately 5 feet in diameter and 1.5 feet deep, with stone perimeter, is adjacent to the potential cabin feature. Now largely filled in, and containing two 55-gallon drums filled with trash, this feature may have been a hand-dug well (according to reports by the previous owner). East of these constructed features, near the center of the meadow, is a row of fruit trees, probably apples. Portions of the Property are crossed by wire fences that in some locations appear to define sections of the Property boundaries.

CURRENT USES OF ADJOINING PROPERTIES

Adjoining parcels are federal land-administered by Tonto National Forest, and appear to be used primarily for dispersed recreation purposes. Designated pack trails are present on National Forest land south and east of the Property. On- and off-site jeep trails show evidence of off-road vehicle activity, and a small tin shack is located on the adjacent land immediately southwest of the Property. The shack was vacant at the time of the site reconnaissance, but evidence of periodic seasonal use was observed: a small pile of glass bottles and rusted tin cans and an outdoor fireplace were adjacent to the shack. The tin shack walls were riddled with what appeared to be bullet holes.

USER PROVIDED INFORMATION

TITLE RECORDS

As mentioned above, a title record search was not part of the scope of this study. The Property owner, Mr. George Randall, stated that he has owned the Property for about three years and purchased it from the Ewing family, who originally homesteaded the land. A representative of the Ewing family, Linda Ewing, verbally confirmed the homestead history. However, WestLand reviewed US Bureau of Land Management land patent records for Gila County and did not identify an Ewing or Kline (ancestor) family reference to the Property. Accordingly, "homestead" may have been used in a colloquial rather than legal sense, or records may be incomplete.

ENVIRONMENTAL LIENS OR ACTIVITY AND USE LIMITATIONS

No information regarding environmental liens or activity and use limitations for the Property was provided by the user.

SPECIALIZED KNOWLEDGE

No specialized knowledge of the Property was provided by the user.

VALUATION REDUCTION FOR ENVIRONMENTAL ISSUES

No information indicating that the value of the Property had been reduced as a result of environmental issues was provided by the user.

OWNER, PROPERTY MANAGER, AND OCCUPANT INFORMATION

The owner, Mr. George Randall, stated that the Property is inactive land that he purchased for land speculation purposes. He has not used the Property for any functional purpose. He stated that a livestock grazing allotment may be attached to the Property in the former owner's name; however, the former owner representative indicated that they were not in possession of an allotment tied to the Property. (The former owner does still own another in-holding parcel, the ZT Ranch, about 1 mile north of the property. The Ewing family does have a grazing allotment, possibly affiliated with this other parcel, but have been restricted from using the allotment by the Forest Service.) Thus, no livestock currently grazes the Property or adjacent land, and no such grazing has occurred in this area for several years.

REASON FOR PERFORMING PHASE I

This Phase I ESA was performed by WestLand on behalf of Swift Current in anticipation of a possible future property transaction. The purpose of the study was to identify the potential for environmental liabilities associated with the Property prior to such transfer.

OTHER

No other information was provided by the user.

RECORDS REVIEW

WestLand reviewed a variety of regulatory and historical records to determine if any past uses of the Property or within the adjoining areas may have led to recognized environmental conditions at the Property.

STANDARD ENVIRONMENTAL RECORD SOURCES

WestLand commissioned Environmental Data Resources, Inc. (EDR) of Milford, Connecticut to conduct an electronic search of regulatory agency databases for references to the Property and surrounding lands within ASTM-recommended search distances. The databases searched by EDR are listed in Table 1 below. A copy of the EDR report that details the databases searched, the search distances, and the dates the databases were last updated is provided in Appendix A.

Federal and state ASTM-required databases and supplemental databases were searched by EDR, as was one EDR proprietary database. None of the databases referenced the Property or surrounding parcels.

Table 1. Databases With No Mapped Sites		
Acronym	Full Title	Туре
NPL	National Priority List	Federal ASTM Standard
Proposed NPL	Proposed National Priority List Sites	Federal ASTM Standard
CERCLIS	Comprehensive Environmental Response, Compensation, and Liability Information System	Federal ASTM Standard
CERC-NFRAP	CERCLIS No Further Remedial Action Planned	Federal ASTM Standard
CORRACTS	Corrective Action Report	Federal ASTM Standard
RCRIS-TSD	Resource Conservation and Recovery Information System Treatment, Storage and Disposal Facility	Federal ASTM Standard
RCRIS-LQG	RCRIS Large Quantity Generator (of hazardous waste, over 1,000 kilograms per month)	Federal ASTM Standard
RCRIS-SQG	RCRIS Small Quantity Generator (of hazardous waste, between 100 and 1,000 kilograms per month)	Federal ASTM Standard
ERNS	Emergency Response Notification System	Federal ASTM
UST	Underground Storage Tanks	State ASTM Standard
LUST	Leaking Underground Storage Tanks	State ASTM Standard
SPL	Superfund Program List	State ASTM Standard
SHWS	ZipAcids List	State ASTM Standard
SWF/LF	Directory of Solid Waste Facilities	State ASTM Standard
AZ WQARF	Water Quality Assurance Revolving Fund Sites	State ASTM Standard
Indian UST	Underground Storage Tanks on Indian Land	State ASTM Standard
CONSENT	Superfund (CERCLA) Consent Decrees	Federal ASTM Supplemental
ROD	Records of Decision	Federal ASTM Supplemental
Delisted NPL	NPL Deletions	Federal ASTM Supplemental
FINDS	Facility Index System/Facility Identification Initiative Program Summary Report	Federal ASTM Supplemental
HMIRS	Hazardous Materials Information Reporting System	Federal ASTM Supplemental
MLTS	Material Licensing Tracking System	Federal ASTM Supplemental

Table 1. Databases With No Mapped Sites		
Acronym	Full Title	Туре
MINES	Mines Master File Index	Federal ASTM Supplemental
NPL Liens	Federal Superfund Liens	Federal ASTM Supplemental
PADS	PCB Activity Database System	Federal ASTM Supplemental
DOD	Department of Defense Sites	Federal ASTM Supplemental
RAATS	RCRA Administrative Action Tracking System	Federal ASTM Supplemental
TRIS	Toxic Chemical Release Inventory System	Federal ASTM Supplemental
TSCA	Toxic Substances Control Act	Federal ASTM Supplemental
SSTS	Section 7 Tracking Systems	Federal ASTM Supplemental
FTTS	FIFRA/TSCA Tracking System	Federal ASTM Supplemental
AST	List of Aboveground Storage Tanks	State ASTM Supplemental
AZ Spills	Hazardous Materials Logbook	State ASTM Supplemental
AZ DOD	Department of Defense Sites	State ASTM Supplemental
WWFAC	Waste Water Treatment Facilities	State ASTM Supplemental
Aquifer	Waste Water Treatment Facilities	State ASTM Supplemental
Dry Wells	Drywell Registration	State ASTM Supplemental
AZ AIRS	Arizona AIRS Database	State ASTM Supplemental
Coal Gas	Former Manufactured Gas (Coal Gas) Sites	EDR Proprietary

The EDR Orphan Summary lists 31 sites that were unmappable due to inadequate location information. Based on WestLand's review of this list, all of the orphan sites are distant from the Property and are not sources of recognized environmental conditions potentially impacting the Property.

ADDITIONAL ENVIRONMENTAL RECORD SOURCES

No other environmental record sources were accessed during this study.

Prior Environmental Reports

ASTM E 1527 Section 5 "User Responsibilities" describes tasks that will help identify the possibility of recognized environmental conditions in connection with the property that do not require the expertise of an environmental professional. These tasks include checking title records for environmental liens and providing prior environmental reports, if available. WestLand coordinated with the owner representative to determine if prior environmental information was available for the Property; none was provided.

PHYSICAL SETTING

The Property is located along Turkey Creek, which roughly follows the southern and eastern property boundaries. Turkey Creek is reportedly perennial in this reach, although WestLand's observations suggest intermittent flow. The Property extends north and west from Turkey Creek onto the northern side of the Turkey Creek canyon; several un-named ephemeral tributaries to the stream cross this slope. From the south, the stream in Bear Head Canyon reaches a confluence with Turkey Creek near the southeastern

corner of the Property; this stream also appears to be intermittent. Downstream of this confluence (and continuing along the eastern Property boundary), the stream is identified as Rock Creek.

Elevation on the Property ranges from a high of approximately 5580 feet above mean sea level (amsl, NAD 1927) at the western extreme down to approximately 5160 feet amsl along the northern Property boundary in the stream bed. Topographically, the ground surface includes gently sloping areas within and along the stream, moderate to steep slopes along the northern canyon side, and vertical cliffs in selected areas of exposed bedrock along Rock Creek. The above-mentioned un-named tributaries are in some places deeply incised in the slope.

Exposed geologic surfaces on the Property include Tertiary conglomerate on the canyon's upper slopes, middle Proterozoic Dripping Springs quartzite adjacent to the stream bed in the northeastern portion (i.e., exposed cliff faces), and Quaternary (Holocene) alluvium within the canyon bottom (Skotnicki, 1999). The alluvium exhibits granite and quartzite clasts, and ranges in size from sand and gravel up to small boulders. The stream channel is clearly active, with recent and aged erosion and accretion evident throughout.

Climatic data for the Property or immediate vicinity were not available. The closest weather station found is located at the Sierra Ancha Experimental Forest, approximately 20 miles southeast of, and at a lower elevation than, the Property. According to the Sierra Ancha Experimental Forest data, the average annual temperatures in the area range from a low of 45.6 to 72.2 degrees Fahrenheit with average precipitation at approximately 26.52 inches per year. Actual on-site temperature ranges are expected to be lower and precipitation may be higher, given the higher elevation at the Property as compared to the Sierra Ancha Experimental Forest weather station location.

Generally, south-facing upland slopes are dominated by alligator juniper and manzanita interspersed with grasses, while north-facing slopes are characterized as Ponderosa pine forest (Brown, 1994). Riparian areas in the canyon bottom include a broader range of vegetation such as aspen, cottonwood, sycamore, and oak. Forest fires have occurred in the area and on the Property in 2000 and 2003; roughly 30 percent of the Property has burned recently.

HISTORICAL USE INFORMATION ON THE PROPERTY

USGS Topographic Maps

The Property is located within the Copper Mountain, Arizona USGS 7.5-minute quadrangle map. Copies of the current (1964) and historical (1912) maps were reviewed for this report, although the earlier map is in a 1:125,000 scale, 30-minute series rather than 1:24,000 scale of the 7.5-minute quadrangle. The topographic maps are provided in Appendix B.

The 1912 quadrangle depicts the Property and surrounding land as rural undeveloped land. Neither Turkey nor Rock Creeks, nor Bear Head Canyon are identified on the map. A limited number of trails are shown in the approximate locations of current dirt roads and pack trails, and a structure is indicated at the approximate location of the current homestead cabin feature. No other development is shown in the Property or adjoining parcels.

The 1964 quadrangle is the current topographic map of the Property (and also provides the basis for Figures 1 and 2). As compared to the 1912 map, the 1964 map shows the on-site structure as a former facility (an open box rather than a solid box), and the off-site shack near the southwestern corner of the Property is depicted (as a solid box). There are minor variations to the dirt roads and trails on the Property and adjoining lands, but none are significant from a development perspective. A dirt "landing strip" is shown on the ridge top northwest of the Property, on the north side of FR 416. No structures are depicted as associated with this facility.

Historical Aerial Photographs

Historical aerial photographs dated 1962 and 1997, obtained from the USGS, were reviewed for the Property and adjoining areas. The aerial photographs are provided in Appendix C.

