



CONTACT INFORMATION

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Phoenix, AZ 85007
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The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: ASH PEAK

ALTERNATE NAMES:

PATENTED CLAIMS MS 3076A
HARDY
LONE CAMP
HELL FILE
COUGAR
FRAN
GRAND DUC
CROW
POSSPOHOLA AND DANKWORTH
ARTHUR MURPHY
PARADISE & SPW CLAIMS
RIBBLE AND DANIELS
BLACK BEAUTY

GREENLEE COUNTY MILS NUMBER: 70

LOCATION: TOWNSHIP 8 S RANGE 30 E SECTION 3 QUARTER SE
LATITUDE: N 32DEG 45MIN 49SEC LONGITUDE: W 109DEG 15MIN 27SEC
TOPO MAP NAME: GUTHRIE - 15 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:

SILVER
MANGANESE
SILICON SMELTER FLUX
GOLD
COPPER

BIBLIOGRAPHY:

BLM MINING DISTRICT SHEET 851
PAT. CLAIMS EXTEND INTO SEC. 10 & 21, 11
USGS MINERAL RESOURCES OF THE US 1922, PART 1,
P. 506, 1907, PART 1, P. 168
ADMMR ASH PEAK MINE FILE
ADMMR ASH PEAK TAILING DUMP AND MILL FILE
MAPS - UPSTAIRS ROLLED IN BOXES
ADMMR "U" FILE

CONTINUED ON NEXT PAGE

CONTINUATION OF ASH PEAK

FARNHAM, STEWART & DELONG, MANGANESE DEPTS.
OF EASTERN AZ. USBM IC 7990, 1961, P. 106
ADMMR U FILE
RAND, L.H., & STURGIS, THE MINE HANDBOOK,
VOL. XVIII, 1931, P. 263
RECORD OF MINING COMPANIES STATE MINE
INSPECTORS OFFICE 1947-1958
ADMMR ASH PEAK MINE COLVO FILE
USGS MAP I-1310-B, MINERAL DEPOSIT MAP OF THE
SILVER CITY 1 X 2 QUADRANGLE, NEW MEXICO &
AZ, RICHTER AND LAWRENCE, 1983, P. 5

ASH PEAK MINE

GREENLEE COUNTY

NJN WR 4/17/87: Dan Maxwell (c) of New Mexico visited and reported that Wes Becker, dba Arizona Flux Mines, Inc (c) is leasing the Ash Peak Mine (file) Greenlee County since last fall. They have been mining underground, producing precious metal silica flux which they have been shipping to Phleps Dodge's Hidalgo Smelter at Playas, New Mexico. Their mining costs have been averaging about \$15 a ton and their material has been running 4.0 oz/ton Ag and .02 oz/ton Au.

HM WR 4/1/88: Steve Quin, geologist for Canamin Resources, 145 Chadwick Court, Suite 220, N. Vancouver, B.C. Canada V7M 3K1, phone (604) 986-3376 reported the purchase of Arizona Flux Mines Inc. by Canamin. Arizona Flux Mines owns the Ash Peak Mine, Greenlee County. Canamin has hired a shift of miners and has initiated a development program. They would also like to hire a full time geologist. A local consulting geologist, Joe Shearer, has been working on the property part-time. He reports that the veins occur enechelon, plunging and when one pinches out, another similar vein is often found in the hanging wall. Several veins have been explored underground and several more along strike await exploration. Since the ore is relatively high in silica, Mr. Quin was referred to Steve Ackerman at Magma Copper Co., San Manuel, as a possible flux ore buyer. Mr. Quin has since reported that Canamin is negotiating with Magma on the matter.

HEM WR 4/29/88: It has been reported that the Ash Peak Mine (file) Greenlee County is currently shipping about 300 tons per week on silver bearing flux to the Playas, New Mexico smelter. The ore has come mostly from development work on the 300 level. The main shaft has been renovated and plans call for development to the 600 level. The property should be added to the Active Mines list.

ASH PEAK MINE

GREENLEE COUNTY

MG WR 1/11/85: Informed Mr. Jim Allan, District Manager, Meridian Minerals Co., Tucson, that the Ash Peak mine in Greenlee County is available. He should contact Mr. Paul Turney (c). All Department engineers please keep this property in mind; it has been well developed by Phelps Dodge and Mr. Turney believes that it could be operated as a primary silver producer.

MG WR 12/13/85: Visited the Ash Peak mine (Greenlee County). Although at present there is no activity at the time, an option to purchase the property has been signed by Mr. Wes Becker of the Ash Peak Mine and Milling Co in Tucson.

CJH WR 4/11/86: Visitors: Vern Taylor, Superintendent, Arizona Flux Mines, Inc., the Ash Peak Mine, P O Box 26706, Tucson, Arizona 85726; phone 881-2919 and David F. Ateah, Ash Peak Constructing, Div. of A.A.D.C. Inc., P O Box 27672, Tucson, Arizona 85726 and P O Box 16, Duncan, Arizona 85534; phone 622-4323. These men are reactivating the Ash Peak Mine, Ash Peak District, Greenlee County (f).

MG WR 11/21/86: Mr. Wes Becker, owner of Ash Peak Flux Mines, Inc (c), called seeking recommendations for a consulting mining engineer. Becker wants to re-open the Ash Peak Mine (Greenlee Co) to about the 200 level and develop additional flux reserves. The company is shipping silica flux to the Phelps Dodge smelter at Hidalgo, NM.

RRB WR 1/23/87: A. George Setter, EM, PE, Consultant, Summit Engineering & Fabricating Co., 3183 D Road, Grand Junction, CO 81504, (303) 434-9638 reports that he is the owner of the Ash Peak Mine (file) Greenlee County. He donated some maps of the Ash Peak Mine and said that he would send additional information for our file. He had a map of the Flint Group, MS 644, Yavapai County from our files reproduced.

ASH PEAK MINE

GREENLEE COUNTY

MG WR 7/30/82: Mr. Paul Turney informed me that Phelps Dodge is still operating the Ash Peak Mine and shipping siliceous fluxing ore to the PD smelter at Hidalgo, New Mexico.

MG WR 11/5/82: Mr. Paul Turney, address on record, reports Phelps Dodge is still operating the Ash Peak Mine in Greenlee County. The company has been shipping only to the Hidalgo smelter in New Mexico but now that the Morenci smelter is starting again, he assumes at least a portion of the fluxing ore will be sent there.

MG WR 2/26/83: Ash Peak Mines, Inc. is enlarging its production capacity to treat 500 pounds of metal-bearing carbon per day. Precious metals are recovered from siliceous tailings produced at the old Ash Peak Mine, Greenlee County.

MG WR 10/21/83: Visited Ash Peak Mines, Inc. operation (Greenlee Co.), recovering precious metals from siliceous tailings. Operators are converting from truck haulage of the tails to a system of washing the tails down to a retaining pond and then piping a slurry directly to the agitation-cyanide leach tanks. A water well, 1000 feet deep, has been drilled south-southeast of the tailings. It is on the Homestead (?) patented claim; 35 gpm is the desired flow rate. It is estimated that about 30,000 tons of recoverable tails remain. Mr. Paul Turney (card) reports he shipped 69,000 tons of tailings as silica flux during 1967-69 and about 11,000 tons during 1979-80 to Phelps Dodge.

MG Wr 10/21/83 Visited the Ash Peak Mine (Greenlee Co.) operated by the Small Mines and Mine Development Division of Phelps Dodge. The company has begun a 3rd adit on the footwall (north) side of the vein; this adit, located near the east end of the vein outcrop, is 9' x 13' and is to be declined to the 200 ft level. Plans call for developing six stopes throughout the mine and a production rate of 1000 tons per week. Currently the mine operates two shifts, five days per week, pulling ore from four stopes.

MG WR 9/28/84: Development and production operations at the Ash Peak mine (Greenlee Co.) by the Phelps Dodge Corp. have been temporarily suspended. Assessment drilling has located the eastern extension of the Compensation vein (see Compensation mine file) on the Ash Peak property. The Compensation vein dips about 70° N and is north of, and sub-parallel to the Ash Peak vein.

MG WR 12/21/84: Phelps Dodge has dropped all interest in the Ash Peak mine (Greenlee Co.).

ASH PEAK MINE

GREENLEE CO.

KP/WR 12/4/79 - Mr. George Setter is owner of a silver mine near Duncan, Az. the Ash Peak Mine. The mine consists of 11 unpatented claims, including the Hardy, Lone Camp, Hell Fire, Cougar, Fran, and Grand Duc. Paul Turney plans to put in a cyanide plant at the mine and will start processing tailings; later he plans to process newly mined ore.

MG WR 3/11/80: Paul Turney reports he is shipping an initial 800-ton lot of Ag-bearing tailings from Ash Peak to the Phelps-Dodge Smelter at Morenci. Phelps-Dodge will evaluate the tails and hopefully contract with Turney to ship more.

MG WR 1/23/81: Paul Turney reports 6,000 tons of tailings were shipped from the Ash Peak Mine (Greenlee Co.) as flux to the Phelps Dodge smelter at Morenci in 1980. He also reports that the U.S. Bureau of Mines is sending down a mobile research lab to the Ash Peak Mine to run Carbon-In-Pulp tests on the Ag-bearing tails. The lab should be in place by late January or early February.

MG WR 11/6/81: Learned that the Ash Peak mine (Graham/Greenlee Co.), leased by Phelps Dodge, is producing 3,000 to 3,500 TPM on a schedule of 7 days/week. (Note: there are 2 Ash Peak mines in the same location; the other, separate operation recovers precious metals from siliceous tailings.)

MG WR 5/7/82: Mr. Paul Turney reports that Phelps Dodge is still operating at the Ash Peak mine, Greenlee County.

MG WR 6/18/82: Visited the Ash Peak Mine (Greenlee County) operated by the Small Mines and Mine Development Division of Phelps Dodge Corp. I was unable to speak to anyone on the property but I did observe trucks being loaded with siliceous flux ore. A new adit has been driven into the main vein at the 70 foot level. The portal of this level is west of the first adit. I was informed that drifting from this new adit will proceed east and west along the strike of the vein. I understand that Phelps Dodge has discovered a third vein; the second and third veins are in the foot wall. (The main vein dips steeply to the south.)

MG WR 7/2/82: Learned that during recent operations by Phelps Dodge at the Ash Peak mine, Greenlee County, PD ran some assay (?) tests on the dump of the western-most mine (sometimes referred to as the Hardy). Apparently the results were not satisfactory, at least for the present, since the mining operation has been concentrated on the east end of the property.

Telephone conversation with P. M. Turney, Aurora, North Carolina. Thought that Ash Peak patented claims now owned by Rush and Lines of Safford (Tax sale not confirmed) FPK 5-18-70

Visited Ash Peak silver. Ben Billingsley on property with crew removing equipment that he had purchased from E. E. Lewis. GWI WR 10-17-70

Mine visit to Ash Peak Silver - closed. Headframe still up to be removed 30 days. GWI WR 12-12-70

Lewis Inc. closed the Ash Peak operations for good and started removing their equipment. Ben Billingsley of Duncan purchased some of the remaining equipment. GWI QR 10-1-70

The steel headframe at the Commerce shaft was standing the first of December. It is supposed to be removed by the first of the year. GWI QR 12-31-70

Next is a mine visit at the Ash Peak silver property. Apparently someone had driven up the road to the mine so I followed up but found no sign of activity. Everything has been removed; the headframe, the hoist, there is nothing left except the power line going up to the project. GWI WR 10/11/72

From letter to George Bott: "My partner and I were in the area May 6-9 to look over our Ash Peak patented silver property 30 miles east of Safford". Written by Robert H. Sayre, Jr. Mining Engineer, 230 - 27 Road, Grand Junction, Colorado.

Telephone call from P. Turney wanting the name of the owner of the Ash Peak mine in Greenlee County. Telephone call to Harriet Sweeting of Clifton who reports Arizona Title Insurance of Phoenix pays the taxes. GWI WR 9/27/74

Betty Tourney who is planning to file for patent on Au Ash Peak mine called for name of man to ask for counsel as to adequacy of application. VBD WR 4/21/75

Paul Turney called to report that the ore bin, headframe at the Shamrock shaft had been burned, that the fire was burning in the shaft. There was no smoke coming from the Commerce shaft. GWI WR 2/9/76

Mine visit - Ash Peak mine, the burned out Shamrock shaft has been fenced and posted. The old head frame and ore bins were also burned out. Some claim staking was observed in the area outside of the patented claims. No information at present on the stakers. GWI WR 5/5/76

Paul Turney called and reported that the Ash Peak Silver Mine belonged to Virginia Williams of Phoenix. Lewis Inc. of Grand Junction had a long-term lease. GWI WR 5/11/76

MG/WR 3/30/79 - Turney plans to leach the tails which he owns on the Shamrock claims and mine some fluxing ore. 4/30/79 a.p.

VERBAL INFORMATION SUMMARY

MINE: Ash Peak Mine (file)

COUNTY: Greenlee

DATE: May 22, 1987

A. George Setter, owner of Ash Peak Mine (file) Greenlee County reports that the operator, Arizona Flux Mines is shipping to Phelps Dodge's smelter at Hidalgo, NM. He provided the following information on the property:

- 1906-1910 - Developed by Goldfield Consolidated
- 1936-1938 - Operated by Veta Mines Inc.
- 1942-1950 - Operated by Inspiration
- 1964 - Bought by A. George Setter
- 1982-1985 - Operated by Phelps Dodge
- 1986-Present - Operated by Arizona Flux Mines

Ray E. Johnson, Box 213, Duncan (owner of Ash Peak Silica) will be partner of
N. C. Ribble.

