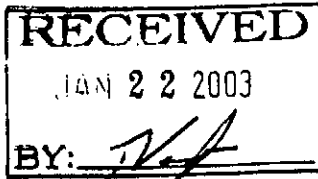


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January 16, 2003

Arizona Navigable Stream  
Adjudication Commission  
Room 404  
1700 West Washington  
Phoenix, AZ 85007

Re: Babacomari River (Creek),  
Tributary of the San Pedro River

Sirs:

I represent the Babacomari Ranch Company Limited Partnership, owner of the San Ignacio del Babacomari Land Grant, a Mexican Land Grant ("the Grant") dating to 1832 and recognized by the US Court of Private Land Claims in 1902. The Partnership operates a livestock ranch upon its lands.

The Babacomari River traverses the private lands of the Grant for more than ten 10 miles in Santa Cruz and Cochise Counties, Arizona, and under the terms of the grant from the Republic of Mexico, the Partnership owns not only the surface, but the subsurface, and all of its minerals and water (as specified in the grant document), except for gold, silver and cinnabar.

The Partnership hereby claims ownership of the stream bed of the river located upon its lands by virtue of its grant. Further, said river was never navigable in any sense of the word throughout its recorded history. In places the river is intermittent or ephemeral, but in other places it is a running stream except in times of extreme drought. There is

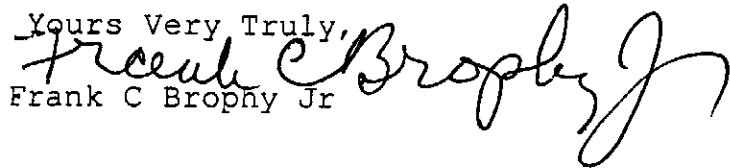
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a USGS gauging station located on the stream about 2-3 miles west of State Highway 90. There is also a dam creating a reservoir on the stream at the ranch headquarters just inside the west boundary line of Cochise County. There is a large cienaga located on the stream at the ranch headquarters. The stream is fed principally by the Hay canyon, Vaughn, O'Donnell , Lyle Canyon, and Slaughter House washes from the south, and various smaller drainages from the north. The Partnership claims ownership of the lands comprising all of these drainages and washes to the extent they are located within the ranch's boundaries.

Please record this claim as a part of the record in your proceedings, and advise the undersigned if there are any further documents to be filed or information supplied for you to be able make your determinations. Also if there is any opposition to this claim the Partnership would appreciate being advised.

Yours Very Truly,

Frank C Brophy Jr

A handwritten signature in cursive script, appearing to read "Frank C Brophy Jr", written in dark ink over the typed name.

Cc: Ben Brophy  
Fiona Brophy