The 1962 aerial photograph (Figure C-1) depicts the Property and surrounding land as largely undisturbed forest land. Stream beds and variations in vegetation clearly show the topography of the Property, with north-facing slopes more vegetated than south-facing slopes, and streams meandering through the landscape. The homestead site on the Property is apparent in the southwestern corner, at a flat area on the inside of a bend in the stream. One structure is faintly visible; this is likely the cabin feature described above. The dirt road accessing the Property from the west is visible, as are some sections of the jeep trail crossing the Property. The landing strip on the adjacent parcel to the northwest is readily apparent. No structures appear to be associated with this facility. There is no evidence of recognized environmental conditions on the Property or adjacent parcels in the 1962 aerial photograph.

The 1992 aerial photograph (Figure C-2) depicts the Property and surrounding land in a similar condition as that displayed in the 1962 photograph. The resolution of this photograph is not as good as the 1962 photograph, but similar vegetation and stream features are identifiable. No details of development on the Property are visible; it is likely that the cabin apparent in 1962 had been burned by 1992. Conditions and features on adjacent parcels appear to be similar to those depicted in 1962, but the landing strip area appears to have been cleared recently. There is no evidence of recognized environmental conditions on the Property or adjacent parcels in the 1992 aerial photograph.

HISTORICAL USE INFORMATION ON ADJOINING PROPERTIES

Historical use information on adjoining parcels was similarly derived from USGS Quadrangle maps and historical aerial photography as described in the previous section. Adjoining areas are largely undisturbed public lands; excepting the very light development of the parcel southwest of the Property, with the aforementioned tin shack. The period of construction of the shack cannot be determined from these sources with any accuracy or precision.

SITE RECONNAISSANCE

On February 16, 2003, WestLand environmental specialist Christopher Rife performed a visual site reconnaissance to assess existing environmental conditions on the Property. Photographs documenting pertinent site features are provided in Appendix D.

METHODOLOGY AND LIMITING CONDITIONS

The site reconnaissance was conducted by pedestrian survey. WestLand focused on areas of known human development (i.e., the homestead site) as well as the canyon bottom. Observations of upland areas were made from vantage points along the stream course as well as the ridge above the Property to the northwest, along FR 416.

The site reconnaissance was limited to visual inspection of above ground evidence that may suggest the presence or likely presence of recognized environmental conditions to have impacted the Property. The onsite reconnaissance does *not* provide information regarding potential sources of contamination below ground surface. However, in cases of subsurface contamination, above ground indicators such as obvious stress to plant life would be noted.

GENERAL SITE SETTING

The Property extends approximately 1 mile along Turkey Creek and its successor, Rock Creek. The southern and eastern Property boundaries generally follow the canyon bottom, along straight lines rather than parallel to the sinuous streambed. The southwestern and northern Property boundaries cross the northern side of the canyon, and the northwestern boundary generally parallels the ridgeline and FR 416 (although not at the top of the ridge). As described elsewhere in this report, surface topography ranges from gentle slopes along the canyon bottoms to moderate slopes and vertical cliffs along the canyon walls. The Property topography is consistent with the surrounding area, and adjacent lands are virtually indistinguishable from the Property in this regard.

EXTERIOR OBSERVATIONS

Hazardous Substances in Connection with Identified Uses

No portion of the Property is currently used for any organized human activity. Current use appears to be limited to dispersed recreational activities, as hunting, hiking, and off-road vehicle use from adjacent public land has encroached onto the Property. Historical use appears to be limited to the homestead site (with possible year-round or seasonal usage) and livestock grazing. No evidence of any hazardous substances in connection with these uses was observed.

Hazardous Substance Containers and Unidentified Substance Containers

No hazardous substance containers or unidentified substance containers were observed on the Property or adjoining parcels.

Storage Tanks

No storage tanks or evidence thereof were observed on the Property or adjoining parcels.

PCB Equipment

No polychlorinated biphenyl (PCB) containing equipment, such as transformers, was observed on the Property or adjoining parcels.

Solid Waste Disposal

No significant solid waste disposal was observed on the Property or adjoining parcels. Very limited, incidental solid waste disposal, of items such as bottles and cans, was observed in some portions of the Property and on adjoining parcels. This disposal appears to have been the result of dispersed recreational activities rather than any concentrated or deliberate act.

Water Retention Basins

No water retention basins were observed on the Property or adjoining parcels.

Distressed Vegetation

No evidence of distressed vegetation potentially resulting from subsurface impacts was observed during the site reconnaissance. As discussed elsewhere in this report, recent forest fires have burned approximately 30 percent of the Property; vegetation impacts from forest fires range from distressed to mortality.

INTERVIEWS

INTERVIEW WITH SITE MANAGER

WestLand interviewed the current and immediately prior Property owners. The current owner, Mr. George Randall, purchased the Property approximately 3 years ago from the Ewing family. Mr. Randall reported that he purchased the Property site-unseen, for land speculation purposes, and has only visited the Property once during his ownership. He has never used the Property for any purpose.

Ms. Linda Ewing was interviewed as the previous Property owner representative. Ms. Ewing stated that her husband's grandfather, George Kline (now deceased), had been born on the Property in 1886, and that the grandmother had lived on the Property for some 80 years. Ms. Ewing described the structures on the homestead site that are detailed above, and stated that they had burned during forest fires "many years ago." Her husband's family had used the Property for general outings, but they also own another private in-holding (the ZT Ranch) several miles downstream, and that site had had more intensive use. (WestLand also visited the ZT Ranch property, and observed a cabin likely similar to that which may have been originally present on the JX Ranch.)

Neither the current nor the previous Property owners reported any on-site or adjoining parcel activity potentially resulting in an environmental liability for the Property.

INTERVIEWS WITH OCCUPANTS

The Property is currently unoccupied. Accordingly, no interviews with occupants were conducted.

FINDINGS

Based upon findings of the historical and local records review, the ASTM environmental records search, and the onsite Property reconnaissance, WestLand has found:

- No ASTM listed sites were identified on the Property or adjoining parcels.
- No evidence of recognized environmental conditions was observed on the Property or adjoining parcels.
- No indications of past or current activities leading to recognized environmental conditions on the Property or adjoining parcels were made by the previous or current Property owners.

OPINION

No recognized environmental conditions were observed on the Property or adjoining parcels. No further investigation is recommended.

CONCLUSION

WestLand performed a Phase I ESA of a 147-acre Property in the Sierra Ancha Mountains of the Tonto National Forest, in conformance with the scope and limitations of ASTM Practice E 1527-00. Any exceptions to, or deletions from, this practice are described in Section 1.0 of this report.

Based upon the experience of the environmental professional involved in the preparation of this report, no evidence was observed or identified through the process as defined by ASTM Standard Practice E 1527-00 to suggest the presence or likely presence of any hazardous substances or petroleum products on the Property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the Property or into the ground, groundwater, or surface water of the Property. This assessment has revealed no evidence of recognized environmental conditions in connection with the Property. No further investigation is recommended.

REFERENCES

Brown, David E., ed. 1994. *Biotic Communities Southwestern United States and Northwestern Mexico*. Salt Lake City: University of Utah Press

Skotnicki, Steven J. 1999. *Geologic Map of the Copper Mountain Quadrangle, Gila County, Arizona*. Open-File Report 99-24. Tucson, Arizona: Arizona Geological Survey

SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

Christopher Rife, Project Manager

Date

QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONAL

Mr. Christopher Rife performed this ESA. This individual possesses sufficient education, training, and experience to qualify as an environmental professional under ASTM Practice E 1527, and has the ability to develop conclusions regarding *recognized environmental conditions*, if any, concerning the *property*. Resumes for the key individuals participating on this project and a Statement of Qualifications for WestLand are available upon request.

APPENDIX A

EDR Environmental Report



The EDR Radius Map with GeoCheck[®]

JX Ranch JX Ranch Payson, AZ 85541

Inquiry Number: 01128112.5r

February 11, 2004

The Source For Environmental Risk Management Data

3530 Post Road Southport, Connecticut 06890

Nationwide Customer Service

 Telephone:
 1-800-352-0050

 Fax:
 1-800-231-6802

 Internet:
 www.edrnet.com

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Thank you for your business. Please contact EDR at 1-800-352-0050 with any questions or comments.

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EXECUTIVE SUMMARY

A search of available environmental records was conducted by Environmental Data Resources, Inc. (EDR). The report meets the government records search requirements of ASTM Standard Practice for Environmental Site Assessments, E 1527-00. Search distances are per ASTM standard or custom distances requested by the user.

TARGET PROPERTY INFORMATION

ADDRESS

JX RANCH PAYSON, AZ 85541

COORDINATES

 Latitude (North):
 33.975200 - 33° 58' 30.7"

 Longitude (West):
 111.113300 - 111° 6' 47.9"

 Universal Tranverse Mercator:
 Zone 12

 UTM X (Meters):
 489533.7

 UTM Y (Meters):
 3759217.5

 Elevation:
 5203 ft. above sea level

USGS TOPOGRAPHIC MAP ASSOCIATED WITH TARGET PROPERTY

Target Property: Source: 33111-H1 COPPER MOUNTAIN, AZ USGS 7.5 min quad index

TARGET PROPERTY SEARCH RESULTS

The target property was not listed in any of the databases searched by EDR.

DATABASES WITH NO MAPPED SITES

No mapped sites were found in EDR's search of available ("reasonably ascertainable") government records either on the target property or within the ASTM E 1527-00 search radius around the target property for the following databases:

FEDERAL ASTM STANDARD

NPL	National Priority List
Proposed NPL	Proposed National Priority List Sites
CERCLIS	Comprehensive Environmental Response, Compensation, and Liability Information
	System
CERC-NFRAP	CERCLIS No Further Remedial Action Planned
CORRACTS	. Corrective Action Report
RCRIS-TSD	Resource Conservation and Recovery Information System
RCRIS-LQG	Resource Conservation and Recovery Information System
RCRIS-SQG	. Resource Conservation and Recovery Information System
ERNS	Emergency Response Notification System

STATE ASTM STANDARD

SPL..... Superfund Program List

EXECUTIVE SUMMARY

SHWS	. ZipAcids List
SWF/LF	Directory of Solid Waste Facilities
LUST	. Leaking Underground Storage Tank Listing
UST	Underground Storage Tank Listing
AZ WQARF	Water Quality Assurance Revolving Fund Sites
INDIAN UST	Underground Storage Tanks on Indian Land

FEDERAL ASTM SUPPLEMENTAL

CONSENT	Superfund (CERCLA) Consent Decrees
ROD	Records Of Decision
Delisted NPL	National Priority List Deletions
FINDS	Facility Index System/Facility Identification Initiative Program Summary Report
HMIRS	Hazardous Materials Information Reporting System
MLTS	Material Licensing Tracking System
MINES	Mines Master Index File
NPL Liens	Federal Superfund Liens
PADS	PCB Activity Database System
US BROWNFIELDS	_ A Listing of Brownfields Sites
	Department of Defense Sites
RAATS	. RCRA Administrative Action Tracking System
TRIS	Toxic Chemical Release Inventory System
TSCA	. Toxic Substances Control Act
SSTS	. Section 7 Tracking Systems
FTTS INSP	FIFRA/ TSCA Tracking System - FIFRA (Federal Insecticide, Fungicide, &
	Rodenticide Act)/TSCA (Toxic Substances Control Act)

STATE OR LOCAL ASTM SUPPLEMENTAL

AST	List of Aboveground Storage Tanks
	Hazardous Material Logbook
AZ DOD	Department of Defense Sites
WWFAC	Waste Water Treatment Facilities
	Waste Water Treatment Facilities
Dry Wells	Drywell Registration
AZ AIRS	Arizona Airs Database

EDR PROPRIETARY HISTORICAL DATABASES

Coal Gas..... Former Manufactured Gas (Coal Gas) Sites

BROWNFIELDS DATABASES

US BROWNFIELDS...... A Listing of Brownfields Sites Inst Control...... DEUR Database