ALJ WR April 13, 1964

NOTICE TO OWNER

November 19, 1990

State of Arizona
 Arizona Dept. of Mines and
 Minerals Resources
 Mineral Bldg
 State Fairgrounds
 Phoenix, AZ 85007

Re: Woodward Explosives, Inc.
 Box 12356, Station F
 Albuquerque, NM 87195
 FN#197304

Pursuant to Arizona Revised Statutes 33-992.01, you are hereby notified that we are the agent for that certain provider/supplier of labor, professional services, materials, machinery or tools named in the attached Preliminary Notice for whom we have served or intend to serve said Notice, and

Further pursuant to Arizona Revised Statutes 33-992.01, contained within the attached Notice, please find identified the name and address of the entities or person who contracted for the materials, labor, professional services, machinery or tools, the description of the jobsite, the general nature of the person's labor, professional services, materials, machinery or tools to which the Preliminary Notice shall apply.

WITHIN TEN (10) DAYS OF RECEIPT OF THIS REQUEST YOU ARE REQUIRED TO PROVIDE A WRITTEN STATEMENT OF:

1. The legal description of the real property, i.e. metes and bounds, subdivision plat and/or lot, block and subdivision;
2. Street address of the construction site;
3. Name and address of the Owner or Reputed Owner of said real property;
4. Name and address of the Original Contractor;
5. Name and address of the Construction Lender;

Additionally we would appreciate your providing:

- A. Name and Address of the Lessee, if applicable;
- B. Name and address of the Bonding Agent for the Original Contractor.

FAILURE TO PROVIDE THIS INFORMATION MAY PREVENT YOU FROM RAISING A DEFENSE TO THE ACCURACY OF SUCH INFORMATION CONTAINED IN THE PRELIMINARY NOTICE.

Sincerely,

Research Department

110 S. CHURCH, #34
 TUCSON: (602) 882-4003

TUCSON, AZ 85701
 PHOENIX: (602) 254-5757



110 S. CHURCH, #34
TUCSON, ARIZONA 85701

ARIZONA PRELIMINARY NOTICE

IN ACCORDANCE WITH SECTION 33-992.01 AND 33-992.02
ARIZONA REVISED STATUTES, THIS IS NOT A LIEN,
THIS IS NOT A REFLECTION ON THE INTEGRITY
OF ANY CONTRACTOR OR SUBCONTRACTOR.

REPUTED OWNER AND OR
LESSOR

George A. Setter
1128 Gunnison Ave.
Grand Junction, CO 81501

OWNER OR REPUTED OWNER
AND REPUTED LENDER AND
OR LESSEE

Arizona Flux Mines, Inc.
1630 S. Alvernon
Tucson, Az 85711

OWNER OR REPUTED OWNER
AND OR LESSOR

State of Arizona
Arizona Department of Mines
and Mineral Resources
Mineral Building
State Fairgrounds
Phoenix, Az 85007

REPUTED OWNER AND LESSOR AND
OR LESSEE

Shamrock Ash Peak
3715 N. Hash Knife Circle
Tucson, Az 85749

REPUTED OWNER AND LESSOR
AND LESSEE AND LENDER

Canamin Resources Limited
304, 255 W. 1st Drive
North Vancouver, BC,
Canada, V7M3G8

THIS PRELIMINARY NOTICE HAS BEEN COMPLETED BY LITTLETON-
LONG, INC. AS LIMITED AGENT FOR Woodard Explosives,
Inc., Box 12356, Station F, Albuquerque, NM
87195
(505) 877-2400
YOU ARE HEREBY NOTIFIED THAT they have furnished or will furnish
labor, machinery, fixtures, tools or professional services of the following
general description: explosives

In the construction, alteration or repair of the building, structure or improve-
ment located at: 9 Miles West of Duncan, AZ on
Highway 90
and situated upon that certain lot(s) parcel(s) of land in Duncan,
Greenlee County, Arizona, LEGALLY described
as follows: JOB NAME - ASH PEAK MINE

Property contained within Sections 2, 3, 10,
21, and 11, Township 8 South, Range 30 East
of the Gila and Salt River Base and Meridian,
records of Greenlee County, Arizona. And the
leasehold interest and improvements of
ARIZONA FLUX MINES, INC./CANAMIN RESOURCES,
LIMITED/SHAMROCK ASH PEAK, situated upon the
real property hereinabove described.
The name and address of the person or firm who contracted for the purchase
of such labor, materials, machinery, fixtures, tools or professional services
is: Arizona Flux Mines, Inc.
1630 S. Alvernon
Tucson, Az 85711

An estimate of the total price of the labor, materials, machinery, fixtures,
tools or professional services furnished or to be furnished is:
\$ 24,516.06

NOTICE TO PROPERTY OWNER
IF BILLS ARE NOT PAID IN FULL FOR THE LABOR, MATERIALS, MACHINERY, FIXTURES, TOOLS OR PROFESSIONAL SERVICES FURNISHED, OR TO BE FURNISHED, A MECHANIC'S LIEN LEADING TO THE LOSS, THROUGH COURT FORECLOSURE PROCEEDINGS OF ALL OR PART OF YOUR PROPERTY BEING IMPROVED MAY BE PLACED AGAINST THE PROPERTY. YOU MAY WISH TO PROTECT YOURSELF AGAINST THIS CONSEQUENCE BY EITHER:
1. REQUIRING YOUR CONTRACTOR TO FURNISH A RELEASE SIGNED BY THE PERSON OR FIRM GIVING YOU THIS NOTICE BEFORE YOU MAKE PAYMENT TO YOUR CONTRACTOR.
2. USING ANY OTHER METHOD OR DEVICE WHICH IS APPROPRIATE UNDER THE CIRCUMSTANCES.

Date: November 19, 1990
By: *Mary Kay*
Limited Agent For: Woodard Explosives, Inc.

ACKNOWLEDGEMENT OF RECEIPT OF PRELIMINARY TWENTY-DAY NOTICE (Arizona Revised Statutes Section 33.992.01 and 33.992.02)

Upon receipt of this notice, please detach and sign this
Acknowledgement and return same to:

197304

LITTLETON-LONG, INC.,
110 S. Church, #34, Tucson, Arizona 85701

This acknowledges receipt on _____ of a copy of this Preliminary Twenty-Day notice at _____
(date)

(Name of person or firm receiving notice, address where notice received) Date: _____ (Date this acknowledgement is executed)

(Signature of person acknowledging receipt, with title if acknowledgement is made on behalf of another person)

(Address or description of job site as stated above)

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES

VERBAL INFORMATION SUMMARY -

1. Mine file: ASH PEAK
2. Mine name if different from above:
3. County: Greenlee
4. Information from: Stephen P. Quin
Company: Arizona Flux Mines
Address: 1460 S. Alvernon
Tucson, AZ

Phone:

5. Summary of information received, comments, etc.:

The mine is currently producing about 200 tons per day of argentiferous silica flux being shipped to Phelps Dodge's Hildalgo smelter. The ore runs 85% SiO₂ and 7 oz silver. Gold runs from .02 to .04.

Arizona Flux Mines has hired Boart Hardmetals Inc. of Lebanon, PA to drill long blast holes underground.

Arizona Flux is continuing to look for other deposits.

Date: April 12, 1989

Ken A. Phillips, Chief Engineer

Ash Peak
STATE MINE INSPECTOR

MSJ on
12

COMPLETE AND MAIL TO
STATE MINE INSPECTOR
1616 WEST ADAMS, SUITE 411
PHOENIX, ARIZONA 85007-2627

APR 11 1989

FOR OFFICE USE ONLY	
START-UP NUMBER	_____
STATE NUMBER	_____
DEPUTY NUMBER	<u>Garry</u>
NEW	MOVE

NOTICE TO ARIZONA STATE MINE INSPECTOR

In compliance with the Arizona Revised Statute, we are submitting this written notice to the Arizona State Mine Inspector of our intent to start _____, stop _____, move _____ an operation.

Please check the appropriate boxes: Contractor , Owner , Operator , Open Pit Mine , Underground Mine , Mill , Quarry , Aggregate Plant , Hot Plant , Batch Plant , Smelter , Leach Plant .

If this is a move, please show last location: _____
If you have not operated a previously in Arizona, please check here: _____ If you want the Education and Training Division to assist with your mine safety training, please check here: _____
If this operation will use Cyanide for leaching, please check here: _____

COMPANY NAME: Arizona Fluor Mines, Inc.

DIVISION: _____

MINE OR PLANT NAME: Ash Peak Mine TELEPHONE: 602-831-2919

CHIEF OFFICER: Wesley R. Becker, Sr.

COMPANY ADDRESS: 1630 S. Alvernon

CITY: Tucson STATE: AZ ZIP CODE: 85711

MINE OR PLANT LOCATION: (Include county and nearest town, as well as directions for locating property by vehicle: 9 miles west of Tucson Arizona
on Hwy 70, Tucson, Arizona 85534

TYPE OF OPERATION: Underground Mining PRINCIPAL PRODUCT: Silver bearing Silica

STARTING DATE: April 1986 CLOSING DATE: _____

PERSON COMPLETING NOTICE: Cheryl Stankus TITLE: Bookkeeper

Contract Drilling Division
1431 Willow Street
P.O. Box 898
Lebanon, PA 17042

ASH PEAK (A)

MS Ken 042058
Gary

**BOART
INTERNATIONAL**

MAR 8 1989

93913058

Boart Hardmetals Inc.

February 28, 1989

Mr. Jim Mott
ARIZONA STATE AGENCY
1616 West Adams Street, Suite 411
Phoenix, AZ 85007

RE: THE ASH PEAK MINE, Duncan, AZ

Dear Mr. Mott:

We have contracted with The Ash Peak Mine at Duncan, Arizona to provide our underground drilling services. We will begin drilling approximately March 13th, 1989.

Presently, we have some equipment on site and are expecting additional deliveries in the near future. We will be drilling long blast holes with surface compressed air as a power source. Duration of job, as anticipated at this point, is a minimum of six (6) months.

If there is any other information you require, please contact us at:
215 Flaughter Hill Road
Aberdeen, OH 45101
Phone (513) 795-2141

or after March 13th, at:
P. O. Box 449
Safford, AZ 85548.

Thank you very much.

Sincerely,

James A. Peterson
James A. Peterson
dictated but not read *j*

JAP/jy

RECEIVED
APR 12 1989
MINERAL RESOURCES

BEAVER MESA URANIUM, INC.

P. O. BOX 567

GRAND JUNCTION, COLORADO

PRESS RELEASE for
April 23, 1969

Beaver Mesa Uranium, Inc., of Grand Junction, Colorado, which started in uranium and is now producing silver and doing underground construction work for other mining companies, has reported net income of \$35,759 for the first six months of the current fiscal year.

This is a net increase of \$52,615 over the same period last year, when the company had a \$16,855 loss. Operating revenues for the company during the current six months period, which ended February 28, were \$1,242,751, an increase of \$55,745 over the same period last year.

Work at the Ash Peak silver mine at Duncan, Arizona, is continuing, with an average of 70 tons per day of silver bearing fluxing ore being sent to the Phelps Dodge smelter at Morenci, Arizona. The shaft is being deepened from the 500 ft. to the 800 ft. level to develop additional reserves.

Though the smelter has asked for increased production, Beaver Mesa is meeting only minimum commitments as it feels that the price of silver will increase during the next few months from its current price of \$1.80 an ounce.

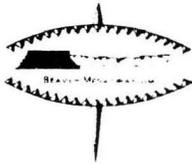
"Any increase in the price of silver will result in corresponding increases in company revenues," Alan M. Simpson, president of the company, commented.

The company's underground construction division is working on two jobs at Lark, Utah: A 720 foot ventilation raise for Kennecott Copper Corporation, and an incline and access shaft for a new underground sand-filled installation for U. S. Smelting Refining and Mining Company.

Beaver Mesa is also in the process of disposing of Aubenderson, Inc., its mechanical contracting and pipe fabricating subsidiary, which was purchased in 1967. Several proposals are under consideration at the present time.

During the summer, Beaver Mesa plans to do exploratory and development work on its other mine holdings. A number of mining prospects have been presented to the company during the last few months, and some of these are being examined and evaluated by company engineers.





BEAVER MESA URANIUM, INC. & SUBSIDIARIES

REPORT OF CONSOLIDATED EARNINGS

	Six Months 1969	Fiscal Year Ending 1968	Increase (Decrease)
Operating Revenues	\$1,242,751.65	\$1,187,006.61	\$55,745.04
Income before taxes	31,896.08	(62,363.69)	94,259.77
Income Taxes	-0-	-0-	-0-
Income before extraordinary items	31,896.08	(62,363.69)	94,259.77
Capital Gain - Sale of Assets	3,863.49	45,507.73	(41,644.24)
Net Income	\$ 35,759.57	\$ (16,855.96)	\$52,615.53

TO OUR SHAREHOLDERS

Net income for the first six months of our 1969 fiscal year was \$35,759, compared with a net loss of \$16,856 for the first six months of our 1968 fiscal year.

The Ash Peak silver mine is now in production and shipping an average of 70 tons per day of silver bearing fluxing ore to the Phelps Dodge Smelter at Morenci, Arizona. The shaft is being deepened from the 500 ft. to the 800 ft. level to develop additional reserves. Production is being maintained at the 70 ton per day rate to keep our smelter contract in good standing. The smelter has requested us to materially increase production, but this has not been done as your management, as do many informed observers, believes the price of silver will increase in the next few months from its current \$1.80 per oz. price. Any increase in silver prices will materially increase your company's revenues.

The underground construction division of Beaver Mesa was recently awarded a contract by the U. S. Smelting, Refining and Mining Company in addition to the work it is doing for Kennecott Copper Company.

Beaver Mesa is in the process of disposing of Aubenderson, Inc., our mechanical contracting and pipe fabricating subsidiary. Numerous proposals are under consideration at the present time.

Beaver Mesa is planning exploratory development work on its other mining holdings during the coming summer season. Numerous mining prospects have been presented to the company this past winter, some of which are currently being examined and evaluated by the company engineers.

