

AFFIDAVIT OF PERFORMANCE OF
LABOR ON LODE MINING CLAIMS

GEOCHEMICAL SURVEY REPORT

STATE OF NEVADA
COUNTY OF EUREKA

Before me, the subscribed, personally appeared Terry K. Koehn for NL Industries, Inc./NL Baroid who being duly sworn, says at least TWO HUNDRED DOLLARS (\$200.00) worth of work or improvements were performed or made upon the following described lode mining claims:

<u>CLAIM NAME</u>	<u>DATE LOCATED</u>	<u>BOOK</u>	<u>PAGE</u>	<u>BLM SERIAL NUMBER</u>
Red Canyon 1	July 16, 1980	84	453	NMC-162063
Red Canyon 2	July 16, 1980	84	454	NMC-162064

Map File Number 75249

all being lode mining claims situated in the "unknown" Mining District, County of Eureka, State of Nevada (sec. 17 and 20, T23N, R50E) during assessment year ending September 1, 1981 that such expenditure was made by NL Industries, Inc., a New Jersey corporation acting by and through its NL Baroid Division, P.O. Box 1675, Houston, Texas, 77001, owner of said claims for the purpose of holding said claims.

Said work consisted of a geochemical survey permitted by Federal Statutes 30 U.S.C. 28.1; 30 U.S.C. 28-2; and 43 C.F.R. S3851.2 and was performed during the period July 11, 1981 to July 29, 1981.

GEOCHEMICAL SURVEY

The survey consisted of geochemical soil and rock chip sampling along lines of traverse located on each mining claim. Rock chip and soil samples were collected on three (3) traverse lines which were each 1200 feet in length and positioned at a distance of 750 feet from each other. In addition to six rock chip samples taken along the traverse lines, a total of eleven (11) soil samples were collected at a constant depth of six (6) inches on 300 foot intervals. Collected samples were analyzed for arsenic, barium, copper, gold, silver, and zinc utilizing accepted analytical techniques.

The locations and lengths of the three survey traverse lines are as follows:

- Traverse 1: Starting at the NE corner of the Red Canyon 2 lode claim (750 feet north and 300 feet east of the Red Canyon 2 location monument) the traverse extends 1200 feet in a western direction, bearing east-west.
- Traverse 2: Starting at the east side center of the Red Canyon 2 lode claim (300 feet east of the Red Canyon 2 location monument) the traverse extends 1200 feet in a western direction, bearing east-west.
- Traverse 3: Starting at the SE corner of the Red Canyon 2 lode claim (750 feet south and 300 feet east of the Red Canyon 2 location monument) the traverse extends 1200 feet in a western direction, bearing east-west.

Results of the sample analysis identify an area with moderately high values for the elements analyzed. These anomalous areas correlate with the existing mineralized structure and indicate that an apparent correlation exists between background values for some of the elements analyzed and rock types occurring in the sampled area. Further interpretation and examination will be required to explain other determined anomalous areas.

The survey was performed by qualified personnel employed by NL Industries, Inc./NL Baroid, P.O. Box 2150, Elko, Nevada, 89801, and all geochemical analyses were performed by Skyline Labs, Inc., 12090 West 50th Place, Wheatridge, Colorado, 80033 on behalf of NL Industries, Inc. All exploration and improvements were made for the purpose of actively developing and holding said claims.

The geochemical survey team employed by NL Industries, Inc. consisted of three geochemical samplers/geologists and was directed by a staff geologist. An expenditure of over TWO HUNDRED DOLLARS (\$239.32) was paid by NL Industries, Inc. to Skyline Labs, Inc. for the geochemical analysis. A report of the survey is on file with NL Industries, Inc./NL Baroid.

Names, Addresses, and Professional Backgrounds:

Terry K. Koehn - Staff Geologist, NL Industries, Inc./NL Baroid.
Bachelor of Science - Geology, University of Wisconsin, 1978.
Experience (3 years) in Western United States Geochemistry.

Star Downs - Geochemical Sampler/Geologist, NL Industries, Inc./
NL Baroid. Bachelor of Science - Geology, Fort Lewis College,
Colorado, 1979.

Diane Groody - Geochemical Sampler/Geologist, NL Industries, Inc./
NL Baroid. Bachelor of Science - Geology, Fort Lewis College,
Colorado, 1979.

Mary Beth Kitz - Geochemical Sampler/Geologist, NL Industries, Inc./
NL Baroid. Bachelor of Science - Geology, University of
Wisconsin, 1981.

Gordon H. VanSickle - Geochemist, Vice President and Laboratory
Manager, Skyline Labs, Inc.

NL INDUSTRIES, INC.

Star Downs
Witness

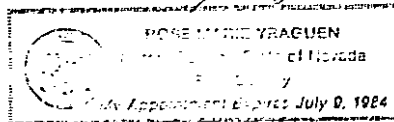
by Terry K. Koehn
Terry K. Koehn

Rent Hansen
Witness

Subscribed and sworn to before me this 25th day
of August 1981.

Rose Marie Yraguen
Notary Public

My Commission Expires 7-9-84



RECORDED AT REQUEST OF
NL Baroid
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. DEPAOLI, RECORDER
FILE NO. 81922
FEE \$ 1.00