SURROUNDING SITES: SEARCH RESULTS

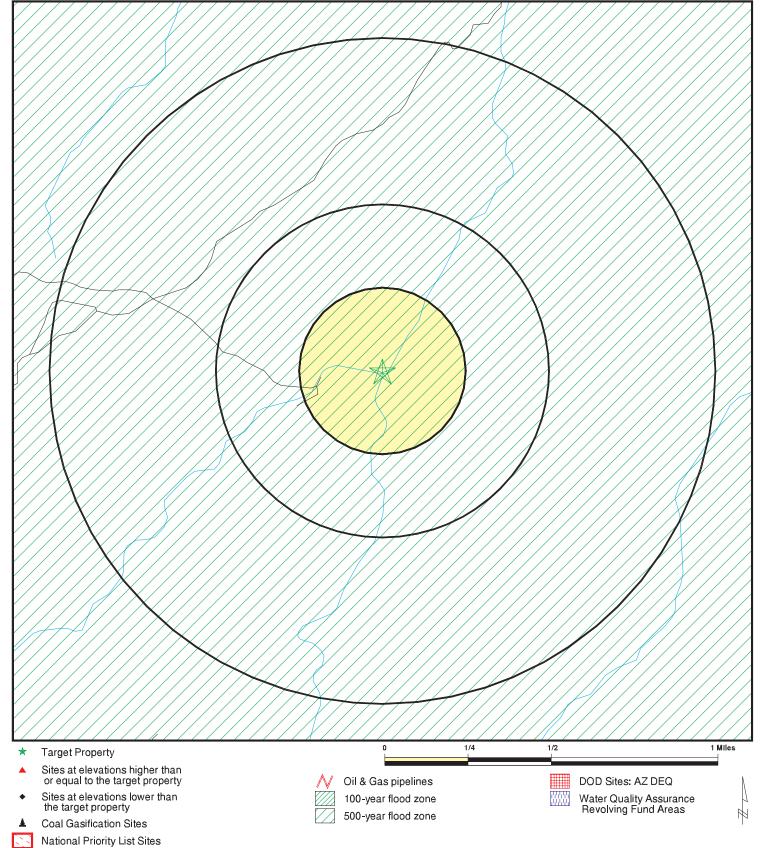
Surrounding sites were not identified.

Unmappable (orphan) sites are not considered in the foregoing analysis.

EXECUTIVE SUMMARY

Due to poor or inadequate address information, the following sites were not mapped:

Database(s)
Database(s) SHWS SHWS SHWS CERCLIS, FINDS, SHWS SHWS SHWS SHWS CERCLIS, FINDS CERCLIS, FINDS CERCLIS, FINDS CERCLIS, FINDS CERC-NFRAP CERC-NFRAP UST, SWF/LF WWFAC WWFAC UST UST UST UST UST UST UST UST UST UST
UST UST RCRIS-SQG, FINDS, UST
UST RCRIS-SQG, FINDS RCRIS-SQG, FINDS



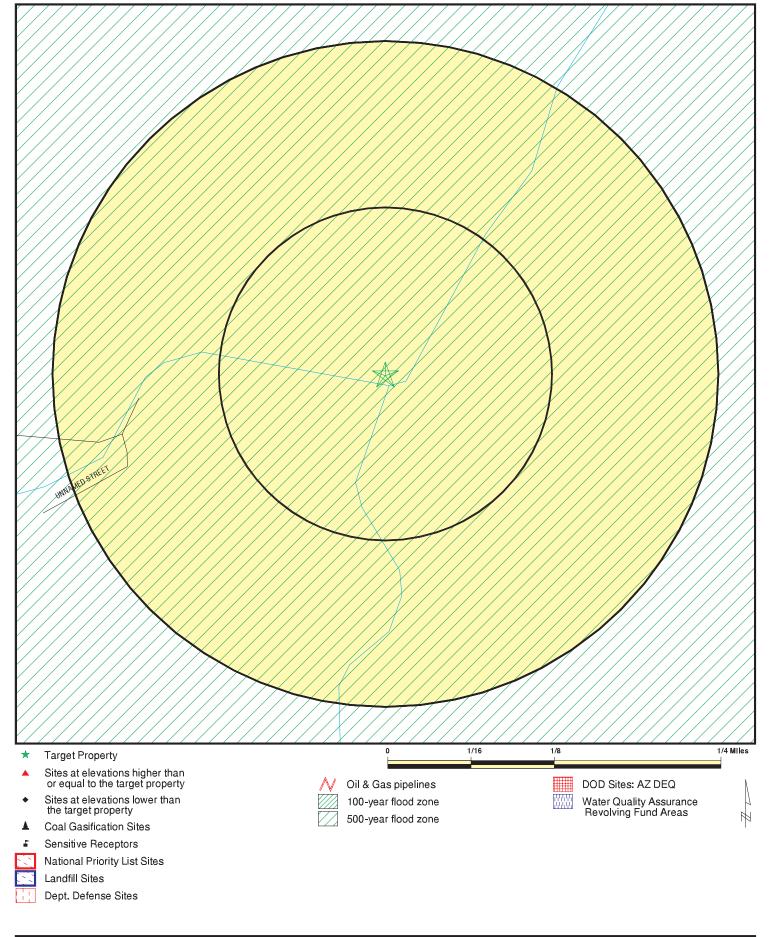
Landfill Sites

Dept. Defense Sites

TARGET PROPERTY: ADDRESS: CITY/STATE/ZIP: LAT/LONG:

JX Ranch JX Ranch Payson AZ 85541 33.9752 / 111.1133 CUSTOMER: CONTACT: INQUIRY #: DATE:

Westland Resources Chris Rife 01128112.5r February 11, 2004 7:31 pm Copyright © 2003 EDR, Inc. © 2003 GDT, Inc. Rel. 07/2003. All Rights Reserved.



TARGET PROPERTY: ADDRESS: CITY/STATE/ZIP: LAT/LONG: JX Ranch JX Ranch Payson AZ 85541 33.9752 / 111.1133 CUSTOMER: CONTACT: INQUIRY #: DATE:

Westland Resources Chris Rife 01128112.5r February 11, 2004 7:32 pm

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MAP FINDINGS SUMMARY

Database	Target Property	Search Distance (Miles)	< 1/8	1/8 - 1/4	1/4 - 1/2	1/2 - 1	> 1	Total Plotted		
FEDERAL ASTM STANDARD										
NPL Proposed NPL CERCLIS CERC-NFRAP CORRACTS RCRIS-TSD RCRIS Lg. Quan. Gen. RCRIS Sm. Quan. Gen. ERNS		1.000 1.000 0.500 0.250 1.000 0.500 0.250 0.250 TP	0 0 0 0 0 0 0 0 0 NR	0 0 0 0 0 0 NR	0 0 NR 0 NR NR NR	0 NR NR 0 NR NR NR NR	NR NR NR NR NR NR NR	0 0 0 0 0 0 0 0 0		
STATE ASTM STANDARD										
SPL State Haz. Waste State Landfill LUST UST AZ WQARF INDIAN UST		1.000 1.000 0.500 0.500 0.250 1.000 0.250	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 NR 0 NR	0 0 NR NR NR 0 NR	NR NR NR NR NR NR	0 0 0 0 0 0 0		
FEDERAL ASTM SUPPLEMENTAL										
CONSENT ROD Delisted NPL FINDS HMIRS MLTS MINES NPL Liens PADS US BROWNFIELDS DOD RAATS TRIS TSCA SSTS FTTS		1.000 1.000 TP TP 7P 0.250 TP 7P 0.500 1.000 TP TP TP TP TP	0 0 NR NR 0 NR 0 0 NR NR NR NR NR	0 0 0 NR NR 0 NR NR NR NR NR NR NR	0 0 0 NR NR NR NR 0 0 NR NR NR NR NR NR	0 0 NR NR NR NR NR NR NR NR NR NR NR NR	NR NR NR NR NR NR NR NR NR NR NR NR NR N	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		
STATE OR LOCAL ASTM SUPPLEMENTAL										
AST AZ Spills AZ DOD WWFAC Aquifer		TP TP 0.500 0.500 TP	NR NR 0 NR	NR NR 0 NR	NR NR 0 NR	NR NR NR NR NR	NR NR NR NR NR	0 0 0 0		

MAP FINDINGS SUMMARY

Database	Target Property	Search Distance (Miles)	< 1/8	1/8 - 1/4	1/4 - 1/2	1/2 - 1	> 1	Total Plotted		
Dry Wells AZ AIRS		TP TP	NR NR	NR NR	NR NR	NR NR	NR NR	0 0		
EDR PROPRIETARY HISTORICAL DATABASES										
Coal Gas		1.000	0	0	0	0	NR	0		
BROWNFIELDS DATABASES										
US BROWNFIELDS Inst Control		0.500 0.250	0 0	0 0	0 NR	NR NR	NR NR	0 0		

NOTES:

AQUIFLOW - see EDR Physical Setting Source Addendum

TP = Target Property

NR = Not Requested at this Search Distance

Sites may be listed in more than one database

EDR ID Number Database(s) EPA ID Number

Coal Gas Site Search: No site was found in a search of Real Property Scan's ENVIROHAZ database.

NO SITES FOUND

ORPHAN SUMMARY

City	EDR ID	Site Name	Site Address	Zip	Database(s)
CHRISTOPHER CREEK	S105592067	CHRISTOPHER CREEK CHEVRON	MP 273.8 STATE HWY 260	85541	LUST
CHRISTOPHER CREEK	U001628045	CHRISTOPHER CREEK CHEVRON	MP 273.8 STATE HWY 260	85541	UST, SWF/LF
KOHL'S RANCH	S105752343	KOHL'S RANCH RESORT	268 E US HIGHWAY 260	85541	WWFAC
PAYSON	U001625427	CIRCLE K # 1442	HIGHWAY 260	85541	UST, LUST
PAYSON	S100002510	WQ-PAYSON PCE	CITY OF PAYSON	85541	SHWS
PAYSON	1003879881	PLAZA LAUNDRY	307 S DEELINE HWY.	85541	CERC-NFRAP
PAYSON	U003091316	AMERICAN GULCH WATER RECLAMATION	2200 W DOLL BABY RANCH RD	85541	UST
PAYSON	S101570820	YOUR LAUNDRY	EAST HIGHWAY 260	85541	SHWS
PAYSON	1003879884	YOUR LAUNDRY	EAST HWY 360	85541	CERC-NFRAP
PAYSON	S103392055	THORNE MILLSITE	E HWY 87,3 MILES S OF PAYSON,M	85541	SHWS
PAYSON	1001230662	RICHEY MILLSITE	3 MILES SOUTH OF PAYSON	85541	CERCLIS, FINDS
PAYSON	1000842873	SHUMWAY MILLSITES	W OF HWY 87/S OF PAYSON, MILEP	85541	CERCLIS, FINDS, SHWS
PAYSON	1000842875	THORNE MILLSITE	E OF HWY 87, MILEPOST 248, 3	85541	CERCLIS, FINDS
PAYSON	U001155050	GILA CNTY HWY MAINTENANCE PAYSON	OLD SEISMOGRAPH RD HWY 260	85541	UST, LUST
PAYSON	1000842874	RICHEY MILLSITES	NORTH OXBOW ESTATES, 4 MILES S	85541	SHWS
PAYSON	S105742751	R BAR C SCOUT RANCH	STATE RT 260	85541	LUST
PAYSON	U001627951	JAKES CORNER STORE	STATE ROUTE JAKES CORNER	85541	UST
PAYSON	S103277390	CHAPARRAL PINES	STATE ROUTE 260		WWFAC
PAYSON	S103931939	USDA FOREST SERVICE RICHY MILLSITE	TONTO NF, PAYSON RD (GILA COUN		SHWS
PAYSON	S103931940	USDA FOREST SERVICE SHUMWAY	TONTO NF, PAYSON RD (GILA COUN		SHWS
PIAYSON	U000015828	GILA COUNTY MAINTENANCE PINE	257100 E HWY 260	85541	UST
PIAYSON	U003051474	PINE COUNTY SERVICE	257100 E HWY 260	85541	UST
RYE	U001001554	ADOT RYE MAINTENANCE FACILITY	SR 87	85541	UST
RYE	U003153547	ADOT RYE	HWY 87	85541	UST
RYE	S101570821	ZULU MINE	FIVE MILES NORTHWEST OF RYE	85541	SHWS
RYE	1000842876	ZULA MINE	5M NORTHWEST OF RYE	85541	CERCLIS, FINDS
RYE	U001628282	RYE LTD	STATE RT 87	85541	UST
STAR VALLEY	1000350872	STAR AUTOMOTIVE INC	HWY 260	85541	RCRIS-SQG, FINDS, UST
STAR VALLEY	1004674498	EXCLUSIVE REFINISHING	256018 E HWY 260	85541	RCRIS-SQG, FINDS
STAR VALLEY	U003886033	TEXACO FOODMART	255524 E HWY 260	85541	UST
STAR VALLEY	1004674197	PHIL WHITE FORD INC	256131 STATE HWY 260	85541	RCRIS-SQG, FINDS

To maintain currency of the following federal and state databases, EDR contacts the appropriate governmental agency on a monthly or quarterly basis, as required.