ALAN M. SIMPSON
President

property.
TD. (BWM-V)
 FISCAL YEAR. - Walter Ruck,
 president,
 ended Sept.30,1987, devel-
 opments converted to shares,
 n; \$375,000 of new capital
 Skut - Skyline gold belt,
 quired near Blackdome mine
 and now on pump test to de-
 i Lake prospect, Colorado.
 company settled \$4,044,007
 treasury shares. On August
 trading on the Vancouver
 , the company received
 private placement fund-
 4 shares were outstanding
 00. Documents have been

o acquire a 100% working
 property, 50 km south east
 n the west side of the
 km NW of Clinton, B.C. To
 must spend \$350,000 on
 shares over 3 years to Oct.
 ect to a 3% net smelter
 k-in option held by the
 isable within 60 days of
 e of the \$350,000. The
 d options to buy 225,000
 ars at prices yet to be
 property are Inspiration
 o Canada Ltd. 50% through
 subsidiary.

been expanded by staking
 ring 100 units covering
 ne additional ground was
 geology discovered in a
 Exploration has included
 d anomalous readings of
 diamond drill hole which
 and an induced polariza-
 d open to the north. The
 ent bleached zone and
 uested iron stained quartz

program includes backhoe
 , geological mapping, as
 and VLF-electromagnetic
 t in selection of sites
 t work has also resulted

1988) * GEORGE CROSS NEWS LETTER LTD. * FORTY-FIRST YEAR OF PUBLICATION *

No. 21 (1988)

recoverable oil. Production testing has been underway
 for several weeks. Production rates have been between
 50 and 100 barrels per day suggesting the well will be a
 commercial producer. The decision upon drilling further
 wells in this project will be made when final evaluation
 of the first well is complete.

THE SHANNOCK CORPORATION (SNK.A-V)

<u>3 MONTHS ENDED 31 DECEMBER</u>	<u>1987</u>	<u>1986</u>
Sales	\$5,124,955	\$3,348,793
Net Income Bef. Extra Item	134,803	118,929
Per Share	2¢	2¢
Tax Loss Carry Forward	180,000	130,000
Net Income	314,803	248,929
Per Share	5¢	4¢

SALES ROSE 53% - Edward D. Ford, a director of The
 PROFIT. 25% Shannock Corporation, reports that the
 53% increase in sales and 25% increase
 in profit in their fiscal year's first quarter ended
 31Dec87 compared with 1986 is largely due to the company
 achieving national status with the opening of a Toronto
 branch in September 1987. Shannock can now access a
 large portion of the home entertainment market that was
 previously inaccessible to western-based suppliers. Mr.
 Ford states that Shannock's ability to control expenses
 in relation to sales allows Shannock to offer competit-
 ive pricing and superior service while maintaining
 profitable margins. The company projects sales of
 \$20,000,000 and earnings after extraordinary items, of
 11¢ p/share in their current fiscal year ending 30Sep88

Shannock was founded in 1978. It is one of
 Canada's 3 national wholesale home entertainment
 distributors. Through distribution centres in
 Vancouver, Calgary and Toronto, Shannock provides
 retailers with video cassettes, compact discs, LP
 records, audio cassettes and more than 5,000 related
 accessories. Sales revenue has grown from \$300,000 in
 1978 to \$13,600,000 in 1987, making Shannock one of
 North America's fastest growing companies in the home
 entertainment industry.

CANAMIN RESOURCES LTD. (CA-V)

ARIZONA SILVER MINE OPTIONED - CanaMin Resources Ltd.
 entered a letter of
 intent to acquire Arizona Flux Mines, Inc. which owns
 the 100-ton per day Ash Peak silver mine in SE Arizona.
 Production is scheduled to increase to 300 tons per day
 by 1Apr88. Consideration is 655,000 shares of CanaMin,
 increasing to a maximum of 1,543,000 shares should net
 cash flow from the mine exceed US\$2,400,000 per year in
 the year ending 30Apr89. The agreement requires appro-
 val of both firm's shareholders and regulatory bodies.

ash peak (f)

17 IA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Les Billingsley
Address: Duncan, AZ (Mine office telephone 505/358-2009)
2. Mine: ASH PEAK 3. No. of Claims - Patented _____
(Greenlee County) Unpatented _____
4. Location: _____
5. Sec. 3 Tp. 8S Range 30E 6. Mining District Ash Peak
7. Owner: Canamin Resources Ltd., Suite 220, Quayside Plaza
8. Address: 145 Chadwick Court, N. Vancouver, B.C. V7M 3K1 (Tel: 604/986-5928)
9. Operating Co.: Arizona Flux Mines, Inc. (Tel: 881-2924)
10. Address: P.O. Box 26706, Tucson, AZ 85726
11. President: _____ 12. Gen. Mgr.: Les Billingsley
13. Principal Metals: Ag-bearing silica flux 14. No. Employed: 21
15. Mill, Type & Capacity: Crushing, autogenous grinding, & screening
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 300-400 tpd.
17. New Work Planned: Clean Shamrock shaft to the bottom (975 feet) and start development from the 400 level.
18. Misc. Notes: Mine is operating three shifts a day. Ore is presently hoisted in the Shamrock shaft from the 300 level and hauled out of the No. 3 decline from the 200 level. Burned debris and rock are being cleaned out of the Shamrock shaft using a small clamshell attachment to the bottom of the cage. The shaft is clear to just above the 400 level.
Geology, and ore reserves, are not well defined. There may be a series of en echelon veins; new veins appear to occur at depth and to the south in the hanging wall.
Two silica flux products are produced. The coarse product (for convertors) is 1/4 - 3/4-inch. A -10-mesh product is sold for flash-furnace feed. This fine material is produced by an autogenous Barmac Rotopactor. These products are generally assaying between 5 to 7 ounces/ton silver. A MAP silver analyzer is used regularly for grade control.

Date: July 27, 1988

Michael N. Greeley
(Signature) (Field Engineer)

1151 Peak f
Greenlee Co. 2/20

my a

FOR OFFICE USE ONLY

START-UP NUMBER _____

STATE NUMBER _____

MSHA NUMBER _____

NOTICE TO ARIZONA STATE MINE INSPECTOR

In compliance with Arizona Revised Statute Section 27-303, we are submitting this written notice to the Arizona State Mine Inspector of our intent to start ___ stop ___ move ___ (please check one) a mining operation.

If this is a move, please show last location: _____

If you have not operated a mine previously in Arizona, please check here: _____ If you want the Education & Training Division to assist with your mine safety training, please check here: _____ If this operation will use Cyanide for leaching, please check here: _____

COMPANY NAME: ASH PEAR CONTRACTING (S) INC

DIVISION: _____

MINE OR PLANT NAME: ASH PEAR TELEPHONE: 622-4323

CHIEF OFFICER: DAVID F ATEAH (S) INC

COMPANY ADDRESS: PO BOX 27672

CITY: TUCSON STATE: AZ ZIP CODE: 85726

MINE OR PLANT LOCATION: (Include county and nearest town, as well as directions for locating property by vehicle) _____

28 MILES NORTH EAST OF SAFFORD ON HWY
70 AT Mile Post 368

TYPE OF OPERATION: Open Pit PRINCIPAL PRODUCT: SILICA

STARTING DATE: 4-17-86 CLOSING DATE: _____ DURATION: 1 YEAR

PERSON COMPLETING NOTICE: KEVIN T RARNEI TITLE: FORSMAN

DATE NOTICE MAILED TO STATE MINE INSPECTOR: _____

FORM 101-106 REV. 10/85

ARIZONA DEPT. OF MINES & MINERAL RESOURCES
STATE OFFICE BUILDING
416 W. CONGRESS, ROOM 1611
TUCSON, ARIZONA 85701

TURNEY ENGINEERING, INC.
3715 Hash Knife
Tucson, Arizona 85749
(602) 749-3573

ASH PEAK MINES
Greenlee County, Arizona

Holdings consist of - 5 Patented Claims
16 Unpatented Claims
1 State Lease

Location - Greenlee County, Arizona 12 miles west of Duncan,
Arizona on US Hwy. 70, 50 miles south of Morenci.

Property developed by - Three Shafts

Shamrock 975'
Commerce 500'
Hardy 500'

Three Adits

Six Stopes

Production todate - Approximately 500,000 tons

Ore has been produced from two parallel veins with a strike length of 10000 feet NW-SE, dipping at 70°. There is evidence that additional veins en echelon may occur including one vein extension (Green) that dips at 70° N and lies to the N of the Ash Peak vein.

Ash Peak Potential -

A) The development of veins at depth. (The assay maps indicate good ore at 975')

Ash Peak operations indicate that the ore maintains grade at depth. The ore should continue at levels well below the 975'.

B) Development and processing of precious metal bearing silica fluxes (PMBSF)

The ore produces a quality flux and is amenable to upgrading of silica and recovery of bullion as a separate product which should be advantageous.

As of February, 1985 status is ---

Ash Peak - 4 stopes with ore that can be shipped (Phelps Dodge produced 80000+ tons thru July '84 all above 200' level). Estimate the new #6 stope, adit 3 contains 50000 tons.

Open Pit Ore - Between the Shamrock and Commerce shafts, the Ash Peak vein could be stripped to obtain 100000 tons of ore at a depth of 50'. At 200' the tonnage is estimated at 400000.

Ash Peak Research & Development has approximately 30000 tons Tailings at 2.5 Ag and 0.01 Au. There is a carbon-in-pulp plant on site that with minor changes would produce 20000 tons beneficiated tailings at 90% silica, 1.5 oz silver and 30000 Ag, 300 Au.

To investigate the Ash Peak potential could require -

1. Deep drilling - 2000/3000 feet ore at depth
2. Surface mine plan plus drilling to expand flux ore reserves
3. Plan and install minimum 200 ton flotation/cyanide/flotation concentrator to produce bullion - beneficiated flux- converter flux.

Ash Peak estimates there are in dollars semi-proven the following reserves ---

1) Underground - 200' level and above 50000 ton at \$10 g.o. -----	\$ 500,000
2) Open pit to 50' level 100000 tons @\$2 -----	200,000
3. Silver and PMBSF from tailings -----	370,000
	G.P. - \$1,070,000

At this time, Ash Peak should be developed on a long term, well financed, technologically sound base. To this end - a company of known technical expertise should be formed.

The Ash Peak reserves, the amenability of the ore and work already completed on this mine warrant its consideration as a viable property. The very good possibility of ore at depth and veins en echelon add substantially to its value.



Ash Peak Mining Company
PMT:bj
3-4-85

ASH PEAK MINING COMPANY

Tucson, Arizona

The Ash Peak Mining District is in Greenlee County, Arizona, approximately 12 miles west of Duncan, Arizona, 20 miles southwest of the Steeple Rock District of New Mexico and 50 miles by road south of Morenci, Arizona where Phelps Dodge Corporation maintains a large copper mining-milling-smelting complex.

Ash Peak Mining Company and its predecessors have maintained a presence in the Ash Peak area since 1961. The company maintains a policy of ---

1. Producing metals, fluxes and smelting materials (silica slurry) that cannot be produced as efficiently by larger mining companies ---
2. Searching for new products and techniques that can be efficiently marketed ---
3. Designing and installing facilities for the treatment and production of mineral products on a small scale (of a semi-portable nature), therefore reducing the amount of reserves necessary to justify an operation. (refer to Exhibit E)

Ash Peak Mining Company has been successful in this policy and has produced and shipped:

1963	1000 tons tails - Douglas Smelter G.P.	0.50
1967-69	69000+tons tails - Morenci Smelter G.P.	1.80
1980-81	9000+tons tails - Morenci Smelter G.P.	13.00

Ash Peak Mining Company has a 50 ton per day carbon-in-pulp (CIP) plant (~~completed and in operation~~) for the recovery of bullion from the remaining Ash Peak tailings.

Test Lots have determined that an expected 66-2/3% recovery of silver, and gold at plus 90% recovery will be attained.

Test work has also substantiated that a plus 90% silica slurry can be produced from the CIP that is suitable for use by smelters who have "sprung arch" reverberatory furnaces.

Testing has been successfully completed which indicates that a flotation-cyanidation operation will result in a minimum recovery of 65% of the metal values by flotation and 65% of the remaining values will be recovered by cyanidation and a suitable silica slurry, or flux, may be produced from the CIP tailings.

Ash Peak Mining Company desires to complete a flotation mill to complement the CIP Plant to allow the treatment ~~of~~ ~~per hour (per day)~~ of precious metal bearing silica flux to produce a bullion and a silica tailings suitable for sale to smelters, particularly those smelters installing new equipment which require the use of finely divided feed and fluxes and for which the Ash Peak tailings would be very suited.

There are 20,000 to 35,000 tons of Ash Peak tailings available for treatment thru the CIP Plant which should have a grade of approximately 2.5 ounces of silver and .01-ounces of recoverable gold. (Exhibit A)

Ash Peak Mining Company believes that these tailings can be processed, ~~and~~ and recover: from the average grade of clean tailings of 2.5-ounces of silver and .01-ounces of recoverable gold, should be 1.6-ounces of silver net and .01-ounces of gold net.

~~gross profit would be~~ ~~approximately~~
~~\$~~
~~t~~

Ash Peak holds by Location and/or Lease Option the B&B Claims #1-4 incl. and MAB Claims #1-6 incl., which are potential sources of fluxing ore, although the properties are unproven. Ash Peak also holds by Location, a thermal well approximately a mile from Ash Peak, which may provide sufficient water for milling operations.

~~The~~ ~~to~~ ~~D~~ ~~ns~~ ~~ore~~

Ash Peak Mining Company's CIP Plant is located approximately one mile east of the ~~Wilkins Mine~~ and there is a possible source of milling ore from this property. Ash Peak has received a number of expressions of interest for it to mill ores from other mineral properties in the Ash Peak Steeple Rock and other areas.

~~Ash Peak Mining Company~~ ~~claims~~

~~of~~ ~~complete~~

~~A~~ ~~ment of~~ ~~for~~

Ash Peak Mining Company believes that a complete milling facility of a semi-portable nature, properly installed and operated, will provide an opportunity for profitable milling of precious metal bearing siliceous fluxing ores to produce bullion and marketable fluxing material.

P. M. Turney
June 15, 1981

PAUL M. TURNEY
REGISTERED PROFESSIONAL ENGINEER

September 22, 1982

[REDACTED]
[REDACTED]
[REDACTED], [REDACTED] [REDACTED]

Dear Sir:

Subject - Silica Beneficiation

In the past ten years, copper smelters have been increasingly restricted in their operations by the imposition of environmental controls and the increased cost of fuel. These restrictions have resulted in the smelters revising their procedures and investigating other approaches to smelting in an endeavor to produce copper economically under environmentally acceptable conditions.

Flash smelting, oxygen enriched smelting techniques, electric furnacing or a modification of these are being used or favorably considered by copper smelters and all of these smelting methods charge their furnaces with finely divided feed. Therefore the siliceous flux used must also be ground or finely divided.

Ash Peak Mines has the expertise and equipment available to supply ground flux to [REDACTED] smelters [REDACTED] with the following advantages [REDACTED]:

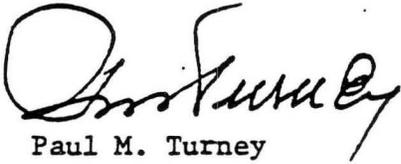
1. Milling of flux on A.P. site by Ash Peak should be cheaper than milling at smelter with re-handling, storage, and difficulty of performing efficiently a small tonnage operation by a large company.
2. At [REDACTED] option milling may include beneficiation of flux to increase silica content and reduce lime content with:
 - a. Savings in freight,
 - b. better melting efficiency,
 - c. increased furnace capacity,
 - d. ability to treat marginal ores to produce premium flux with decrease in mining costs.
3. [REDACTED] may prefer to remove portions of the contained precious metals as bullion to allow the sale of bullion at [REDACTED] option rather than as a consequence of refinery operations. This should allow the stockpiling of beneficiated flux at the mine site with bullion sales reducing flux production costs.

TURNEY

Ash Peak Mines proposes the installation of a mill for the beneficiation of fluxes which will be operated at direct audited operational cost plus a fixed fee per ton treated.

The attached information may be subject to different interpretations. Ash Peak submits that the beneficiating of an amenable PMBSF is economically justifiable as an integrated part of a mine-mill-smelter-complex.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Paul M. Turney".

Paul M. Turney

PMT:sz

PRO FORMA
BENEFICIATION
PMBSF

Assumptions

1. Smelter requires 100 ton of flux containing 80% SiO₂ Min., 3% Al₂O₃ Max, 5% CaO Max. Silver paid at 90% and Gold at 95% of assay.
2. Assumed Fluxing Ore is -
 - SiO₂ - 70%
 - Al₂O₃ - 3% +
 - CaO - 5% +
 - Ag - 2.25
 - Au - 0.01 (recoverable)
3. Silica flotation - 85% recovery
 Silver flotation - 65% recovery
 Silver cyanidation - 65% recovery
 Silica grade - 95%

To produce the equivalent of 80 ton SiO₂ at a grade of 95% requires crushing and grinding to 100mog, optional sulphide flotation, optional cyanidation, and non-metallic flotation to remove lime and alumina.

Equivalents - 84.2 ton SiO₂ at 95% = 100 ton SiO₂ at 80 %

134.45 ton SiO₂ at 70% x 85% recovery = 100 ton at 80 %

TURNEY

FLWSHEET
PMBSF

R.O.M. 134.45 ton @ 70% SiO₂, 2.25 ox Ag, 0.01 or Au

Mill to 100 Mog

Sulphide flotation (optional)

134 ton	65% of Ag	} 196.6 oz
105.9 oz Ag	@500 oz/T	

Cyanidation (optional)

Tails	65% of Ag
134 Ton	68.8 oz Ag
37.08 oz Ag	1.34 oz Au

Silica Flotation

50 ton tails	85%
13.86 oz Ag	84.2 ton - 95% SiO ₂
1	23.22 ounces Ag

Ship

or

Pelletize

Income Assumptions

- A. All ore must be mined and since the pro forma is based on treating an ore which would be not as selectively mined as direct shipping ore the mining cost should be equal or less than the direct shipping equivalent.
- B. All ore will be milled therefore 134 tons of 70% SiO₂ equivalent to 100 ton of 80% SiO₂ results in 34 tons milled additionally, at 15.00 = (510.00)
- C. Bullion Production = 265.4 oz Ag @ \$8.00 and 1.34 oz Au @ 400 = 2123 + 536 = \$2659.00.
- D. Beneficiated silica will produce a small amount of metal at the smelter which is, neglected.
- E. Approximately 16 ton of freight is saved in shipping 95% SiO₂ versus 100 ton of 80% SiO₂ @ 10.00 = \$160.00
- F. Approximately 16 ton less material is melted @ 15.00 = \$240.00.
- G. The furnace will have 16 ton greater capacity.

Total income from an ore that would be difficult to classify as acceptable

Bullion	\$2659.00
Freight	160.00
Heat	<u>240.00</u>
	\$3059.00

\$3059/134.45 = \$22.75 per ton which should be of interest since flux must be finely divided for modified smelter techniques in any case.

<u>Company</u>	<u>Tons</u>	<u>Production</u>		<u>Production</u>	
		<u>Total Oz.</u>	<u>Oz/Ton</u>	<u>Total Oz.</u>	<u>Oz/Ton</u>
Veta Mines Inc.					
Mill	173,382	4,404	.025	1,212,693	7.0
Mill Tails	173,200	1,732	.01	453,000	2.5
Calculated Mill Heads	173,382	6,136		1,645,693	9.5
Commerce Dump		.			
Direct Shipping Ore	6,551	193	.029	50,074	7.6
Inspiration Consolidated					
Copper					
Direct Shipping Ore	<u>123,393</u>	<u>4,388</u>	<u>.035</u>	<u>1,139,201</u>	<u>9.2</u>
Total and Average	303,226	10,717	.035	2,834,968	9.3

Base metal production is minor and only the Veta Mines concentrates were assayed. Records show a total production from 173,282 tons of ore of 55,000 pounds of copper or .02%, and 118,000 pounds of lead or .03%.

Respectfully submitted,

A. George Setter, E.M.

The following described unpatented lode mining claims situated in the Ash Peak Mining District, Greenlee and Graham Counties, Arizona, Township 8 South, Range 30 East, G&SRB&M, the names of which are set forth below together with the date of location, the date, docket and page of recording with the Greenlee and/or Graham County Recorders, and the Bureau of Land Management serial number.

LODE CLAIMS

Claim Name	Date Located or Amended	Greenlee County R E C O R D E D		Graham County R E C O R D E D		BLM Serial Number AMC
		Docket	Page	Docket	Page	
Hardy No. 1	02/09/72	43	339			43676
Relocated	11/21/79	104	383			95371
Amended	11/21/79	108	54			
Amended	07/04/80	111	281			
Relocated	02/24/82	131	434			165062
Hardy No. 2	02/09/72	43	340			43677
Relocated	11/21/79	104	386			95372
Amended	11/21/79	108	57			
Amended	07/04/80	111	283			
Relocated	02/24/82	131	436			165063
Lone Camp No.3	02/09/72	43	361			43679
Relocated	11/21/79	104	377			95373
Amended	11/21/79	108	63			
Amended	07/04/80	111	285			
Relocated	02/24/82	131	438			165044
Lone Camp No.6	02/09/72	43	362			43678
Relocated	11/21/79	104	401			95374
Amended	11/21/79	108	60			
Amended	07/04/80	111	287			
Relocated	02/24/82	131	440			165045
Hellfire No.2	02/09/72	43	363			43680
Relocated	11/21/79	104	392			95375
Amended	11/21/79	108	66			
Amended	07/04/80	111	289			

ASH PEAK CLAI

The following described unpatented lode mining claims situated in the Ash Peak Mining District, Greenlee County, Arizona, Township 8 South, Range 30 East, G&SRB&M, the names of which are set forth below together with the date of location, the date, docket and page of recording with the Greenlee County Recorder, and the Bureau of Land Management serial number.

LODE CLAIMS

<u>Claim Name</u>	<u>Date Located or Amended</u>	<u>R E C O R D E D</u>		<u>BLM Serial Number AMC</u>
		<u>Docket</u>	<u>Page</u>	
Patton No. 1	07/14/79	102	195	57278
Amended	06/05/80	109	626	
Relocated	02/24/82	131	454	165054
Patton No. 2	07/14/79	102	197	57279
Amended	06/05/80	109	628	
Relocated	02/24/82	131	456	165055
Patton No. 3	07/14/79	102	199	57280
Amended	06/05/80	109	630	
Relocated	02/24/82	131	458	165056
Patton No. 4	07/14/79	102	201	57281
Amended	06/05/80	109	632	
Relocated	02/24/82	131	460	165057
Patton No. 5	07/14/79	102	203	57282
Amended	06/05/80	109	634	
Relocated	02/24/82	131	462	165058
Patton No. 6	07/14/79	102	205	57283
Amended	06/05/80	109	636	
Relocated	02/24/82	131	464	165059
Patton No. 7	07/14/79	102	207	57284
Amended	06/05/80	109	638	
Relocated	02/24/82	131	466	165060

TUNNEL SITE CLAIMS

<u>Claim Name</u>	<u>Date Located or Amended</u>	<u>R E C O R D E D</u>		<u>BLM Serial Number AMC</u>
		<u>Docket</u>	<u>Page</u>	
Turney Tunnel Site	06/05/80	109	625-625A	105486



Soriano Gene

ASH PEAK MINE (A)

STATE MINE INSPECTOR

AUG 13 1984

Safford Branch, P. O. Box 151, Safford, Arizona 85546

August 10, 1984

Mr. J. H. McCutchen
State Mine Inspector
State of Arizona
705 West Wing, Capital
Phoenix, Arizona 85007

Dear Mr. McCutchen:

The Small Mines Division of the Phelps Dodge Corporation will suspend operations indefinitely at the Ash Peak Mine I.D. No. 02-00299 located in Greenlee County, Arizona on August 10, 1984. There are no current plans on a re-start date.

Yours truly,

S. Soriano
Safety Inspector

SS:lw

PRODUCTION REPORT FOR ASH PEAK MINES, INC.

Mr. Paul Turney reports he shipped 69,000 tons of tailings as silica flux during 1967-69 and about 11,000 tons during 1979-80 to Phelps Dodge.

It is estimated about 30,000 tons remain.

ARIZONA DEPARTMENT OF MINES & REOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Paul Turney
Address: 3715 N. Hash Knife Circle, Tucson, AZ 85715; Phone 749-3573
2. Mine: ASH PEAK 3. No. of Claims - Patented 5
Unpatented 18
4. Location: Chiefly in Greenlee Co., on south side of U.S. Highway 70, 10 miles west Duncan, AZ
5. Sec 2,3,10&11 Tp 8-S Range 30E 6. Mining District Ash Peak
7. Owner: Ash Peak Mines, Inc.
8. Address: 3715 N. Hash Knife Circle, Tucson, AZ 85715
9. Operating Co.: Small Mines & Mine Development, Phelps Dodge Corp.
10. Address: P.O. Box 151, Safford, AZ 85546; Phone 428-6900
11. Gen. Mgr. President: S. C. Holmes 12. Foreman Gen. Mgr.: Jerry Cross
13. Principal Metals: Ag-bearing silica flux 14. No. Employed: 19
15. Mill, Type & Capacity: None
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate approx. 100 tpd.
17. New Work Planned: Reduced schedule from 7 days/week to 5 days/week (2 shifts)
Two trailers have been installed for mine office and change house. All water is hauled.
18. Misc. Notes: The Commerce shaft was rehabilitated to the 200-ft level and check samples taken on the 100 and 200 levels. Surface core drilling was done along the strike of the vein and a second, subparallel vein discovered. The second vein has not been mined. PD has driven short adit northerly into vein; adit is approximately midway between Shamrock shaft (on the west) and the Commerce shaft (on the east). Adit turns east and declines on the main vein to the 200 level; connection to 200 level made about Feb. 19, 1982. Commerce shaft is used for additional access and ventilation. Trackless haulage is utilized and ore mined from the surface and underground is trucked to Douglas and Morenci smelters.
Some samples have been taken from the Hardy dump on the west end of the property but apparently this material has been unacceptable as smelter flux.

Date: February 18, 1982

(Signature)

W. N. Greeley
(Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

file 11-21-81
Abstract 7/81

- 1. Information from: Paul Turney
Address: 3715 N. Hash Knife Circle, Tucson, AZ 85715; Phone 749-3573
- 2. Mine: Ash Peak 3. No. of Claims - Patented 5 Lode + 2 Mill Site
Unpatented 18
- 4. Location: Chiefly in Greenlee Co., on south side of U.S. Highway 70, 10 miles west
of Duncan, AZ
- 5. Sec 2,3,10&11 Tp 8S Range 30E 6. Mining District Ash Peak
- 7. Owner: Ash Peak Mines Inc.
- 8. Address: _____
- 9. Operating Co.: Ash Peak Mines Inc.
- 10. Address: 3715 N. Hash Knife Circle, Tucson, AZ 85715
- 11. President: L. Patton 12. Gen. Mgr.: M. Umphres
- 13. Principal Metals: Ag 14. No. Employed: _____
- 15. Mill, Type & Capacity: None
- 16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate _____ tpd.
- 17. New Work Planned: _____

- 18. Misc. Notes: Operation includes three projects: (1) Shipping, via truck, approxi-
mately 1,000 short tons per month of mill tailings containing 2.5 oz Ag/ton as
silica flux to Phelps Dodge smelter at Morenci. 90% of tails are minus 100 mesh
and 50% are minus 325 mesh. (2) Preparing facility to vat leach, with cyanide
solution, the balance of tails not shipped to smelter. Plan to leach 50 tons/day.
Recovery of Ag will be by carbon-in-pulp method. Silver (and gold) will be
stripped from carbon and precipitated on steel wool cathodes; stripping and
precipitation will occur in mobile lab furnished by U.S. Bureau of Mines, Reno,
Nevada. (3) Leasing Commerce/ Shamrock vein system to Phelps Dodge (separate
report)

Date: 3-25-81

M. N. Greeley
(Signature) (Field Engineer)

NO RIBBLE
 CLARK EQUIPMENT CO.
 CONTINENTAL MOTORS CORP.
 AEROW MANUFACTURING CO.
 ROSS PORTA-PLANT

HELTZEL STEEL FORM
 STANDARD STEEL CORP.
 L. R. MURPHY SCALES
 RAYBESTOS-MANHATTAN

LIMA SHOVELS
 CHICAGO-PNEUMATIC TOOL CO.
 SHOVEL SUPPLY CO.
 PITMAN MANUFACTURING CO.