Elapsed ASTM days: Provides confirmation that this EDR report meets or exceeds the 90-day updating requirement of the ASTM standard.

FEDERAL ASTM STANDARD RECORDS

NPL: National Priority List

Source: EPA Telephone: N/A

National Priorities List (Superfund). The NPL is a subset of CERCLIS and identifies over 1,200 sites for priority cleanup under the Superfund Program. NPL sites may encompass relatively large areas. As such, EDR provides polygon coverage for over 1,000 NPL site boundaries produced by EPA's Environmental Photographic Interpretation Center (EPIC) and regional EPA offices.

Date of Government Version: 10/21/03 Date Made Active at EDR: 12/08/03 Database Release Frequency: Semi-Annually

NPL Site Boundaries

Sources:

EPA's Environmental Photographic Interpretation Center (EPIC) Telephone: 202-564-7333

EPA Region 1 Telephone 617-918-1143

EPA Region 3 Telephone 215-814-5418

EPA Region 4 Telephone 404-562-8033

Proposed NPL: Proposed National Priority List Sites

Source: EPA Telephone: N/A

> Date of Government Version: 10/14/03 Date Made Active at EDR: 12/08/03 Database Release Frequency: Semi-Annually

Date of Data Arrival at EDR: 11/03/03 Elapsed ASTM days: 35 Date of Last EDR Contact: 11/03/03

EPA Region 6 Telephone: 214-655-6659

EPA Region 8 Telephone: 303-312-6774

> Date of Data Arrival at EDR: 12/01/03 Elapsed ASTM days: 7 Date of Last EDR Contact: 11/03/03

CERCLIS: Comprehensive Environmental Response, Compensation, and Liability Information System

Source: EPA

Telephone: 703-413-0223

CERCLIS contains data on potentially hazardous waste sites that have been reported to the USEPA by states, municipalities, private companies and private persons, pursuant to Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). CERCLIS contains sites which are either proposed to or on the National Priorities List (NPL) and sites which are in the screening and assessment phase for possible inclusion on the NPL.

Date of Government Version: 11/17/03 Date Made Active at EDR: 02/02/04 Database Release Frequency: Quarterly Date of Data Arrival at EDR: 12/22/03 Elapsed ASTM days: 42 Date of Last EDR Contact: 12/22/03

CERCLIS-NFRAP: CERCLIS No Further Remedial Action Planned

Source: EPA Telephone: 703-413-0223

As of February 1995, CERCLIS sites designated "No Further Remedial Action Planned" (NFRAP) have been removed from CERCLIS. NFRAP sites may be sites where, following an initial investigation, no contamination was found, contamination was removed quickly without the need for the site to be placed on the NPL, or the contamination was not serious enough to require Federal Superfund action or NPL consideration. EPA has removed approximately 25,000 NFRAP sites to lift the unintended barriers to the redevelopment of these properties and has archived them as historical records so EPA does not needlessly repeat the investigations in the future. This policy change is part of the EPA's Brownfields Redevelopment Program to help cities, states, private investors and affected citizens to promote economic redevelopment of unproductive urban sites.

Date of Government Version: 11/17/03 Date Made Active at EDR: 02/02/04 Database Release Frequency: Quarterly

CORRACTS: Corrective Action Report

Source: EPA Telephone: 800-424-9346 CORRACTS identifies hazardous waste handlers with RCRA corrective action activity.

Date of Government Version: 12/18/03 Date Made Active at EDR: 02/02/04 Database Release Frequency: Semi-Annually Date of Data Arrival at EDR: 12/26/03 Elapsed ASTM days: 38 Date of Last EDR Contact: 12/08/03

Date of Data Arrival at EDR: 12/22/03

Date of Last EDR Contact: 12/22/03

Elapsed ASTM days: 42

RCRIS: Resource Conservation and Recovery Information System

Source: EPA

Telephone: 800-424-9346

Resource Conservation and Recovery Information System. RCRIS includes selective information on sites which generate, transport, store, treat and/or dispose of hazardous waste as defined by the Resource Conservation and Recovery Act (RCRA). Conditionally exempt small quantity generators (CESQGs): generate less than 100 kg of hazardous waste, or less than 1 kg of acutely hazardous waste per month. Small quantity generators (SQGs): generate between 100 kg and 1,000 kg of hazardous waste per month. Large quantity generators (LQGs): generate over 1,000 kilograms (kg) of hazardous waste, or over 1 kg of acutely hazardous waste per month. Transporters are individuals or entities that move hazardous waste from the generator off-site to a facility that can recycle, treat, store, or dispose of the waste. TSDFs treat, store, or dispose of the waste.

Date of Government Version: 01/12/04 Date Made Active at EDR: 02/10/04 Database Release Frequency: Varies

ERNS: Emergency Response Notification System

Source: National Response Center, United States Coast Guard Telephone: 202-260-2342

Emergency Response Notification System. ERNS records and stores information on reported releases of oil and hazardous substances.

Date of Government Version: 12/31/02 Date Made Active at EDR: 02/03/03 Database Release Frequency: Annually Date of Data Arrival at EDR: 01/27/03 Elapsed ASTM days: 7 Date of Last EDR Contact: 01/26/04

Date of Data Arrival at EDR: 01/19/04

Date of Last EDR Contact: 01/19/04

Elapsed ASTM days: 22

FEDERAL ASTM SUPPLEMENTAL RECORDS

BRS: Biennial Reporting System

Source: EPA/NTIS

Telephone: 800-424-9346

The Biennial Reporting System is a national system administered by the EPA that collects data on the generation and management of hazardous waste. BRS captures detailed data from two groups: Large Quantity Generators (LQG) and Treatment, Storage, and Disposal Facilities.

Date of Government Version: 12/01/01 Database Release Frequency: Biennially Date of Last EDR Contact: 12/16/03 Date of Next Scheduled EDR Contact: 03/15/04

CONSENT: Superfund (CERCLA) Consent Decrees Source: EPA Regional Offices **Telephone:** Varies

Major legal settlements that establish responsibility and standards for cleanup at NPL (Superfund) sites. Released periodically by United States District Courts after settlement by parties to litigation matters.

Date of Government Version: N/A Database Release Frequency: Varies Date of Last EDR Contact: N/A Date of Next Scheduled EDR Contact: N/A

ROD: Records Of Decision Source: EPA	
Telephone: 703-416-0223 Record of Decision. ROD documents mandate a permanent reme and health information to aid in the cleanup.	edy at an NPL (Superfund) site containing technical
Date of Government Version: 07/09/03 Database Release Frequency: Annually	Date of Last EDR Contact: 01/06/04 Date of Next Scheduled EDR Contact: 04/05/04
DELISTED NPL: National Priority List Deletions Source: EPA Telephone: N/A The National Oil and Hazardous Substances Pollution Contingend EPA uses to delete sites from the NPL. In accordance with 40 NPL where no further response is appropriate.	
Date of Government Version: 10/21/03 Database Release Frequency: Quarterly	Date of Last EDR Contact: 11/03/03 Date of Next Scheduled EDR Contact: 02/02/04
FINDS: Facility Index System/Facility Identification Initiative Program Source: EPA Telephone: N/A	n Summary Report
Facility Index System. FINDS contains both facility information an detail. EDR includes the following FINDS databases in this rep Information Retrieval System), DOCKET (Enforcement Docket enforcement cases for all environmental statutes), FURS (Fede Docket System used to track criminal enforcement actions for a Information System), STATE (State Environmental Laws and S	ort: PCS (Permit Compliance System), AIRS (Aerometric used to manage and track information on civil judicial eral Underground Injection Control), C-DOCKET (Criminal all environmental statutes), FFIS (Federal Facilities
Date of Government Version: 10/23/03 Database Release Frequency: Quarterly	Date of Last EDR Contact: 01/06/04 Date of Next Scheduled EDR Contact: 04/05/04
HMIRS: Hazardous Materials Information Reporting System Source: U.S. Department of Transportation Telephone: 202-366-4555 Hazardous Materials Incident Report System. HMIRS contains ha	izardous material spill incidents reported to DOT
Date of Government Version: 12/18/03 Database Release Frequency: Annually	Date of Last EDR Contact: 01/19/04 Date of Next Scheduled EDR Contact: 04/19/04
MLTS: Material Licensing Tracking System Source: Nuclear Regulatory Commission Telephone: 301-415-7169	
MLTS is maintained by the Nuclear Regulatory Commission and o possess or use radioactive materials and which are subject to l EDR contacts the Agency on a quarterly basis.	
Date of Government Version: 10/16/03 Database Release Frequency: Quarterly	Date of Last EDR Contact: 01/06/04 Date of Next Scheduled EDR Contact: 04/05/04
MINES: Mines Master Index File Source: Department of Labor, Mine Safety and Health Administra Telephone: 303-231-5959	ation
Date of Government Version: 11/25/03 Database Release Frequency: Semi-Annually	Date of Last EDR Contact: 12/29/03 Date of Next Scheduled EDR Contact: 03/29/04
NPL LIENS: Federal Superfund Liens Source: EPA Telephone: 202-564-4267 Federal Superfund Liens. Under the authority granted the USEPA and Liability Act (CERCLA) of 1980, the USEPA has the autho to recover remedial action expenditures or when the property of USEPA compiles a listing of filed notices of Superfund Liens.	rity to file liens against real property in order

Date of Government Version: 10/15/91 Database Release Frequency: No Update Planned

PADS: PCB Activity Database System

Source: EPA

Telephone: 202-564-3887

PCB Activity Database. PADS Identifies generators, transporters, commercial storers and/or brokers and disposers of PCB's who are required to notify the EPA of such activities.

Date of Government Version: 09/30/03 Database Release Frequency: Annually

DOD: Department of Defense Sites

Source: USGS

Telephone: 703-648-5920

This data set consists of federally owned or administered lands, administered by the Department of Defense, that have any area equal to or greater than 640 acres of the United States, Puerto Rico, and the U.S. Virgin Islands.

Date of Government Version: 10/01/03 Database Release Frequency: Semi-Annually

STORMWATER: Storm Water General Permits

Source: Environmental Protection Agency Telephone: 202 564-0746

A listing of all facilities with Storm Water General Permits.