EAGLE IRON WORKS
 AUSTIN-WESTERN CO.
 UNION WIRE ROPE CORP.
 WHITMAN MFG. CO.

March 24, 1964

Mr. Frank P. Knight, Director
 Department of Mineral Resources
 Mineral Building, Fairgrounds
 Phoenix, Arizona

Dear Mr. Knight:

I am in receipt of your letter of February 21 regarding the report compiled by your engineer, Mr. Johnson, in regard to the Ash Peak silica operation we are endeavoring to develop in Greenlee County, Arizona.

I notice that Mr. John Rogers stated this was a partnership between N. C. Ribble and Dan Daniels of Farmington, New Mexico. This statement is not true and I would like to give you the following information. I cannot give you the number of the claims, the exact locations, patented or unpatented, however, we can get this for you later.

I grubstaked Norman Cochran on some copper operations in Arizona. Mr. Cochran and Jim Malloy discovered this property and we started the flux operation. Mr. Malloy is not at the present time associated in any way; the operation is now between Norman Cochran of Safford, Arizona and myself.

We have had considerable difficulty with aluminum content and depending upon outside sources for advise, the operation hasn't been very successful. However, the last lab assay showed a silica content of 86 per cent, about 3 per cent silver, a trace of gold and about .38 copper.

We moved entirely too much equipment onto the job, much of which has been removed. We have found that the aluminum content is coming from the dirt, especially on the lower side of the vein, and we are changing our mining procedure. We will soon be in position to produce the ore free of aluminum content and feel that the silver and gold will improve as we progress.

As you can readily see, I am not a miner. I depend upon other people and any help you can give us will be greatly appreciated.

Mr. Frank P. Knight, Director
Department of Mineral Resources
Phoenix, Arizona

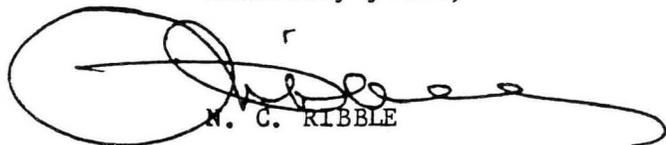
Page 2

If I can furnish you with any further information, I will certainly be glad to do so.

If you have any suggestions, we would appreciate receiving them very much.

Thanking you for your interest and kindness, I am

Sincerely yours,



N. C. RIBBLE

NCR:dm

STATE OF ARIZONA
DEPARTMENT OF MINERAL RESOURCES
MINERAL BUILDING, FAIRGROUNDS
PHOENIX 7, ARIZONA



March 30, 1964

Mr. N. C. Ribble
P. O. Box 856
Albuquerque, New Mexico

Dear Mr. Ribble:

Thank you for your letter of March 24th giving us correct information about your and Mr. Cochran's operations at Ash Peak.

You ask for our help and since our information is meager, there isn't much we can say until we get more. Our Mr. Axel L. Johnson will be in the Ash Peak territory on Wednesday, April 8th. He can be at the property soon after lunch on that day. If no one will be there, please let us know before April 6th. There is no charge for such service.

I assume that you have satisfied yourself as to the ability of your personnel to handle your Ash Peak venture. If by any chance you are not satisfied, your letter-head indicates that you have sufficient mining contacts to find a competent consultant mining engineer or geologist to appraise your property and advise you. However, enclosed is a list of registered engineers and geologists in case you want to refer to it.

In a general way, it looks rather difficult to profitably quarry a 20 ft. vein (which probably is not vertical) with the values you described. I am assuming that there is a mistake in your "about 3 per cent silver" and that it should have been written "about 3 ounces per ton."

It would be out of the question to mine it by underground methods, and while one always hopes to discover better grade ore, one never knows. Of course, a geologist or a miner with a good nose for ore may see good indications, and I hope you have them.

I hope Mr. Johnson can help you. Mr. Rogers was the only one there at the time of his last visit and he did not see the vein.

Yours very truly,

FRANK P. KNIGHT,
Director.

FK:p
Enc.

Handwritten signature or initials

C
O
P
Y

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine Ash Peak Silica

Date June 3, 1964

District Ash Peak District, Greenlee Co.

Engineer Axel L. Johnson

Subject: Mine Visit. Information from Ray E. Johnson.

References Report of April 8, 1964 and Feb. 5, 1964

Owners Same as April 8, 1964 report.

Operators Same as April 8, 1964 report

Present Mining Activity Loading and hauling crushed and screened rock from the stockpile obtained from the previous operations to Duncan for use as fill. Operators are paying the Bureau of Land Management 4 cents a ton for this material, as it is used as a "common variety". 2 men working on this operation.

Proposed Plans To start open cut mining operations on the quartz vein in about 2 weeks. The equipment used for this will be as shown in my April 8, 1964 report under "Proposed Plans"; and present plans call for shipping the material to the Inspiration smelter at Miami.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

FILED
MAY 11 1964

Mine Ash Peak Silica Date April 8, 1964
District Ash Peak District, Greenlee Co. Engineer Axel L. Johnson
Subject: Mine Visit. Information from Ray E. Johnson

References: Report of Feb. 5, 1964

Location: Approx. Sec. 3 - T. 8 S. - R. 30 E., Greenlee Co., near Ash Peak.

Owner: Ray E. Johnson, Box 213, Duncan, Ariz.

(Note: - Field engineer received incorrect information on the owners & operators from informant on Feb. 5, 1964.)

Operators: N.C. Ribble, 4600 N. Edith St., Albuquerque, N. Mexico and
Ray E. Johnson, Box 213, Duncan, Ariz. - a partnership

(Note: - According to Mr. Johnson, this will be effective as of this date, and the previous lease to Diversified Mining Co., Box 856, Albuquerque, N. Mexico, composed of N.C. Ribble, Norman Cochran, et al, will be cancelled.)

Number of Claims: 12 unpatented claims

Principal Minerals: High silica flux with a small amount of silver.

Present Mining Activity: Not operating at present. Mr. Johnson reports that they expect to start operating the mine in about a week to 10 days.

Geology & Mineralization: A quartz vein, approximately 20 ft. wide, strikes E & W, and dips about 60 degrees to the north. The quartz vein has been uncovered for a longitudinal distance of about 400 ft. The rhyolite footwall dipping 60 degrees to the north, protrudes 5 to 10 ft. above the surface of the quartz vein, and the hanging wall is covered with overburden. Mr. Johnson says it is the continuation of the vein at the old Ash Peak Mine. Since the Ash Peak vein is about 1/2 mile to the south, it appears to the field engineer to be a mineralized cross fault. Mr. Johnson reported that they have contacted a consulting engineer from the University of New Mexico who will examine the property and make a report.

Ore Values: Mr. Johnson reports that the ore assays 87% in silica with about \$15.00 per ton in silver values. (The old Ash Peak Mine ran from \$6 to \$10 per ton in silver at the 1951 silver price.)

Milling & Marketing Facilities: Operators expect to sell the ore to a smelter for use as high silica flux. Inspiration smelter at Inspiration, Ariz. was mentioned, but no definite commitments are pending at present.

Old Mine Workings: An old shaft - 125 ft. deep, is reported to have been sunk about 1890, and drifting and stoping on the 125 ft. level performed shortly thereafter. This shaft is now covered up and inaccessible.

Review of Recent Operations: Operation by Diversified Mining Co., Box 856, Albuquerque, N. Mexico was started in January, and was closed down on Jan. 27th, when the Inspiration smelter informed them that the silica content of the material shipped was too low. (The mining equipment listed in my report of Feb. 5, 1964, which included the portable crusher

Ash Peak Silica (continued)

and screening plant (items (1) & (2) was used in this operation). The reason for this was that too much rhyolite rock was mixed in with the quartz.

As the operators now had a large stockpile of crushed material on hand, it was decided to sort out some of the best from this stockpile and make another shipment. Sorting of the pile proved to be impractical, and this shipment also was too high in alumina and too low in silica.

Since the operators wanted to dispose of their stockpile, several truckloads of the material was sold to a road contractor in New Mexico for use as road material. The Bureau of Land Management heard about this, and informed them that, if they wanted to sell the material as common rock, according to Public Law 167 defining "common varieties" they would have to have a contract to purchase same from the BLM.

Proposed Plans:

(1) To start open cut operations on the quartz vein in a week or 10 days, with following equipment:

- (a) Air compressor & 3 small drills
- (b) A bulldozer with ripper
- (c) A front end loader
- (d) Trucks for ore hauling
- (e) A crusher, if necessary

(2) To ship the old Ash Peak tailings dump, located on one of the claims, for use as high silica flux. Mr. Johnson reports that the tailings dump contains about 200,000 tons with about \$5.80 per ton in silver & gold values.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

FILED
MAR 10 1964

Mine Ash Peak Silica Date Feb. 5, 1964
District Ash Peak District, Greenlee County Engineer Axel L. Johnson
Subject: Field Engineers Report. Information from John Rogers.

Location: Approximately Sec. 3 - T. 8 S. - R. 30 E., Greenlee County near Ash Peak.

Owners & Operators: N.C. Ribble, 4600 N. Edith St., Albuquerque, N. Mexico & S. Daniels, P.O. Box 1486, Farmington, N. Mexico, Jim Malloy, Pit Foreman, John Rogers, Crusher Foreman, Norman Cochran, Safford, Representative.

Number of Claims: Two or three claims owned by Ribble & Daniels. In addition 7 adjoining claims are leased from a Mr. McGill.

Principal Minerals: High silica flux with a small amount of silver.

Present Mining Activity: Operation closed down at present, but all their equipment is parked at the mine ready for resumption of operations. 11 men are employed when operating, including 3 truck drivers.

Geology & Mineralization: A quartz vein, about 20 ft. wide, containing high silica with a small amount of silver. This is believed to be a vein parallel and similar to the vein in the old Ash Peak Mine about 1/2 mile to the south.

Ore Values: No ore values reported. The old Ash Peak Mine ran from \$6 to \$10 per ton in silver.

Past History & Production: No past history or production.

Old Mine Workings: No old mine workings.

Review of Recent Operations: The operations were started in January, and closed down on Jan. 27th, when the Inspiration smelter informed them that the silica content was too low. Operators expect to start up again, as soon as N.C. Ribble arrives from Albuquerque to supervise the operations.

The following equipment is on hand:

- (1) 1 - Portable Cedar Rapids primary crusher
- (2) 1 - Kohlman screening plant (screens to 3 products - +3", +1 $\frac{1}{2}$ " and fines & dirt)
- (3) 1 - Chicago Pneumatic large compressor
- (4) 1 - C.P. large air tracs drill (drills 2-3/4" holes 20 ft. deep)
- (5) 2 - bulldozers - D.H. caterpillar type
- (6) 3 - front end loaders
- (7) 3 - 20 ton trucks

July 20th, 1953

Phoenix Title & Trust Co.,
Phoenix, Ariz.

Att. Mr. Blaine Shimmel, Attorney.

Gentlemen:-

Per request of Mr. Shimmel I have made an examination of the AshPeak Mine located in eastern Arizona, and now under lease and operation by the International Smelting Co., of Miami, Ariz.

The examination was made for the following purposes:

- (1) To determine whether ore reserves are approximately exhausted, and the possibilities of developing further ore.
- (2) To determine whether or not the suggestion made in a recent letter from Mr. Foard, Supt of the smelter, to yourselves, regarding the removal of certain horizontal floor and roof pillars, is in the best interests of the owning estate.
- (3) To determine whether or not the tentative offer of 10¢ per ton for the old mill tailings is reasonable and the best that can be obtained.

The above matters will be discussed in more detail later on.

Considerable technical data was obtained such as the condition of each of the stopes and faces; tonnages and values that have been produced; trends in size and value of orebodies; factors that might guide one in the search for more ore; and other technical details that might have a bearing on the above three basis questions. However, this report being designed entirely for the layman will not include such details, but the data is on file if needed.

Generally speaking the mine consists of three parallel veins, standing almost vertical, which have been developed to a depth of about 800 feet. Vein #1 (footwall) dies into the #2 vein (center) on which the shaft is located. Vein #3 (hangingwall) is a blind vein that does not appear on the surface, and was discovered and developed by the present operators. It has furnished all of the production since 1948, the other veins being previously exhausted.

Question #3. Tailings.

I personally investigated the Ash Peak mill tailings some seven or eight years ago with view to obtaining a lease and reworking them. Average value was about \$3.00 per ton and I was able to extract \$1.00 in the laboratory by cyanide leaching. Estimated operating costs were also \$1.00 so the venture was not enticing. Under present conditions costs would be about \$2.00, and other processes would cost even more. Others have investigated the problem of reworking the tailings but none have succeeded.

The only possible outlet for the tailings that I can imagine would be for fluxing purposes at the International Smelter. Excavating and shipping to the smelter would cost more than they can extract from the tailings, but their value to the smelter is based on the competitive cost of other sources of silica flux.

Other sources are generally more economic but the smelter seems willing to pay a small royalty for the privilege of having such an assured supply when needed.

Another way of estimating a fair royalty is by projecting the present sliding scale on mined ore into the depths of the low-grade tailings. This would again work out at about 10% per ton. Tonnage estimates of 100,000 tons checks out as nearly as can be determined without extensive boring and measurements.

Considering the above factors I would recommend that the smelter company's tentative offer of 10% per ton be accepted with the hope that they will find the tailings usable.

Respectfully Submitted,

July 20th, 1958

DEPARTMENT OF MINERAL RESOURCES

REPORT TO OPA ON ACTIVE MINING PROJECT

Date..... 11/22/44

Name of Mine..... Asst. Peak

Owner or Operator..... Arthur Murphy

Address..... 19 Ashland Ave Phoenix

Mine Location..... Near Phoenix Army

Filing Information

File System.....

File No.....

This chart to be used for gallons of gasoline required per month.

PRESENT OPERATIONS: (check X)

Production......; Development......; Financing.....; Sale of mine.....;

Experimental (sampling).....; Owner's occasional trip.....;

Other (specify).....

PRODUCTION: Past and Future.

Tons

Approx. tons last 3 months

Approx. present rate per 3 months

Anticipated rate next 3 months

If in distant future check (X) here

EQUIPMENT OPERATED:

Type	Quantity or Horse Power	Miles or Hours Per Month	Gallons Required Per Month
Personal Cars	1		100
Light or Service Trucks			
Ore Hauling Trucks			
Compressors			
Other Mine or Mill Eqpt.			

PRODUCT PRODUCED OR CONTEMPLATED: Name metals or minerals.

Silver and flux

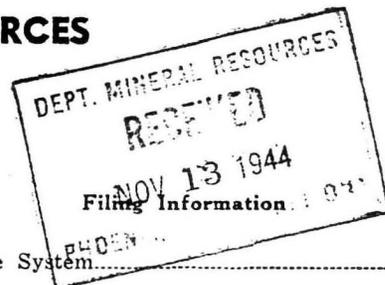
REMARKS:

This is an old mine. Has been a heavy producer. Murphy has certain legal difficulties. He needs to win out regarding title to the mine.

By..... Chief of Mining

DEPARTMENT OF MINERAL RESOURCES

REPORT TO OPA ON ACTIVE MINING PROJECT



Date November 12, 1944
 Name of Mine Ash Peak Lease
 Owner or Operator Howard Mattice
 Address Box 208 Duncan, Ariz.
 Mine Location about 10 miles west of Duncan on Ash Peak

File System.....
 File No.....
 This chart to be used for gallons of gasoline required per month.

PRESENT OPERATIONS: (check X)

Production ; Development ; Financing.....; Sale of mine.....;
 Experimental (sampling).....; Owner's occasional trip.....;
 Other (specify).....

PRODUCTION: Past and Future.

Tons

Approx. tons last 3 months 4,000
 Approx. present rate per 3 months 4,500
 Anticipated rate next 3 months 3,000
 If in distant future check (X) here

EQUIPMENT OPERATED:

Type	Quantity or Horse Power	Miles or Hours Per Month	Gallons Required Per Month
Personal Cars	<u>4</u>		
Light or Service Trucks	<u>80 HP</u>	<u>230 hrs</u>	
Ore Hauling Trucks			
Compressors	<u>2 Comps.</u>	<u>3 hrs daily</u>	<u>2,700</u>
Other Mine or Mill Eqpt.	<u>1 Hoist</u>	<u>8 " "</u>	<u>300</u>

PRODUCT PRODUCED OR CONTEMPLATED: Name metals or minerals.

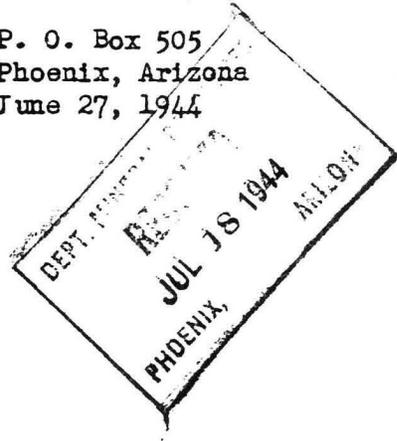
REMARKS: one silver for future, Smelter taken by contract Gold Silver Fluorine

This is a bona fide steady running operation

By A. Macfarlane

7/4/44
Check -
You can tell Murphy that I have
taken this up through the Senate Subcommittee on Mining & Minerals.
Industry and he will hear from them shortly. He will get his money right
away. I think.
Bill Broadgate

P. O. Box 505
Phoenix, Arizona
June 27, 1944



Mr. W. C. Broadgate
Apartment 204
El Caser
705 4th, N.W.
Washington 1, D. C.

Dear Sir:

In 1942 I made application for patent on three mineral claims, being Shamrock, Shamrock No. 2, and Shamrock No. 3, in the Ash Peak Mining District, Greenlee County, Arizona. This application was allowed and the register's final certificate of entry was issued to me (receipt No. 3369290) dated December 11, 1942. (original serial No. 080616).

Some months later I was advised that this entry was disallowed and that a hearing would be held in the Phoenix land office to investigate and to consider evidence and testimony (Contest 9766). This contest was never held, never came to a hearing. After months of delay and the disappearance of most of the witnesses from the property, I was forced to withdraw application and requested the return of the final money paid after receipt of the receivers final certificate. On March 23, 1944 by letter (certificate 0804922) I was advised that payment had been allowed and ordered repaid me certificate 0804922. Since that time I have been advised that appropriation for this claim to be payable is now now available. The amount allowed herein will be paid when the amount herein shall be allowed by Congress. To date that has not happened.

The Regional Field Examiner of the General Land Office in Albuquerque, New Mexico had advised me by mail that when any examination of lands were made or were to be made, he would notify me that I might be present on the property. This was not done and I knew nothing of any examination ever having been made. We have houses and people living on the property and within a few feet of the location monuments and no person living there ever saw anyone examining the monuments or the premises. Personally, I am convinced that there was no examination made or if there was, I have no knowledge of it.

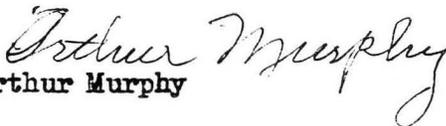
I would like to have definite information covering the examination dates -- when made, by whom made, under what authority and when reported to the General Land Office in Albuquerque. I am extremely skeptical of this whole procedure and I am writing you this information in the hope that you may be able to get me some illuminating data on the matter.

I have filed notice of intention to hold mining claims, in addition to keeping and maintaining the roads to the Ash Peak Mines, which traverse the entire length of these locations; in addition to which considerable work has been done on tillings located on these claims and at this time preparations are being made for a new pipe line from the patented properties of the Ash Peak Mines Company to a point on these claims for water. We have recently been authorized by the Government that metal prices now existent on gold and silver will be paid for such recovered from the 250,000 tons of mill tailings located on these claims.

The fact that the money paid the Department of Interior (receipt No. 3069290) is still held up and is causing considerable upset and uncertainty, particularly as plans are under way to erect a mill of considerable size for the recovery of gold and silver contained in the tails.

I will appreciate any advice or suggestions that you may give me pertaining to this matter.

Yours very truly,


Arthur Murphy

AM:LP

Dec. 3, 1940.

✓
ASH PEAK MINE.

Location: On U. S. Highway 70, 11 miles west of Duncan and 30 miles east of Safford, Arizona.

Altitude: 4500 ft. Water plentiful and good. Camp useable.

Property: Principal claims patented, -title perfect, - majority ownership and control in hands of Arthur Murphy. Free from debt or obligations.

History: Property was first developed in 1900 and considerable ore shipped to smelters. In 1906 large scale development started and has been carried on ever since with few lapses. In 1936 property was leased to Veta Mines Co. and during the next 3 years nearly 200,000 tons of ore was mined and milled. The milling process, flotation, was not entirely adapted to the ore and a comparatively low recovery was made. This operation ceased in 1939. The lease was terminated and property reverted to present owner. For the past 6 months shipping to the International Smelter has been going on with satisfactory results.

Ore: The averages of all ore milled and shipped by Veta Mines was \$9.36 per ton. The ore subsequently shipped is fractionally lower, as it contained some wall dilution. The vein is large, being over 20 ft. wide and is continuous for $1\frac{1}{2}$ miles. It is tapped and opened by a number of shafts of which the Commerce, Shamrock and Hardy are the deepest.

The Commerce shaft is 500 ft. deep, has developed a number of thousands of tons of ore. Recent shipments have been from this shaft.

The Shamrock shaft is 1,000 ft. deep, has levels at 100 ft. intervals; has produced 180,000 tons of ore; has about 200,000 tons of potential ore within the area of development and about 450,000 tons of probable ore above present bottom. The mine has been diamond drilled to 1400 ft. and large and comparatively high grade ore located by drilling.

The Hardy is at present under lease and shipping to International. It is 650 ft. deep and development in progress is highly satisfactory.

Needs: This property needs some \$40,000 to put it in shape for many years of continuous production.

1. The Shamrock shaft needs repairing, retimbering in part; a hoist, and to take over the present steel headframe and skip (not the property of owner).

2. To connect the Shamrock 700 ft. level with Hardy mine for transportation and ventilation. This job is about 1100 ft. of drifting and grading and should be in commercial ore not less than 60% of the distance. It could pay for itself in ore shipped.

3. Opening and reopening the large commercial stopes on 500, 600, 700 and 800 levels in Shamrock mine; opening stopes on 500 ft. level of Commerce Mine, and extending 400 east drift on Commerce mine. All of the stopes mentioned are at least 12 ft. in width and several hundred feet in length.
4. For lights and water distribution in camp, etc.

Housing is not necessary here as the men prefer to live in Duncan and drive to work. It is about 25 minute drive.

No mill is needed at the property. Power will be required, but can be cheaply installed and operated.

With the mines shaped for production contracts with the smelters can be made that will take up to 150 tons per day. At this time we have a very satisfactory arrangement with the International smelter at Miami. The margin of operating profit with firm smelting contracts is equal to that to be anticipated from any milling operation, and thus there is no necessity for a mill, -much of the power that would be required for same, and the water for milling. Hauling to the railroad is on the paved highway, and quite inexpensive.

Complete maps, records, data, etc. are available at the mine, and accessible to anyone qualifying as interested and responsible.

✓
ARTHUR MURPHY

101
July 16, 1953

MEMORANDUM - ASH PEAK MINE

The Shamrock shaft is in the so-called No. 2 vein, and is open to approximately 780'. Old operations took place on the No. 2 vein and the No. 1 vein, No. 1 being 15' on the footwall side of No. 2. No operations have been carried on on the No. 1 vein by the present lessees. Operations of the present lessees took place on the No. 2 vein at the beginning of operations at the Shamrock shaft. A few years ago they discovered the No. 3 vein, never formerly recognized nor worked, and that vein has been the producing vein since 1948. Below the 350' level only the No. 2 and No. 3 veins are recognized, operations of the lessee since 1948 having been carried on exclusively on the No. 3 vein below the 300' level, using parallel open workings on the No. 2 vein for access where feasible.

No. 3 vein cut off at about 150' east of the shaft, on the 400' level, and at the shaft on the 600' level. West of the shaft it was stoped to a fault zone which was 150' west of the shaft at the 300' level and 500' west of the shaft on the 550' level. Cross-drilling from a drift on the No. 2 vein, for a distance of 750' from the shaft on the 600' level has shown only marginal ore occurrence on the west No. 3 vein beyond the fault zone.

No. 3 vein lies 25' to 30' away from No. 2 vein on the hanging-wall side, and is reached by cross-cuts from the shaft or from drifts on the No. 2 vein. The only ore remaining for profitable extraction is 6000 - 10000 tons from drift backs and floors, leaving vertical pillars intact. Such removal destroys access to the end of development on the No. 3 vein, all of which ended on sub-marginal ore. Since parallel openings exist on the No. 2 vein to a much greater distance on each side of the shaft than any of the No. 3 workings, destruction of the levels on No. 3 vein is of small consequence.

Operations of the present lessee started in July, 1941, at the Commerce shaft. Operations at the Commerce were suspended in 1947, due to lack of ore, and activity transferred to the Shamrock shaft. Shipments from the Commerce totalled 75,368 tons, containing 571,024 ounces of silver and 2,499 ounces of gold.

To July 1st, 1953, shipments from the Shamrock totalled 88,662 tons, containing 890,242 ounces of silver and 3,311 ounces of gold. In the aggregate the lessee has produced 164,030 tons of ore at an average grade of 8.91 ounces silver and 0.0354 ounces gold per ton.

Long-hole drill sampling, and exploration, has failed to discover ore of commercial grade for further exploitation, and only the ore from drift floors and backs is now available for recovery.

The tailings may be of interest for smelter flux. They are on ground which was located as lode claims by Joe Hardy. Mr. Murphy later located the tailings as a placer claim, and the tailings became the subject of suit which, I believe was never settled, due to the decease of both litigants. The Hardy lode claims later fell open, and were located by our representative. That representative has filed affidavits in regard to work done on the Ash Peak patented claims, and claimed as assessment work on the Ash Peak un-patented claims (including the placer claims covering the tailings). The validity of the claims of assessment work done for the benefit of the placer claims may be considered doubtful, and I suggest that, with the advice of Mr. Shimmel, it may be desirable for us to make a new placer location on the tailings if we make an agreement to use them.

We believe that there are 100,000 tons of tailings available, at an average value of \$3.00 per ton. Trucking 28 miles to Solomon, and rail freight to Miami will cost more than that, so all that can be said for the use of tailings is that they might cost less than some other desirable fluxes. We arrived at the \$0.10 per ton proposed payment as a logical development from the royalty on ore. That royalty is 7 1/2% down to \$10.00 value and 5% below \$10.00. A reasonable royalty on tailings, on which we know there is no profit possible, would seem to be 3%.

H. FOARD
Superintendent

HF:b

ASH PEAK MINES *Greenlee County,*

MADE BY
WATER, JONES & COMPANY
 U. S. A.
 FORM 55513

COPIES OF SMELTER SHIPMENTS FROM ASH PEAK MINES TO SMELTERS
OF SHANNON COPPER CO., CLIFTON AND COPPER QUEEN CONSOLIDATED
DOUGLAS, ARIZONA.