Date of Government Version: N/A Database Release Frequency: Quarterly

US BROWNFIELDS: A Listing of Brownfields Sites

Source: Environmental Protection Agency

Telephone: 202-566-2777

Included in the listing are brownfields properties addresses by Cooperative Agreement Recipients and brownfields properties addressed by Targeted Brownfields Assessments. Targeted Brownfields Assessments-EPA's Targeted Brownfields Assessments (TBA) program is designed to help states, tribes, and municipalities--especially those without EPA Brownfields Assessment Demonstration Pilots--minimize the uncertainties of contamination often associated with brownfields. Under the TBA program, EPA provides funding and/or technical assistance for environmental assessments at brownfields sites throughout the country. Targeted Brownfields Assessments supplement and work with other efforts under EPA's Brownfields Initiative to promote cleanup and redevelopment of brownfields. Cooperative Agreement Recipients-States, political subdivisions, territories, and Indian tribes become BCRLF cooperative agreement recipients when they enter into BCRLF cooperative agreements with the U.S. EPA. EPA selects BCRLF cooperative agreement recipients based on a proposal and application process. BCRLF cooperative agreement recipients must use EPA funds provided through BCRLF cooperative agreement for specified brownfields-related cleanup activities.

Date of Government Version: 07/15/03 Database Release Frequency: Semi-Annually Date of Last EDR Contact: 12/17/03 Date of Next Scheduled EDR Contact: 03/15/04

RMP: Risk Management Plans

Source: Environmental Protection Agency Telephone: 202-564-8600

When Congress passed the Clean Air Act Amendments of 1990, it required EPA to publish regulations and guidance for chemical accident prevention at facilities using extremely hazardous substances. The Risk Management Program Rule (RMP Rule) was written to implement Section 112(r) of these amendments. The rule, which built upon existing industry codes and standards, requires companies of all sizes that use certain flammable and toxic substances to develop a Risk Management Program, which includes a(n): Hazard assessment that details the potential effects of an accidental release, an accident history of the last five years, and an evaluation of worst-case and alternative accidental releases; Prevention program that includes safety precautions and maintenance, monitoring, and employee training measures; and Emergency response program that spells out emergency health care, employee training measures and procedures for informing the public and response agencies (e.g the fire department) should an accident occur.

Date of Last EDR Contact: 11/21/03 Date of Next Scheduled EDR Contact: 02/23/04

Date of Last EDR Contact: 11/12/03

Date of Last EDR Contact: 11/12/03 Date of Next Scheduled EDR Contact: 02/09/04

Date of Next Scheduled EDR Contact: 02/09/04

Date of Last EDR Contact: N/A Date of Next Scheduled EDR Contact: N/A

Date of Government Version: N/A Date of Last EDR Contact: N/A Database Release Frequency: N/A Date of Next Scheduled EDR Contact: N/A RAATS: RCRA Administrative Action Tracking System Source: EPA Telephone: 202-564-4104 RCRA Administration Action Tracking System. RAATS contains records based on enforcement actions issued under RCRA pertaining to major violators and includes administrative and civil actions brought by the EPA. For administration actions after September 30, 1995, data entry in the RAATS database was discontinued. EPA will retain a copy of the database for historical records. It was necessary to terminate RAATS because a decrease in agency resources made it impossible to continue to update the information contained in the database. Date of Government Version: 04/17/95 Date of Last EDR Contact: 12/08/03 Database Release Frequency: No Update Planned Date of Next Scheduled EDR Contact: 03/08/04 TRIS: Toxic Chemical Release Inventory System Source: EPA Telephone: 202-566-0250 Toxic Release Inventory System. TRIS identifies facilities which release toxic chemicals to the air, water and land in reportable quantities under SARA Title III Section 313. Date of Government Version: 12/31/01 Date of Last EDR Contact: 12/22/03 Database Release Frequency: Annually Date of Next Scheduled EDR Contact: 03/22/04 TSCA: Toxic Substances Control Act Source: EPA Telephone: 202-260-5521 Toxic Substances Control Act. TSCA identifies manufacturers and importers of chemical substances included on the TSCA Chemical Substance Inventory list. It includes data on the production volume of these substances by plant site. Date of Last EDR Contact: 12/08/03 Date of Government Version: 12/31/02 Database Release Frequency: Every 4 Years Date of Next Scheduled EDR Contact: 03/08/04 FTTS INSP: FIFRA/ TSCA Tracking System - FIFRA (Federal Insecticide, Fungicide, & Rodenticide Act)/TSCA (Toxic Substances Control Act) Source: EPA Telephone: 202-564-2501 Date of Government Version: 10/16/03 Date of Last EDR Contact: 12/22/03 Database Release Frequency: Quarterly Date of Next Scheduled EDR Contact: 03/22/04 SSTS: Section 7 Tracking Systems Source: EPA Telephone: 202-564-5008 Section 7 of the Federal Insecticide, Fungicide and Rodenticide Act, as amended (92 Stat. 829) requires all registered pesticide-producing establishments to submit a report to the Environmental Protection Agency by March 1st each year. Each establishment must report the types and amounts of pesticides, active ingredients and devices being produced, and those having been produced and sold or distributed in the past year. Date of Government Version: 12/31/01 Date of Last EDR Contact: 01/19/04 Database Release Frequency: Annually Date of Next Scheduled EDR Contact: 04/19/04 FTTS: FIFRA/ TSCA Tracking System - FIFRA (Federal Insecticide, Fungicide, & Rodenticide Act)/TSCA (Toxic Substances Control Act) Source: EPA/Office of Prevention, Pesticides and Toxic Substances

Telephone: 202-564-2501

FTTS tracks administrative cases and pesticide enforcement actions and compliance activities related to FIFRA, TSCA and EPCRA (Emergency Planning and Community Right-to-Know Act). To maintain currency, EDR contacts the Agency on a quarterly basis.

Date of Government Version: 10/16/03 Database Release Frequency: Quarterly

STATE OF ARIZONA ASTM STANDARD RECORDS

SPL: Superfund Program List

Source: Department of Environmental Quality

Telephone: 602-771-4360

The list is representative of the sites and potential sites within the jurisdiction of the Superfund Program Section. It is comprised of the following elements: 1) Water Quality Assurance Revolving Fund Registry Sites; 2) Potential WQARF Registry sites; 3) NPL sites; and 4) Department of Defense sites requiring SPS oversight.

Date of Government Version: 05/23/03 Date Made Active at EDR: 06/26/03 Database Release Frequency: Semi-Annually

SHWS: ZipAcids List

Source: Department of Environmental Quality

Telephone: 602-771-4360

The ACIDS list consists of more than 750 locations subject to investigation under the State Water Quality Assurance Revolving Fund (WQARF) and Federal CERCLA programs. The list is no longer updated by the state.

Date of Government Version: 01/03/00 Date Made Active at EDR: 05/16/00 Database Release Frequency: No Update Planned Date of Data Arrival at EDR: 04/11/00 Elapsed ASTM days: 35 Date of Last EDR Contact: 01/19/04

Date of Data Arrival at EDR: 06/02/03

Date of Last EDR Contact: 12/01/03

Elapsed ASTM days: 24

Date of Last EDR Contact: 12/22/03

Date of Next Scheduled EDR Contact: 03/22/04

SWF/LF: Directory of Solid Waste Facilities

Source: Department of Environmental Quality

Telephone: 602-771-4132

Solid Waste Facilities/Landfill Sites. SWF/LF type records typically contain an inventory of solid waste disposal facilities or landfills in a particular state. Depending on the state, these may be active or inactive facilities or open dumps that failed to meet RCRA Subtitle D Section 4004 criteria for solid waste landfills or disposal sites.

Date of Government Version: 11/01/00 Date Made Active at EDR: 02/01/01 Database Release Frequency: Annually Date of Data Arrival at EDR: 01/02/01 Elapsed ASTM days: 30 Date of Last EDR Contact: 12/31/03

LUST: Leaking Underground Storage Tank Listing Source: Department of Environmental Quality

Telephone: 602-771-4345

Leaking Underground Storage Tank Incident Reports. LUST records contain an inventory of reported leaking underground storage tank incidents. Not all states maintain these records, and the information stored varies by state.

Date of Government Version: 07/01/03 Date Made Active at EDR: 08/20/03 Database Release Frequency: Semi-Annually Date of Data Arrival at EDR: 08/11/03 Elapsed ASTM days: 9 Date of Last EDR Contact: 11/14/03

UST: Underground Storage Tank Listing

Source: Department of Environmental Quality Telephone: 602-771-4345

Registered Underground Storage Tanks. UST's are regulated under Subtitle I of the Resource Conservation and Recovery Act (RCRA) and must be registered with the state department responsible for administering the UST program. Available information varies by state program.

Date of Government Version: 02/14/03 Date Made Active at EDR: 03/06/03 Database Release Frequency: Annually Date of Data Arrival at EDR: 02/24/03 Elapsed ASTM days: 10 Date of Last EDR Contact: 11/11/03

WQARF: Water Quality Assurance Revolving Fund Sites Source: Department of Environmental Quality Telephone: 602-771-4360	
Sites which may have an actual or potential impact upon the waters of the state, can The WQARF program provides matching funds to political subdivisions and other	
Date of Government Version: 07/01/03 Date Made Active at EDR: 09/29/03 Database Release Frequency: Annually	Date of Data Arrival at EDR: 08/11/03 Elapsed ASTM days: 49 Date of Last EDR Contact: 12/24/03
INDIAN UST: Underground Storage Tanks on Indian Land Source: EPA Region 9 Telephone: 415-972-3368	
Date of Government Version: 12/05/03 Date Made Active at EDR: 12/31/03 Database Release Frequency: Varies	Date of Data Arrival at EDR: 12/05/03 Elapsed ASTM days: 26 Date of Last EDR Contact: 11/24/03
STATE OF ARIZONA ASTM SUPPLEMENTAL RECORDS	
AST: List of Aboveground Storage Tanks Source: Department of Building & Fire Safety Telephone: 602-364-1003 Aboveground storage tanks that the Dept. of Building & Fire Safety have permitted.	
Date of Government Version: 12/31/00 Database Release Frequency: Annually	Date of Last EDR Contact: 01/13/04 Date of Next Scheduled EDR Contact: 04/12/04
SPILLS: Hazardous Material Logbook Source: Department of Environmental Quality Telephone: 602-771-4153 Chemical spills and incidents referred to the Emergency Response Unit.	
Date of Government Version: 06/30/00 Database Release Frequency: Semi-Annually	Date of Last EDR Contact: 12/31/03 Date of Next Scheduled EDR Contact: 03/29/04
 DOD: Department of Defense Sites Source: Department of Environmental Quality Telephone: 602-771-4360 These sites are federal facilities that are either being assessed for potential contami remediation taking place on them. 	ination, or have active
Date of Government Version: 07/01/03 Database Release Frequency: Annually	Date of Last EDR Contact: 12/24/03 Date of Next Scheduled EDR Contact: 03/22/04
WWFAC: Waste Water Treatment Facilities Source: Department of Environmental Quality Telephone: 602-771-4623 Statewide list of waste water treatment facilities.	
Date of Government Version: 07/01/03 Database Release Frequency: Varies	Date of Last EDR Contact: 11/24/03 Date of Next Scheduled EDR Contact: 02/23/04
AQUIFER: Waste Water Treatment Facilities Source: Department of Environmental Quality Telephone: 602-771-4623 Waste Water Treatment Facilities with APP (Aquifer Protection Permits.)	
Date of Government Version: 11/01/01 Database Release Frequency: Semi-Annually	Date of Last EDR Contact: 01/26/03 Date of Next Scheduled EDR Contact: 04/26/04

DRY WELLS: Drywell Registration
 Source: Department of Environmental Quality
 Telephone: 602-771-4686
 A drywell is a bored, drilled, or driven shaft or hole whose depth is greater than its width and is designed and
 constructed specifically for the disposal of storm water.
 Date of Government Version: 12/01/03
 Date of Government Version: 12/01/03
 Database Release Frequency: Semi-Annually
 Date of Next Scheduled EDR Contact: 03/22/04

 AZ AIRS: Arizona Airs Database
 Source: Department of Environmental Quality
 Telephone: 602-771-2344

Arizona major (has the potential to emit over 100 tons of criteria pollutant) and minor (below 100 tons) sources.