<u>DATE</u>	<u>CAR NO.</u>	<u>INITIAL</u>	<u>NET WEIGHT</u> <u>POUNDS</u>	<u>SILVER OZ.</u>	<u>GOLD OZ.</u>
1906					
8/25	86962	S. F.	28,700	30.30	.055
"	74753	S. F.	51,300	27.50	.047
"	75732	S. F.	28,800	27.50	.047
2	74357	S. F.	44,950	21.67	.040
SEPT. 1,	72360	S. F.	45,000	19.00	.051
" 5,	74403	S. F.	39,400	23.60	.050
" 5,	88737	S. F.	43,700	23.60	.06
" 19,	86153	S. F.	44,400	22.70	.04
" 19,	7067	K.P.S.N.	49,200	22.70	.04
" 19,	350253	PHEN.	57,000	17.40	.04
" 19,	74403	S. F.	40,200	17.40	.04
" 28,	73805	S. F.	50,600	18.73	.035
" 28,	74592	S. F.	49,200	18.73	.035
" 29,	78411	S. F.	52,000	15.35	.035
" 29,	72752	S. F.	52,000	15.35	.035
NOV 8,	76701	S. F.	54,900	13.80	.03
" 8,	74007	S. F.	49,200	13.80	.03
" 9,	2539	K.P.S.N.	25,400	11.50	.03
" 15,	72538	S. F.	54,900	11.40	.03
" 15,	88561	S. F.	56,800	11.40	.03
" 22,	71667	S. F.	53,700	21.00	.032
" 22,	78924	S. F.	57,100	21.00	.032
" 29,	63522	S & O.	63,100	18.90	.037
" 29,	77861	S. F.	54,300	18.90	.037
NOV 5,	79057	S. F.	56,300	24.10	.03
" 5,	74233	S. F.	56,100	24.10	.03
" 19,	170811	PHEN.	56,400	20.37	.03
" 19,	78142	S. F.	56,000	20.37	.03
" 26,	25108	K. S. C.	56,300	25.01	.03
" 26,	41505	W.L.E.	73,000	25.01	.03
" 27,	75178	S. F.	57,300	22.42	.035
" 27,	74160	S. F.	57,700	22.42	.035
DEC. 12,	75178	S. F.	51,100	12.75	.027
" 12,	74150	S. F.	33,600	12.75	.027
" 18,	75178	S. F.	58,600	16.49	.02
" 18,	74150	S. F.	56,700	16.49	.02
" 24,	1843	K.P.S.N.	63,100	14.02	.035
" 24,	1814	K.P.S.N.	65,000	14.02	.035
" 31,	12474	I.G.H.	56,200	10.065	.035
" 31,	12156	I. G. H.	69,100	10.335	.035
1907					
JAN 14,	77671	S. F.	51,800	22.00	.04
" 14,	76906	S. F.	52,200	22.00	.04
" 21,	76943	S. F.	50,400	21.40	.032
" 21,	1708	K.P.S.N.	71,600	21.40	.032

COPIES OF BULKY SHIPMENTS FROM ASH PINE TO
SHELTERS OF SHANNON COPPER CO., AND COPPER QUEEN
CONSOLIDATED, DOUGLAS, ARIZONA.

MADE BY
 LOOK WISSE JONES LAW
 U. S. A.
 FORM 85513

	<u>DATE</u>	<u>CAR NO.</u>	<u>INITIAL</u>	<u>NET WEIGHT</u> <u>POUNDS</u>	<u>SILVER OZ.</u>	<u>GOLD OZ.</u>
	1907					
	Feb. 4,	50172	ERLE	105,600	16.70	.04
	" 11,	77275	S.F.	50,000	16.10	.055
	" 18,	6909	E.P.S.W.	86,000	9.10	.02
	" 25,	1506	E.P.S.W.	74,500	10.60	.028
	" 25,	76359	S. F.	47,200	10.80	.03
	" 25,	76751	S. F.	50,650	10.80	.03
	MAR 11,	33877	LS & MS	75,300	14.40	.032
	" 11,	47448	ERLE	55,500	14.40	.032
	" 11,	74826	S. F.	49,200	9.10	.032
	" 26,	4066	HOP	45,500	12.50	.04
	" 26,	21779	HOP	66,800	12.50	.04
	" 26,	4029	HOP	46,100	12.50	.04
	APR 1,	78035	S. F.	59,100	11.50	.035
	" 1,	276597	PSWH.	72,500	11.50	.035
	" 1,	344992	"	54,900	11.60	.035
	" 1,	75418	S. F.	51,200	11.60	.035
	" 1,	75294	S. F.	55,400	23.00	.0425
	" 1,	6741	EPSW	69,800	23.00	.0425
	" 1,	77465	S. F.	44,400	16.40	.04
	" 1,	42009	B & O.	79,700	16.40	.04
	" 14,	75902	S. F.	49,600	13.00	.0175
	" 14,	564	SM.	59,400	13.50	.02
	" 27,	118355	SO	70,400	13.50	.02
	" 27,	70662	S. F.	44,400	16.80	.04
	May 21,	50444	MEY	60,150	16.80	.04
	" 21,	20242	"	46,200	15.01	.02
	" 23,	72016	S. F.	32,600	15.01	.02
	" 23,	72919	S. F.	35,800	9.50	.03
	" 23,	76616	S. F.	49,000	15.00	.03
	" 26,	75902	S. F.	35,000	9.50	.03
	JUNE 5,	75824	S. F.	44,850	36.00	.05
	" 5,	75488	S. F.	45,000	36.00	.05
	MAY 13,	62530	R. I.	63,700	12.70	.05
	" 13,	6691	EPSW	65,000	12.70	.05
	1908					
	Mar. 4,	8112	"	76,500	29.80	.04
	" 4,	7914	"	56,720	29.80	.04
	" 20,	77836	S. F.	44,150	33.00	.05
	" 20,	66594	S. F.	43,000	33.00	.05
	" 20,	7196	EPSW	59,140	27.80	.035
	" 20,	6712	EPSW	37,200	27.80	.035
	" 25,	7744	"	96,150	25.30	.035
	" 25,	75506	"	46,260	25.30	.035
	1909					
	JAN. 9,	181449	SOU	96,430	12.30	.04
	FEB. 5,	84112	RI.	60,720	13.40	.04
	" 5,	7522	EPSW	73,940	13.40	.04
	MAR. 3,	30157	MEGT	103,100	13.60	.06
	" 26,	94446	S.F.	88,100	12.20	.06

COPIES OF SHELTER SHIPMENTS FROM AGRI PEAK MINE
 TO SHELTERS OF SHARON COPPER CO., AND COPPER JENSEN
 CONSOLIDATED, DOUGLAS, ARIZONA.

MADE BY
 WILSON JONES LEAF
 U. S. A.
 FORM 85513

<u>DATE</u> 1909	<u>CAR NO.</u>	<u>INITIAL</u>	<u>NET WEIGHT</u> POUNDS	<u>SILVER OZ.</u>	<u>GOLD OZ.</u>
Apr. 13	146927	R.O.	82,400	12.80	.05
May 23	76969	S.F.	34,880	13.70	.04
Nov. 19	40084p	G. W.	115,540	16.30	.05
DEC. 10	1653	EPSW.	61,040	28.30	.045
MAR. 23-08	72545	S. F.	48,840	25.30	.035
" 23-"	93684	S. F.	66,900	23.60	.05
" 28-"	80743	S. F.	68,100	33.60	.05
" 30-"	7314	EPSW.	98,540	17.40	.03
" 30-"	94376	S. F.	74,200	17.40	.05
Apr. 6-"	73981	S. F.	30,060	17.60	.03
" 6-"	8055	EPSW.	70,600	17.80	.03
" 16-"	76542	S. F.	47,600	17.50	.03
" 16-"	93880	S. F.	76,100	17.50	.03
" 20-"	6113	EPSW.	52,680	23.60	.04
" 20-"	9685	G.S.	73,660	25.60	.04
" 21-"	6192	C.O. & S.F	60,220	20.20	.03
" 21-"	86486	S. F.	45,400	20.20	.03
MAY 6,"	73408	S. F.	48,900	17.40	.02
" 8,"	76520	S. F.	58,240	17.40	.02
" 12,"	7454	EPSW.	63,960	14.80	.03
" 12,"	72539	S. F.	49,680	14.80	.03
" 21,"	73317	S. F.	57,540	14.30	.04
" 21,"	8119	EPSW.	63,720	14.30	.04
" 26,"	74330	S. F.	49,300	15.20	.04
" 30,"	82261	S. F.	93,480	22.40	.05
6-6-08	20205	G.S.	86,660	19.20	.04
6-15 "	20274	G. & S.	87,640	15.90	.04
6-19 "	20228	G. & S.	88,390	21.70	.03
3-4-09	30157	M.L.T.	103100-	13.40	.03
3-24-09	94448	S. F.	88,100	13.60	.06
3-7 "	7444	EPSW.	112,100	29.90	.03

SHIPMENTS FROM SHALLOCK DUMP TO
 EL PASO SHELTER (REPRESENTING
 THE LOWER WORKINGS)

<u>DATE</u>	<u>CAR NO.</u>	<u>INITIAL</u>	<u>NET WEIGHT</u>	<u>SILVER OZ.</u>	<u>GOLD. OZ.</u>
MARCH 3, 1923	7453	EPGW	110,425	18.00	.05
" 5, "	7907	"	87,685	12.40	.05
" 7, "	7319	"	78,841	11.80	.05
" 11, "	12030	"	40,432	17.70	.04
" 23, "	8332	"	84,408	13.45	.065
" 30, "	7075	"	132,241	14.70	.07
" 31, "	7121	"	105,734	14.76	.058
APRIL 2, "	7890	"	119,737	15.60	.06
" 6, "	7838	"	129,585	13.20	.06
" 21, "	7224	"	127,365	13.60	.05
" 24, "	7736	"	127,036	12.90	.06
" 25, "	7001	"	121,939	12.20	.052
" 29, "	6650	"	81,157	19.05	.05
MAY 4, "	7893	"	137,931	12.20	.05
" 4, "	7427	"	127,044	11.10	.047
" 7, "	6714	"	83,706	14.35	.05
" 12, "	7915	"	118,939	12.40	.05
" 14, "	8421	"	117,999	14.20	.05
" 14, "	7525	"	119,556	15.70	.061
" 15, "	7074	"	117,857	14.20	.05
" 19, "	7706	"	123,197	13.80	.045
" 19, "	7857	"	127,546	9.00	.05
" 23, "	7763	"	135,966	9.80	.05
" 23, "	11434	"	108,721	11.10	.045
" 26, "	7805	"	129,497	9.35	.047

ASH PEAK MINES

This property consists of five patented claims, two patented millsite claims, eight unpatented lode claims, and nine unpatented millsite claims, located in Sections 2, 3, 10 and 11 in T. 7 S. R. 30 E. G. & S. R. B. & M. in Greenlee County, Arizona. Title to this property is, and for many years has been, vested in Ash Peak Mines. The property is located on the paved U. S. Highway No. 180, ten miles west of Duncan, Arizona and seven miles from Fox siding on the Clifton branch of the Southern Pacific Railroad.

The elevation at the mine is 4,600 feet, at Fox siding 3,600 feet above sea level. The Gila River runs parallel to the railroad at Fox. Water has been developed and pumped to the mines from the patented millsite claims one mile north. The river is about five miles from the mine and will furnish unlimited water for all purposes.

Ash Peak Mines are located within a mining area comprising the camps of Morenci, Clifton, Bisbee, Douglas, Globe, Miami, and Superior in Arizona and Silver City, Mogollon, and Santa Rita, New Mexico.

GEOLOGY

Rocks near the mines are tertiary lavas and consist of andesites, rhyolites, and rhyolite tuffs. The Ash Peak vein follows a fault fissure of about 100 feet vertical displacement and with a somewhat greater lateral displacement. Following the hanging wall of the fissure which in turn is the hanging of the vein, is a diabase dyke of a few feet width, probably a feeder to the late andesite flow referred to below.

LATE ANDESITE

A flow rock, basaltic in character overlies a rhyolite tuff, a volcanic ash lying flat and separating the late Andesite from an earlier andesite. The tuff is from 20 to 40 feet thick and is very prominent. It is exposed for a mile along the north side of the Ash Peak fissure. The earlier andesite is of unknown thickness but probably around a thousand feet at the site of the vein and presumably overlies the upper sedimentary lime-stone members. This earlier andesite varies in texture from porphyritic to aphanitic, and as this material forms the original braccia in the fault fissure, the porphyritic phase has been more readily converted into ore than the aphanitic phase. This fact is of economic importance.

MINERALIZATION

The vein follows the original fissuring with the better values generally on the hanging wall. The fissure is from 25 to 60 feet wide, the pay streak from 6 to 18 feet wide. Following the original faulting there was first a quartz mineralization which altered and connected the fault breccia; further faulting both laterally and vertically was followed by further mineralization, cemented and altering of the breccia, and quartz and ore deposition from the mineral bearing solutions pulsating through the fissured

area, resulting in the present vein and ore bodies. It is probable that this fissuring has extended to the underlying lime-stone, and that ascending solutions in passing through the limestones lost much of their mineral content before reaching the upper tertiary zone. Practically no copper, zinc, or lead are found in the veins; the commercial mineral being principally argentite carrying gold values.

The original fault fissure was nearly vertical, the displacement about 100 feet, Later and lateral faulting along the original sig-sagged fissure has resulted in elongated diamond shaped areas along the plane of the fault and the result is a series of recurrent lenses of enormous size in which are the ore bodies in the vein. This condition is well evidenced by developments to-date. The vein outcrops well above the ground and from end to end of the patented lode claims. The quartz is generally banded, evidencing a pulsating deposition. The best values are found in the banded quartz and in the highly altered breccia of originally porphyritic texture.