Date of Government Version: 11/03/03 Database Release Frequency: Semi-Annually Date of Last EDR Contact: 11/03/03 Date of Next Scheduled EDR Contact: 02/02/04

EDR PROPRIETARY HISTORICAL DATABASES

Former Manufactured Gas (Coal Gas) Sites: The existence and location of Coal Gas sites is provided exclusively to EDR by Real Property Scan, Inc. ©Copyright 1993 Real Property Scan, Inc. For a technical description of the types of hazards which may be found at such sites, contact your EDR customer service representative.

Disclaimer Provided by Real Property Scan, Inc.

The information contained in this report has predominantly been obtained from publicly available sources produced by entities other than Real Property Scan. While reasonable steps have been taken to insure the accuracy of this report, Real Property Scan does not guarantee the accuracy of this report. Any liability on the part of Real Property Scan is strictly limited to a refund of the amount paid. No claim is made for the actual existence of toxins at any site. This report does not constitute a legal opinion.

BROWNFIELDS DATABASES

Inst Control: DEUR Database

Source: Department of Environmental Quality

Telephone: 602-771-4398

DEUR and VEMUR sites. DEUR: Declaration of Environmental Use Restriction. A restrictive land use covenant that is required when a property owner elects to use an institutional (i.e., administrative) control or engineering (i.e., physical) control as a means to meet remediation goals. The DEUR runs with and burdens the land, and requires maintenance of any institutional or engineering controls. VEMUR: Voluntary Environmental Mitigation Use Restriction. A restrictive land use covenant that, prior to July 18, 2000, was required when a property owner elected to remediate the property to non-residential uses. Effective July 18, 2000, the DEUR replaced the VEMUR as a restrictive use covenant.

Date of Government Version: 11/10/03 Database Release Frequency: Varies Date of Last EDR Contact: 01/20/04 Date of Next Scheduled EDR Contact: 04/19/04

US BROWNFIELDS: A Listing of Brownfields Sites

Source: Environmental Protection Agency

Telephone: 202-566-2777

Included in the listing are brownfields properties addresses by Cooperative Agreement Recipients and brownfields properties addressed by Targeted Brownfields Assessments. Targeted Brownfields Assessments-EPA's Targeted Brownfields Assessments (TBA) program is designed to help states, tribes, and municipalities--especially those without EPA Brownfields Assessment Demonstration Pilots--minimize the uncertainties of contamination often associated with brownfields. Under the TBA program, EPA provides funding and/or technical assistance for environmental assessments at brownfields sites throughout the country. Targeted Brownfields Assessments supplement and work with other efforts under EPA's Brownfields Initiative to promote cleanup and redevelopment of brownfields. Cooperative Agreement Recipients-States, political subdivisions, territories, and Indian tribes become BCRLF cooperative agreement recipients when they enter into BCRLF cooperative agreements with the U.S. EPA. EPA selects BCRLF cooperative agreement recipients based on a proposal and application process. BCRLF cooperative agreement recipients must use EPA funds provided through BCRLF cooperative agreement for specified brownfields-related cleanup activities.

Date of Government Version: N/A Database Release Frequency: Semi-Annually Date of Last EDR Contact: N/A Date of Next Scheduled EDR Contact: N/A

OTHER DATABASE(S)

Depending on the geographic area covered by this report, the data provided in these specialty databases may or may not be complete. For example, the existence of wetlands information data in a specific report does not mean that all wetlands in the area covered by the report are included. Moreover, the absence of any reported wetlands information does not necessarily mean that wetlands do not exist in the area covered by the report.

Oil/Gas Pipelines: This data was obtained by EDR from the USGS in 1994. It is referred to by USGS as GeoData Digital Line Graphs from 1:100,000-Scale Maps. It was extracted from the transportation category including some oil, but primarily gas pipelines.

Electric Power Transmission Line Data

Source: PennWell Corporation

Telephone: (800) 823-6277

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on a best effort basis and PennWell Corporation does not guarantee its accuracy nor warrant its

fitness for any particular purpose. Such information has been reprinted with the permission of PennWell.

Sensitive Receptors: There are individuals deemed sensitive receptors due to their fragile immune systems and special sensitivity to environmental discharges. These sensitive receptors typically include the elderly, the sick, and children. While the location of all sensitive receptors cannot be determined, EDR indicates those buildings and facilities - schools, daycares, hospitals, medical centers, and nursing homes - where individuals who are sensitive receptors are likely to be located.

AHA Hospitals:

Source: American Hospital Association, Inc.

Telephone: 312-280-5991

The database includes a listing of hospitals based on the American Hospital Association's annual survey of hospitals.

Medical Centers: Provider of Services Listing

Source: Centers for Medicare & Medicaid Services

Telephone: 410-786-3000

A listing of hospitals with Medicare provider number, produced by Centers of Medicare & Medicaid Services,

a federal agency within the U.S. Department of Health and Human Services.

Nursing Homes

Source: National Institutes of Health

Telephone: 301-594-6248 Information on Medicare and Medicaid certified nursing homes in the United States.

Public Schools

Source: National Center for Education Statistics

Telephone: 202-502-7300

The National Center for Education Statistics' primary database on elementary

and secondary public education in the United States. It is a comprehensive, annual, national statistical

database of all public elementary and secondary schools and school districts, which contains data that are comparable across all states.

Private Schools

Source: National Center for Education Statistics

Telephone: 202-502-7300

The National Center for Education Statistics' primary database on private school locations in the United States.

Daycare Centers: Child Care Facilities & Group Homes

Source: Department of Health Services

Telephone: 602-674-4220

Flood Zone Data: This data, available in select counties across the country, was obtained by EDR in 1999 from the Federal Emergency Management Agency (FEMA). Data depicts 100-year and 500-year flood zones as defined by FEMA.

NWI: National Wetlands Inventory. This data, available in select counties across the country, was obtained by EDR in 2002 from the U.S. Fish and Wildlife Service.

STREET AND ADDRESS INFORMATION

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GEOCHECK ®- PHYSICAL SETTING SOURCE ADDENDUM

TARGET PROPERTY ADDRESS

JX RANCH JX RANCH PAYSON, AZ 85541

TARGET PROPERTY COORDINATES

Latitude (North):	33.975201 - 33° 58' 30.7''
Longitude (West):	111.113297 - 111° 6' 47.9''
Universal Tranverse Mercator:	Zone 12
UTM X (Meters):	489533.7
UTM Y (Meters):	3759217.5
Elevation:	5203 ft. above sea level

EDR's GeoCheck Physical Setting Source Addendum has been developed to assist the environmental professional with the collection of physical setting source information in accordance with ASTM 1527-00, Section 7.2.3. Section 7.2.3 requires that a current USGS 7.5 Minute Topographic Map (or equivalent, such as the USGS Digital Elevation Model) be reviewed. It also requires that one or more additional physical setting sources be sought when (1) conditions have been identified in which hazardous substances or petroleum products are likely to migrate to or from the property, and (2) more information than is provided in the current USGS 7.5 Minute Topographic Map (or equivalent) is generally obtained, pursuant to local good commercial or customary practice, to assess the impact of migration of recognized environmental conditions in connection with the property. Such additional physical setting sources generally include information about the topographic, hydrologic, hydrogeologic, and geologic characteristics of a site, and wells in the area.

Assessment of the impact of contaminant migration generally has two principle investigative components:

- 1. Groundwater flow direction, and
- 2. Groundwater flow velocity.

Groundwater flow direction may be impacted by surface topography, hydrology, hydrogeology, characteristics of the soil, and nearby wells. Groundwater flow velocity is generally impacted by the nature of the geologic strata. EDR's GeoCheck Physical Setting Source Addendum is provided to assist the environmental professional in forming an opinion about the impact of potential contaminant migration.

GROUNDWATER FLOW DIRECTION INFORMATION

Groundwater flow direction for a particular site is best determined by a qualified environmental professional using site-specific well data. If such data is not reasonably ascertainable, it may be necessary to rely on other sources of information, such as surface topographic information, hydrologic information, hydrogeologic data collected on nearby properties, and regional groundwater flow information (from deep aquifers).

TOPOGRAPHIC INFORMATION

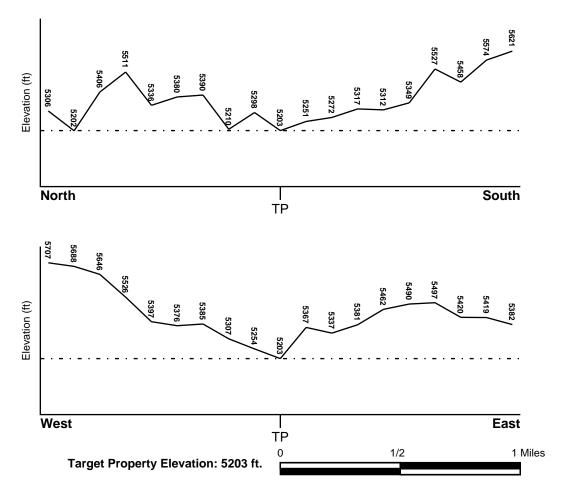
Surface topography may be indicative of the direction of surficial groundwater flow. This information can be used to assist the environmental professional in forming an opinion about the impact of nearby contaminated properties or, should contamination exist on the target property, what downgradient sites might be impacted.

TARGET PROPERTY TOPOGRAPHY

USGS Topographic Map: General Topographic Gradient: Source:

33111-H1 COPPER MOUNTAIN, AZ General North USGS 7.5 min quad index

SURROUNDING TOPOGRAPHY: ELEVATION PROFILES



Source: Topography has been determined from the USGS 7.5' Digital Elevation Model and should be evaluated on a relative (not an absolute) basis. Relative elevation information between sites of close proximity should be field verified.

HYDROLOGIC INFORMATION

Surface water can act as a hydrologic barrier to groundwater flow. Such hydrologic information can be used to assist the environmental professional in forming an opinion about the impact of nearby contaminated properties or, should contamination exist on the target property, what downgradient sites might be impacted.

Refer to the Physical Setting Source Map following this summary for hydrologic information (major waterways and bodies of water).

FEMA FLOOD ZONE

Target Property County GILA, AZ	FEMA Flood <u>Electronic Data</u> YES - refer to the Overview Map and Detail Map
Flood Plain Panel at Target Property:	0400280800B
Additional Panels in search area:	0400280775B
NATIONAL WETLAND INVENTORY	NWI Electronic
NWI Quad at Target Property COPPER MOUNTAIN	Data Coverage Not Available

HYDROGEOLOGIC INFORMATION

Hydrogeologic information obtained by installation of wells on a specific site can often be an indicator of groundwater flow direction in the immediate area. Such hydrogeologic information can be used to assist the environmental professional in forming an opinion about the impact of nearby contaminated properties or, should contamination exist on the target property, what downgradient sites might be impacted.

Site-Specific Hydrogeological Data*:

Search Radius:	•	1.25 miles
Status:		Not found

AQUIFLOW®

Search Radius: 1.000 Mile.

EDR has developed the AQUIFLOW Information System to provide data on the general direction of groundwater flow at specific points. EDR has reviewed reports submitted by environmental professionals to regulatory authorities at select sites and has extracted the date of the report, groundwater flow direction as determined hydrogeologically, and the depth to water table.

MAP ID Not Reported LOCATION FROM TP GENERAL DIRECTION GROUNDWATER FLOW

GROUNDWATER FLOW VELOCITY INFORMATION

Groundwater flow velocity information for a particular site is best determined by a qualified environmental professional using site specific geologic and soil strata data. If such data are not reasonably ascertainable, it may be necessary to rely on other sources of information, including geologic age identification, rock stratigraphic unit and soil characteristics data collected on nearby properties and regional soil information. In general, contaminant plumes move more quickly through sandy-gravelly types of soils than silty-clayey types of soils.

GEOLOGIC INFORMATION IN GENERAL AREA OF TARGET PROPERTY

Geologic information can be used by the environmental professional in forming an opinion about the relative speed at which contaminant migration may be occurring.

ROCK STRATIGRAPHIC UNIT

GEOLOGIC AGE IDENTIFICATION

Stratified Sequence

Era:	Precambrian	Category:
System:	Precambrian	
Series:	Y Sedimentary rocks	
Code:	Y (decoded above as Era, System &	Series)

Geologic Age and Rock Stratigraphic Unit Source: P.G. Schruben, R.E. Arndt and W.J. Bawiec, Geology of the Conterminous U.S. at 1:2,500,000 Scale - a digital representation of the 1974 P.B. King and H.M. Beikman Map, USGS Digital Data Series DDS - 11 (1994).

DOMINANT SOIL COMPOSITION IN GENERAL AREA OF TARGET PROPERTY

The U.S. Department of Agriculture's (USDA) Soil Conservation Service (SCS) leads the National Cooperative Soil Survey (NCSS) and is responsible for collecting, storing, maintaining and distributing soil survey information for privately owned lands in the United States. A soil map in a soil survey is a representation of soil patterns in a landscape. Soil maps for STATSGO are compiled by generalizing more detailed (SSURGO) soil survey maps. The following information is based on Soil Conservation Service STATSGO data.

Soil Component Name:	SPUDROCK				
Soil Surface Texture:	very flaggy - sandy loam				
Hydrologic Group:	Class C - Slow infiltration rates. Soils with layers impeding downward movement of water, or soils with moderately fine or fine textures.				
Soil Drainage Class:	Well drained. Soils have intermediate water holding capacity. Depth to water table is more than 6 feet.				
Hydric Status: Soil does not meet the requirements for a hydric soil.					
Corrosion Potential - Uncoated Steel:	MODERATE				
Depth to Bedrock Min:	> 20 inches				

Depth to Bedrock Max:	> 40 inches
-----------------------	-------------

Soil Layer Information							
Boundary					fication		
Layer	Upper	Lower	Soil Texture Class	AASHTO Group	Unified Soil	Permeability Rate (in/hr)	Soil Reaction (pH)
1	0 inches	5 inches	very flaggy - sandy loam	Granular materials (35 pct. or less passing No. 200), Silty, or Clayey Gravel and Sand.	COARSE-GRAINED SOILS, Sands, Sands with fines, Silty Sand.	Max: 6.00 Min: 2.00	Max: 7.30 Min: 5.60
2	5 inches	24 inches	very channery - fine sandy loam	Granular materials (35 pct. or less passing No. 200), Silty, or Clayey Gravel and Sand.	COARSE-GRAINED SOILS, Sands, Sands with fines, Silty Sand.	Max: 6.00 Min: 2.00	Max: 7.30 Min: 5.60
3	24 inches	28 inches	weathered bedrock	Not reported	Not reported	Max: 0.00 Min: 0.00	Max: 0.00 Min: 0.00

OTHER SOIL TYPES IN AREA

Based on Soil Conservation Service STATSGO data, the following additional subordinant soil types may appear within the general area of target property.

- Soil Surface Textures:very cobbly clay loam
unweathered bedrockSurficial Soil Types:very cobbly clay loam
unweathered bedrockShallow Soil Types:No Other Soil Types
- Deeper Soil Types: unweathered bedrock

ADDITIONAL ENVIRONMENTAL RECORD SOURCES

According to ASTM E 1527-00, Section 7.2.2, "one or more additional state or local sources of environmental records may be checked, in the discretion of the environmental professional, to enhance and supplement federal and state sources... Factors to consider in determining which local or additional state records, if any, should be checked include (1) whether they are reasonably ascertainable, (2) whether they are sufficiently useful, accurate, and complete in light of the objective of the records review (see 7.1.1), and (3) whether they are obtained, pursuant to local, good commercial or customary practice." One of the record sources listed in Section 7.2.2 is water well information. Water well information can be used to assist the environmental professional in assessing sources that may impact groundwater flow direction, and in forming an opinion about the impact of contaminant migration on nearby drinking water wells.

WELL SEARCH DISTANCE INFORMATION

DATABASE	SEARCH DISTANCE (miles)
Federal USGS Federal FRDS PWS	1.000 Nearest PWS within 1 mile
State Database	1.000

FEDERAL USGS WELL INFORMATION

MAP ID	WELL ID	LOCATION FROM TP
No Wells Found		

FEDERAL FRDS PUBLIC WATER SUPPLY SYSTEM INFORMATION

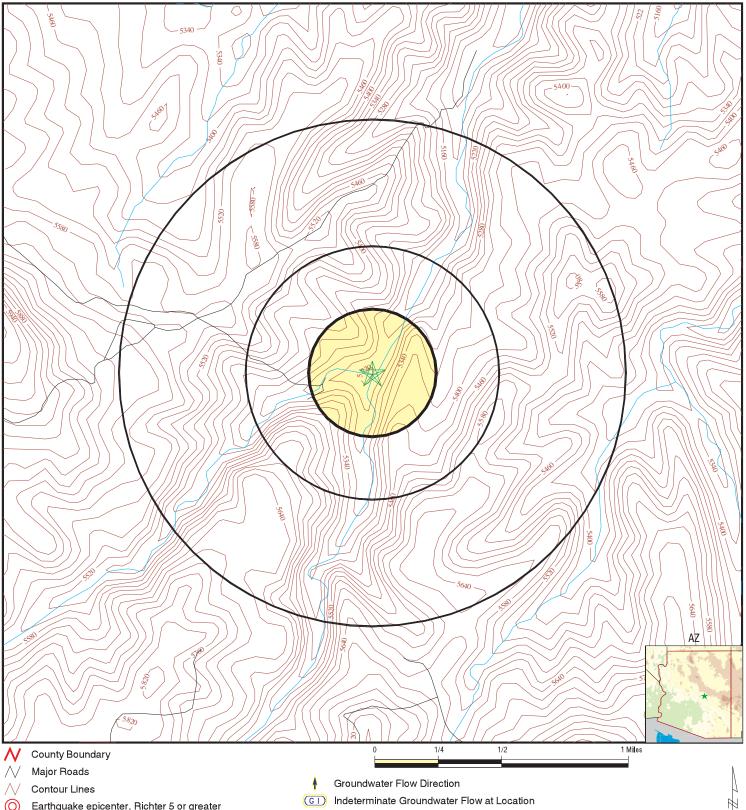
MAP ID	WELL ID	LOCATION FROM TP
No PWS System Found		

Note: PWS System location is not always the same as well location.

STATE DATABASE WELL INFORMATION

		LOCATION
MAP ID	WELL ID	FROM TP
No Wells Found		

PHYSICAL SETTING SOURCE MAP - 01128112.5r



- Earthquake epicenter, Richter 5 or greater (O)
- \bigotimes Water Wells
- Ø Public Water Supply Wells
- Cluster of Multiple Icons

- GI) Indeterminate Groundwater Flow at Location
- GV Groundwater Flow Varies at Location
- (HD) Closest Hydrogeological Data

TARGET PROPERTY: ADDRESS: CITY/STATE/ZIP: LAT/LONG:

JX Ranch JX Ranch Payson AZ 85541 33.9752 / 111.1133 CUSTOMER: CONTACT: INQUIRY #: DATE:

Westland Resources Chris Rife 01128112.5r February 11, 2004 7:32 pm

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GEOCHECK® - PHYSICAL SETTING SOURCE MAP FINDINGS RADON

AREA RADON INFORMATION

State Database: AZ Radon

Radon Test Results (pCi/L)

Zip	City	City Result (pCi/L)	
—			
85541	PAYSON	< 0.50	
85541	PAYSON	= 0.50	
85541	PAYSON	= 0.60	
85541	PAYSON	= 0.70	
85541	PAYSON	= 0.80	
85541	PAYSON	= 0.90	
85541	PAYSON	= 1.00	
85541	PAYSON	= 1.10	
85541	PAYSON	= 1.20	
85541	PAYSON	= 1.30	
85541	PAYSON	= 1.40	
85541	PAYSON	= 1.50	
85541	PAYSON	= 1.60	
85541	PAYSON	= 1.70	
85541	PAYSON	= 1.80	
85541	PAYSON	= 2.10	
85541	PAYSON	= 2.30	
85541	PAYSON	= 2.40	
85541	PAYSON	= 2.80	
85541	PAYSON	= 3.00	
85541	PAYSON	= 3.30	
85541	PAYSON	= 3.50	
85541	PAYSON	= 3.60	
85541	PAYSON	= 4.10	
85541	PAYSON	= 4.30	
85541	PAYSON	= 4.40	
85541	PAYSON	= 5.50	
85541	PAYSON	= 5.70	
85541	PAYSON	= 5.80	
85541	PAYSON	= 6.10	
85541	PAYSON	= 7.90	
85541	PAYSON	= 9.20	
85541	PAYSON	= 9.30	

Federal EPA Radon Zone for GILA County: 2

Note: Zone 1 indoor average level > 4 pCi/L.

: Zone 2 indoor average level >= 2 pCi/L and <= 4 pCi/L.

: Zone 3 indoor average level < 2 pCi/L.

Federal Area Radon Information for Zip Code: 85541

Number of sites tested: 8

Area	Average Activity	% <4 pCi/L	% 4-20 pCi/L	% >20 pCi/L
Living Area - 1st Floor	1.088 pCi/L	100%	0%	0%
Living Area - 2nd Floor	Not Reported	Not Reported	Not Reported	Not Reported
Basement	Not Reported	Not Reported	Not Reported	Not Reported

PHYSICAL SETTING SOURCE RECORDS SEARCHED

TOPOGRAPHIC INFORMATION

USGS 7.5' Digital Elevation Model (DEM)

Source: United States Geologic Survey

EDR acquired the USGS 7.5' Digital Elevation Model in 2002. 7.5-Minute DEMs correspond to the USGS 1:24,000- and 1:25,000-scale topographic quadrangle maps.

HYDROLOGIC INFORMATION

Flood Zone Data: This data, available in select counties across the country, was obtained by EDR in 1999 from the Federal Emergency Management Agency (FEMA). Data depicts 100-year and 500-year flood zones as defined by FEMA.

NWI: National Wetlands Inventory. This data, available in select counties across the country, was obtained by EDR in 2002 from the U.S. Fish and Wildlife Service.

HYDROGEOLOGIC INFORMATION

AQUIFLOW^R Information System

Source: EDR proprietary database of groundwater flow information

EDR has developed the AQUIFLOW Information System (AIS) to provide data on the general direction of groundwater flow at specific points. EDR has reviewed reports submitted to regulatory authorities at select sites and has extracted the date of the report, hydrogeologically determined groundwater flow direction and depth to water table information.

GEOLOGIC INFORMATION

Geologic Age and Rock Stratigraphic Unit

Source: P.G. Schruben, R.E. Arndt and W.J. Bawiec, Geology of the Conterminous U.S. at 1:2,500,000 Scale - A digital representation of the 1974 P.B. King and H.M. Beikman Map, USGS Digital Data Series DDS - 11 (1994).

STATSGO: State Soil Geographic Database

Source: Department of Agriculture, Natural Resources Conservation Services

The U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) leads the national Conservation Soil Survey (NCSS) and is responsible for collecting, storing, maintaining and distributing soil survey information for privately owned lands in the United States. A soil map in a soil survey is a representation of soil patterns in a landscape. Soil maps for STATSGO are compiled by generalizing more detailed (SSURGO) soil survey maps.