O-R-K

The ore is quartz and silicified andesite containing finely desiminated Argentite, Pyrite and associated minerals. Little oxidation has taken place within the vein. The ore is essentially a primary sulphide. When the ore occurs as ribbon quartz it is of higher grade. The pay streak is from 6 to 18 feet wide and up to 600 feet long within the area of each recurrent diamond shaped lense. There are six such ore shoots indicated on the property. Values generally tend to diminish as they approach the foot-wall. This makes an ideal condition for selective mining.

DEVELOPMENT

The principal work has been in the Shamrock and Commerce mines, although a great many surface cuts and shafts have been sunk along the vein outcrop. The Shamrock shaft is 800 feet deep, levels cut and driven at 100 feet intervals, and cross-cuts on all levels at 50 feet intervals. In this development work much of the ore hoisted was shipped to the smelters and constitutes a very exact sampling of the mine. The Commerce mine is 500 feet deep with levels at 100 feet intervals. A great deal of the ore from this development was likewise shipped to the smelter.

In report (September 1924) Mr. Henry M. Crowther states "The following estimated of ore tonnage divided into several segregations of widths and values are based on sample maps and shipments to smelters (for development) equal in tonnage to one ton of ore actually shipped to each twenty tons estimated as blocked, which test is considered ample proof of values since much of the tonnage is extracted in sinking shafts and driving drifts".

"Ore Blocked "A" Method".

Workings	Tons	Total Values	Width	Total
Shamrock Mine	130,000	\$10.00	10	\$1,300,000
-Commerce Mine	39,000	11.00	6	350,000
DUMPS	20,000	9.50		190,000

" Ore Blocked "B" Method".

Workings	Tons	Total Value	Width	Total
Shamrock Mine	90,000	12.00	7	\$1,180,000
Commerce Mine	39,000	11.00	6	330,000
Dump	20,000	9.50		190,000

INDICATED ORE-----

All development, 300,000 tons \$10.00. The 300,000 "indicated" has not been topped "blocked" for the reason that it was not exposed on three sides, but was believed assured at the value stated in view of the existing conditions.

The above tonnagw blocked and indicated is computed by the development of the Commerce shaft and levels; the Shamrock shaft on levels and the ore on the dumps. (Silver @ .70 cents per ounce. Gold \$20.. per ounce)

(Signed) HENRY M. CROWTHER .

(Copy of Letter dated September 15, 1924 to
Southwest Mining Company. Los Angeles, California)

Dear Sirs:

I have known Mr. Henry M. Crowther for the last twenty-five years; during which time I have been in consultation with him on many occasions. Mr. Crowther has had a very extensive experience in the west, not only in charge of properties but also in working out economic geology of a number of districts. Mr. Crowther is one of the highest standing men in the profession and I have the fullest faith in his ability and integrity.

(Signed) Park Channing.

C O P Y

(Letter Dated Septptember 15,1924)

Southwest Mining Co.,
Los Angeles, Calif.

Dear Sirs:

It is with pleasure that I am able to state that I have personally known Mr. Henry M. Crowther for the past twenty years, during which time he has operated extensively in the mining industry. Mr. Crowther has had a very wide experience in many sections as manager and engineer of important operations. I have a high personal and professional regard for Mr. Crowther and would not hesitate to accept his report on mining property as accurate and reliable.

Yours very truly,

(Signed) Louis M. Cates.

Following is from the report of Henry V. Snell of Globe, Arizona,
to Southwest Mines Co. Dated August 1924. (On file) .

"In mining on a tonnage basis I think it safe to figure that on an average the ore will be broken on a width of from 7 to 8 feet, and using this width as a basis, the blocked ore figures at about 150,000 tons, at \$11.00 per ton or \$1,650,000.00. Based on present mine opening and surface indications of ore shoots I have figured it safe to accept 300,000 tons indicated as probable ore with a value of \$10.00 per ton.

Note: Mr. Snell is a graduate of Michigan School of Mines, was formerly engineer for Old Dominion Copper Co. of Globe, Arizona. He was in charge of the development of Ash Peak Extension Mine which adjoins the Ash Peak property.

Mining and Milling Costs.

(a) (From Crowther Report.) The mines are dry to present depth and ore can be mined with little timber and with safety and economy at an estimated cost of \$2.00 per ton delivered into mill bin.

Milling by cyaniding process by which a saving of 95% of assay values has been made in the test work is estimated at \$2.00 cost per ton. By large tonnage these should be reduced.

Taking 90% mill saving (altho 95% is possible) by cyanide extraction, and basing costs on 250 tons daily output, on "A" method estimates, we have 480,000 tons \$10.00, 90% recovery \$9.00 less costs of \$4.50 per ton indicated profit \$4.50 per ton or \$2,160,000.00 (Based on 70 cents silver and \$20.00 gold). (Cyanide tests indicate 95% extraction with 150 mesh grinding and 2.4 cyanide consumption per ton. By Flotation a very high concentrate is possible with equally high recoveries. Fine grinding is likewise necessary.

SUMMARY. (From Crowther Report).

"The property has large and valuable ore reserves in sight and indicated. The enterprise of recovering generous profits therefrom will in reality be a manufacturing operation promises a generation of successful life. The outlook for the incidental development of ore bodies of rich shipping ore is promising with additional depth attained. I recommend the property as having every element for success and profit over many years of tonnage operations. From every viewpoint it is the best and biggest property that I have seen in years. "

CONCLUSIONS. (From report of H. V. Snell)

It is certain that a large tonnage of ore will be developed in the vein in addition to that which is now in sight. As it stands it is a virgin property, practically no ore having been stoped. It is very probable that additional depth will open higher grade direct shipping ore. The property should be equipped for operation on a scale not less than 250 tons per day. This will indicate a capital requirement of not less than \$250,000.00.

The present indicated ore reserves insure the operation of such a plant for several years, with a likelihood that additional development will indicate the advisability of increasing the scale of operations.

(Signed) (H. V. Snell.)

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Glen A. Smith- Mine foreman
Address: 106 Peabh Hillcrest, Safford
2. Mine: Ash Peak 3. No. of Claims - Patented 5
Unpatented #14 27
4. Location: Near Ash Peak Greenlee County on highway 70
5. Sec. 11 Tp 8S Range 30E 6. Mining District Ash Peak
7. Owner: _____
8. Address: _____
9. Operating Co.: Lewis Inc, subsidiary of Beaver Mesa Uranium Inc.
10. Address: 803 Winters, P. O. Box 1481 Grand Junction, Colorado 81501
11. President: E. E. Lewis 12. Gen. Mgr.: John F. Peeso
13. Principal Metals: Silver- 14. No. Employed: 6
15. Mill, Type & Capacity: none
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.
17. New Work Planned: Shut down before end of April. Will reopen if the silver price advances. Date of Shut down April 24. (Hope for not over 90-120 days
18. Misc. Notes: HARDY SHAFT 500-700' deep. SHAMROCK SHAFT 975' deep. COMMERCE SHAFT 500' deep connects with Shamrock. Production from open pit 90% of total. Rest comes from stope on ~~200'~~ 200 ft. level.

Visited Ash Peak Mine - padlocked chain across road to mine. (Probably closed, but not confirmed). GWI WR 6/13/70

Lewis Incorporated shut down their Ash Peak operations in hopes that the silver price would advance. Even though the ore is a good fluxing agent, the grade is just too low to pay the cost. GWI Quarterly Report 6-30-70

Date: 4-15-70

G. W. Ives
(Signature)

(Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Glen A. Smith, Mine Foreman & Personal visit.
Address: 106 Peach, Hillcrest, Safford Arizona.
2. Mine: Ash Peak 3. No. of Claims - Patented _____
Unpatented _____
4. Location: Ash Peak, Greenlee County on highway 70 near Graham Co. line
5. Sec. 2-3-10-11 Tp. 8S Range 30E 6. Mining District Ash Peak
7. Owner: E. E. Lewis Inc.
8. Address: _____
9. Operating Co.: E. E. Lewis Inc. Subsidiary of Beaver Mesa Uranium
10. Address: P. O. Box 1481 Grand Junction Colorado
11. President: E. E. Lewis 12. Gen. Mgr.: _____
13. Principal Metals: Silica & Silver 14. No. Employed: 6
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.
17. New Work Planned: Drifting west on 200' level Commerce shaft, in about 200' developing stope at same time. Planning on sinking shaft another 300'
18. Miscl. Notes: _____

Lewis Incorporated were driving a drift on the 200 level of the Commonwealth Shaft and delineating a stope to furnish underground ore to mix with the open pit material that was being shipped to Morenci. It is planned to sink the Commonwealth shaft to a depth of 800' in the near future. The production from the Ashpeak mine runs approximately 60 tpd. GWI Quarterly Report 4/1/70

Date: 2-11-70


(Signature)

(Field Engineer)

ARIZONA DEPARTMENT OF MINERAL SOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Glen A. Smith

Address: Route 1, Box 15A Safford

2. Mine: Ash Peak 3. No. of Claims - Patented 5
Unpatented Several

4. Location: Ash Peak Greenlee County

5. Sec 2-3-10-11 Tp 8S Range 30E 6. Mining District Ash Peak

7. Owner: _____

8. Address: _____

9. Operating Co. E.E. Lewis Inc. of Grand Junction, Colo. 81501 a subsidiary of
Beaver Mesa Uranium Co.

10. Address: _____

11. President: E.E. Lewis 12. Gen. Mgr.: John F. Peeso

13. Principal Metals: _____ 14. No. Employed: 6

15. Mill, Type & Capacity: Exploration

16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.

17. New Work Planned: Drifting west on the 200 level from the Commerce shaft.

Plan to sink this shaft from the 500' level to 800' in near future.

18. Miscl. Notes: _____

Note* 1000 Tons to smelter during Sept. ran 3 oz silver (Not for publication)

Mine Visit to Ash Peak Mine 5 men developing the 200 level. Commerce Shaft. GWI WR 2/14/70

Production from the Ash Peak mine Commerce shaft by E.E. Lewis Inc. continues at about
60 tpd. From the 200' level of the Commerce shaft where drifting and developing are
proceeding and also from the vein open pit extending SE from the Commerce shaft. This shaft
may be sunk another 300' in the near future. The ore is hauled by truck to Clifton where it
is transferred to the PD railroad for transport to the smelter.

GWI Quarterly Report 2/27/70

Date: 12-10-69


(Signature) (Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

- 1. Information from: Glen A. Smith Mine Foreman
- Address: 106 Pearl Hillcrest Safford
- 2. Mine: Ash Peak 3. No. of Claims - Patented _____
Unpatented _____
- 4. Location: _____
- 5. Sec _____ Tp _____ Range _____ 6. Mining District _____
- 7. Owner: E.E. Lewis Inc.
- 8. Address: _____
- 9. Operating Co.: Same
- 10. Address: _____
- 11. President: _____ 12. Gen. Mgr.: _____
- 13. Principal Metals: SiO₂ & Ag 14. No. Employed: 5
- 15. Mill, Type & Capacity: _____
- 16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate _____ tpd.
- 17. New Work Planned: May sink Commonwealth shaft 300' to
800' level
1000 Ton shipped in Sept to Morenci
- 18. Misc. Notes: _____
1 drift to the west on the 200' level

Active Mine List 10/1969 6 men

Date: 10-15-69

[Signature]
(Signature)

(Field Engineer)

ASH PEAK MINE

GREENLEE COUNTY

The Ash Peak Mine continues to ship silver-silica to the Morenci Smelter, some of this comes from the Hanging-wall open pit. Some of the ore from development work off of the shaft at the 200' level west. It is expected that drifting will continue here. Plans are also being made to deepen the shaft from the 500' level or present bottom to the 800' level. From this level more lateral drifting will be done.

GWI Quarterly Report for 9/1969

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

1. Information from: Glenn A Smith foreman.
Address: 106 Peach Hillcrest Safford 85546
 2. Mine: Ash Peak 3. No. of Claims - Patented 5
Unpatented 16
 4. Location: 10 miles west Duncan on Highway 70
 5. Sec. 2, 3, 10, 11 Tp. 8 S Range 30 E 6. Mining District Ash Peak
 7. Owner: ~~E. E. Lewis subsidiary of Beaver Mesa Uranium Inc.~~
 8. Address: ~~P.O. Box E Lewis Sub. of Beaver Mesa Uranium Inc.~~
 9. Operating Co.: P.O. Box 1481 Grand Junction Colorado 81501
 10. Address: _____
 11. President: E. E. Lewis 12. Gen. Mgr.: _____
 13. Principal Metals: Silica & Silver 14. No. Employed: 5
 15. Mill, Type & Capacity: none
 16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.
 17. New Work Planned: Continued Drifting
-
-
18. Misc. Notes: At present drifting west on 200 level
about 100' west of Commerce shaft. - 2 men in mine
2 men working open pit plus hostman & Foreman
Norris Mathews of Safford contracts the hauling from
mine to Clifton.
-
-
-
-

Date: 5-4-67

Glenn A. Smith
(Signature)

(Field Engineer)

ARIZ IA DEPARTMENT OF MINERAL SOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

- 1. Information from: Glenn A. Smith
Address: Safford Arizona
- 2. Mine: Ash Peak 3. No. of Claims - Patented 5
Unpatented ?
- 4. Location: Ash Peak Mining Dist. 8 miles WNW of Duncan
- 5. Sec 2,3,10,11 Tp 8S Range 30E 6. Mining District Ash Peak
- 7. Owner: Lewis Incomp. Subsidiary of Beaver Mesa Uranium Inc.
- 8. Address: Box 1481 Grand Junction, Colo.
- 9. Operating Co.: Same
- 10. Address: Same
- 11. President: E.E.Lewis 12. Gen. Mgr.: John F. Peeso
- 13. Principal Metals: Silver 14. No. Employed: 6
- 15. Mill, Type & Capacity: none
- 16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.
- 17. New Work Planned: Development and exploartion on the various levels.
- 18. Misc. Notes: Production from open pit. Shipped by truck direct to Morenci.

Date: 8-2-69

[Signature]
(Signature)

(Field Engineer)