ADDITIONAL ENVIRONMENTAL RECORD SOURCES

FEDERAL WATER WELLS

PWS: Public Water Systems

Source: EPA/Office of Drinking Water

Telephone: 202-564-3750

Public Water System data from the Federal Reporting Data System. A PWS is any water system which provides water to at least 25 people for at least 60 days annually. PWSs provide water from wells, rivers and other sources.

PWS ENF: Public Water Systems Violation and Enforcement Data

Source: EPA/Office of Drinking Water

Telephone: 202-564-3750

Violation and Enforcement data for Public Water Systems from the Safe Drinking Water Information System (SDWIS) after August 1995. Prior to August 1995, the data came from the Federal Reporting Data System (FRDS).

USGS Water Wells: USGS National Water Inventory System (NWIS)

This database contains descriptive information on sites where the USGS collects or has collected data on surface water and/or groundwater. The groundwater data includes information on wells, springs, and other sources of groundwater.

PHYSICAL SETTING SOURCE RECORDS SEARCHED

STATE RECORDS

Arizona Well Registration Database

Source: Department of Water Resources Telephone: 602-771-1586 Contains information provided to ADWR's Operations Division by well drillers and/or owners.

RADON

State Database: AZ Radon

Source: Arizona Radiation Regulatory Agency Telephone: 602-255-4845 State Indoor Radon Survey

Area Radon Information

Source: USGS

Telephone: 703-356-4020 The National Radon Database has been developed by the U.S. Environmental Protection Agency (USEPA) and is a compilation of the EPA/State Residential Radon Survey and the National Residential Radon Survey. The study covers the years 1986 - 1992. Where necessary data has been supplemented by information collected at private sources such as universities and research institutions.

EPA Radon Zones

Source: EPA Telephone: 703-356-4020 Sections 307 & 309 of IRAA directed EPA to list and identify areas of U.S. with the potential for elevated indoor radon levels.

OTHER

Epicenters: World earthquake epicenters, Richter 5 or greater Source: Department of Commerce, National Oceanic and Atmospheric Administration

Airport Landing Facilities: Private and public use landing facilities Source: Federal Aviation Administration, 800-457-6656

APPENDIX B

ARIZONA DEPARTMENT OF WATER RESOURCES

MONITORING WELL DATA



The EDR-Historical Topographic Map Report

JX Ranch JX Ranch Payson, AZ 85541

February 16, 2004

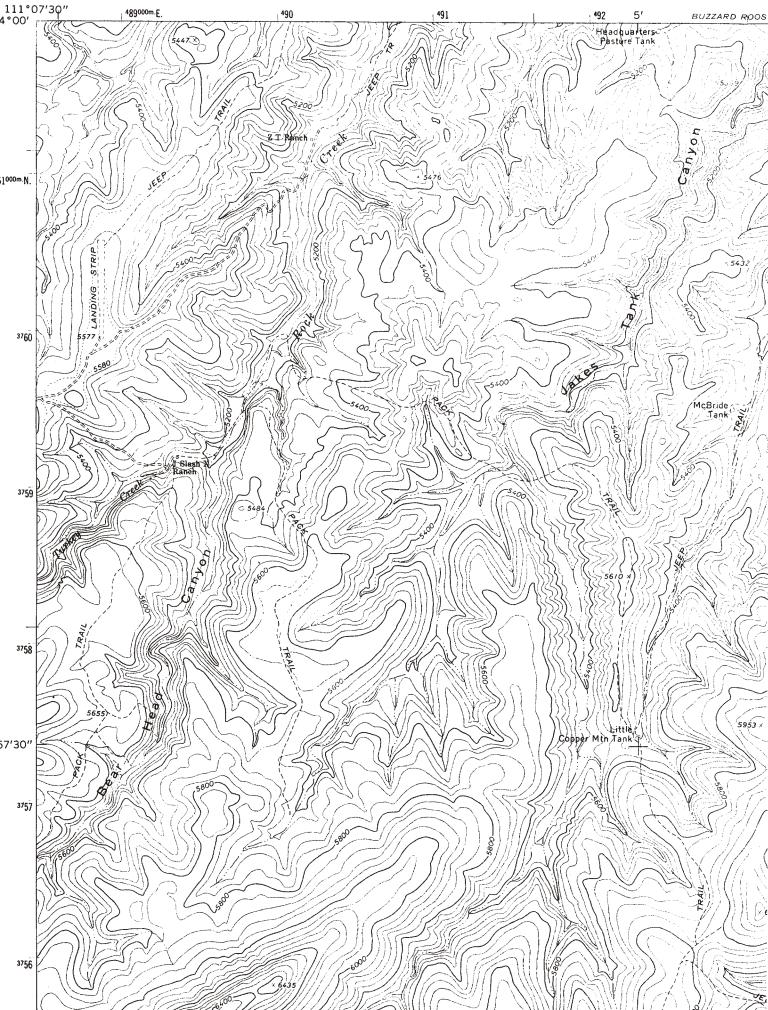
Inquiry Number: 1128112-7

The Standard In Environmental Risk Management Information

440 Wheelers Farms Road Milford, Connecticut 06460

Nationwide Customer Service

Telephone: 1-800-352-0050 Fax: 1-800-231-6802



Inquiry Number: 17817-7 TP Quad Adj Ouad [] Quad Minute Series [7.5 [] 15 [] 30 [] 30x60 Year [9]04 []Provisional Edition []Revised []Photorevised []Inspected from 1:24,000 11:62,500 [] 1:25,000 [] 1:31,680 [] 1:50,000 [] 1:100.000 [] 1:125,000



1128 Inquiry Number: TP Quad Adj Quad [] OSEVE Quad Minute Series [] 7.5 [] 15 A 30 [] 30x60 Year 1972 []Provisional Edition []Revised []Photorevised []Inspected from [] 1:24,000 [] 1:25,000 [] 1:31,680 [] 1:50,000 [] 1:100,000 **X** 1:125,000 [] 1:62,500

Environmental Data Resources, Inc. Historical Topographic Map Report

Environmental Data Resources, Inc.'s (EDR) Historical Topographic Map Report is designed to assist professionals in evaluating potential liability on a target property, and its surrounding area, resulting from past activities. ASTM E 1527-00, Section 7.3 on Historical Use Information, identifies the prior use requirements for a Phase I environmental site assessment. The ASTM standard requires a review of reasonably ascertainable standard historical sources. Reasonably ascertainable is defined as information that is publicly available, obtainable from a source with reasonable time and cost constraints, and practically reviewable.

To meet the prior use requirements of ASTM E 1527-00, Section 7.3.4, the following standard historical sources may be used: aerial photographs, city directories, fire insurance maps, topographic maps, property tax files, land title records (although these cannot be the sole historical source consulted), building department records, or zoning/and use records. ASTM E 1527-00 requires "All obvious uses of the property shall be identified from the present, back to the property's obvious first developed use, or back to 1940, whichever is earlier. This task requires reviewing only as many of the standard historical sources as are necessary, and that are reasonably ascertainable and likely to be useful." (ASTM E 1527-00, Section 7.3.2 page 12.)

EDR's Historical Topographic Map Report includes a search of available public and private color historical topographic map collections.

Topographic Maps

A topographic map (topo) is a color coded line-and-symbol representation of natural and selected artificial features plotted to a scale. Topos show the shape, elevation, and development of the terrain in precise detail by using contour lines and color coded symbols. Many features are shown by lines that may be straight, curved, solid, dashed, dotted, or in any combination. The colors of the lines usually indicate similar classes of information. For example, topographic contours (brown); lakes, streams, irrigation ditches, etc. (blue); land grids and important roads (red); secondary roads and trails, railroads, boundaries, etc. (black); and features that have been updated using aerial photography, but not field verified, such as disturbed land areas (e.g., gravel pits) and newly developed water bodies (purple).

For more than a century, the USGS has been creating and revising topographic maps for the entire country at a variety of scales. There are about 60,000 U.S. Geological Survey (USGS) produced topo maps covering the United States. Each map covers a specific quadrangle (quad) defined as a four-sided area bounded by latitude and longitude. Historical topographic maps are a valuable historical resource for documenting the prior use of a property and its surrounding area, and due to their frequent availability can be particularly helpful when other standard historical sources (such as city directories, fire insurance maps, or aerial photographs) are not reasonably ascertainable. FEB 2 n 2004

Please call EDR Nationwide Customer Service at 1-800-352-0050 (8am-8pm ET) with questions or comments about your report. Thank you for your business!

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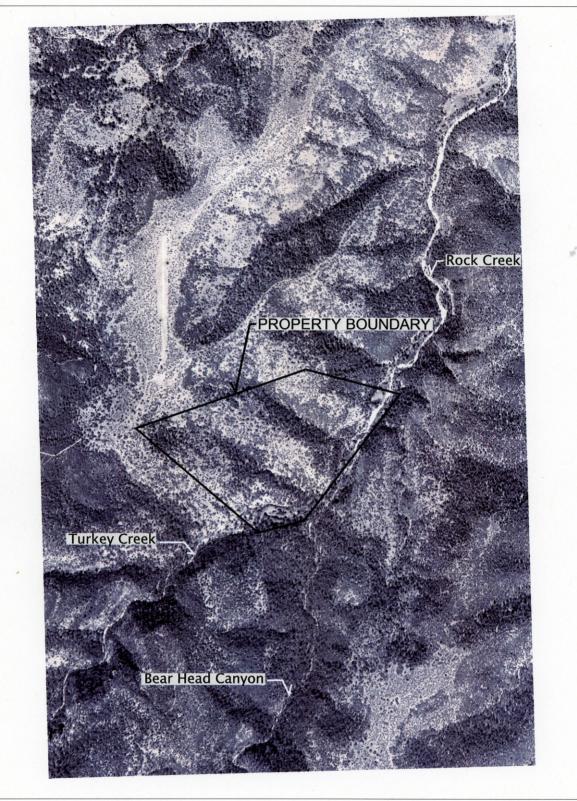


1000' 2000' Scale 1" = 2000' Resolution Project JX Figure 1

APPENDIX C

COOPER AERIAL SURVEYS COMPANY

> HISTORICAL AERIALS



T.7N.,R.12E. Portion of Sections 3 & 4, Gila County, Arizona Located on the Copper Mt. USGS Quadrangle



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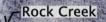
800'

1600'

Photo Provided By: EROS Data Center, 1962.

SWIFT CURRENT LAND & CATTLE CO., LLC

JX RANCH 1962 Aerial Figure C1



PROPERTY BOUNDARY

Turkey Creek

Bear Head Canyon

T.7N.,R.12E. Portion of Sections 3 & 4, Gila County, Arizona Located on the Copper Mt. USGS Quadrangle



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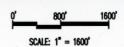




Photo Source: USGS Digital Ortho Quarter Quadrangle Copper Mt. NW & Picture Mt. NE, 1992.

SWIFT CURRENT LAND & CATTLE CO., LLC

JX RANCH

1992 Aerial Figure C2

APPENDIX D

GROUND SITE PHOTOGRAPHS



PHOTO 1.

Property Overview, from northwestern boundary facing southeast. Slope in foreground descends to Turkey Creek; ridge in midground divides Turkey Creek from Bear Head Canyon. Fire damage evident in forest.



PHOTO 2.

Homestead site overview, from western end facing east. Jeep trail crosses meadow in center; loose rocks in diagonal across photograph apparently placed by stream flood flow; mound at right midground is possible former cabin location; row of trees in center right are fruit trees.



PHOTO 3.

Stone wall structure at western end of homestead site.

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> SITE PHOTOGRAPHS Sheet 1



PHOTO 4.

Looking west in northwest portion of the property.



Looking west from Swan in south quarter of the property.

PHOTO 6.

Northern edge of property looking south along west edge of wash.

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> SITE PHOTOGRAPHS Sheet 1

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PHOTO 7.

Looking up wash at intersection with northern boundary.

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SITE PHOTOGRAPHS Sheet 1