



CONTACT INFORMATION

Mining Records Curator
Arizona Geological Survey
1520 West Adams St.
Phoenix, AZ 85007
602-771-1601
<http://www.azgs.az.gov>
inquiries@azgs.az.gov

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Arizona Department of Mines and Mineral Resources Mining Collection

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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: BUCKEYE APACHE MINE

ALTERNATE NAMES:

BUCKEYE
SUNRISE
APACHE
FAIRVIEW

COCHISE COUNTY MILS NUMBER: 150

LOCATION: TOWNSHIP 14 S RANGE 27 E SECTION 4 QUARTER SE
LATITUDE: N 32DEG 14MIN 26SEC LONGITUDE: W 109DEG 35MIN 07SEC
TOPO MAP NAME: DOS CABEZAS - 7.5 MIN

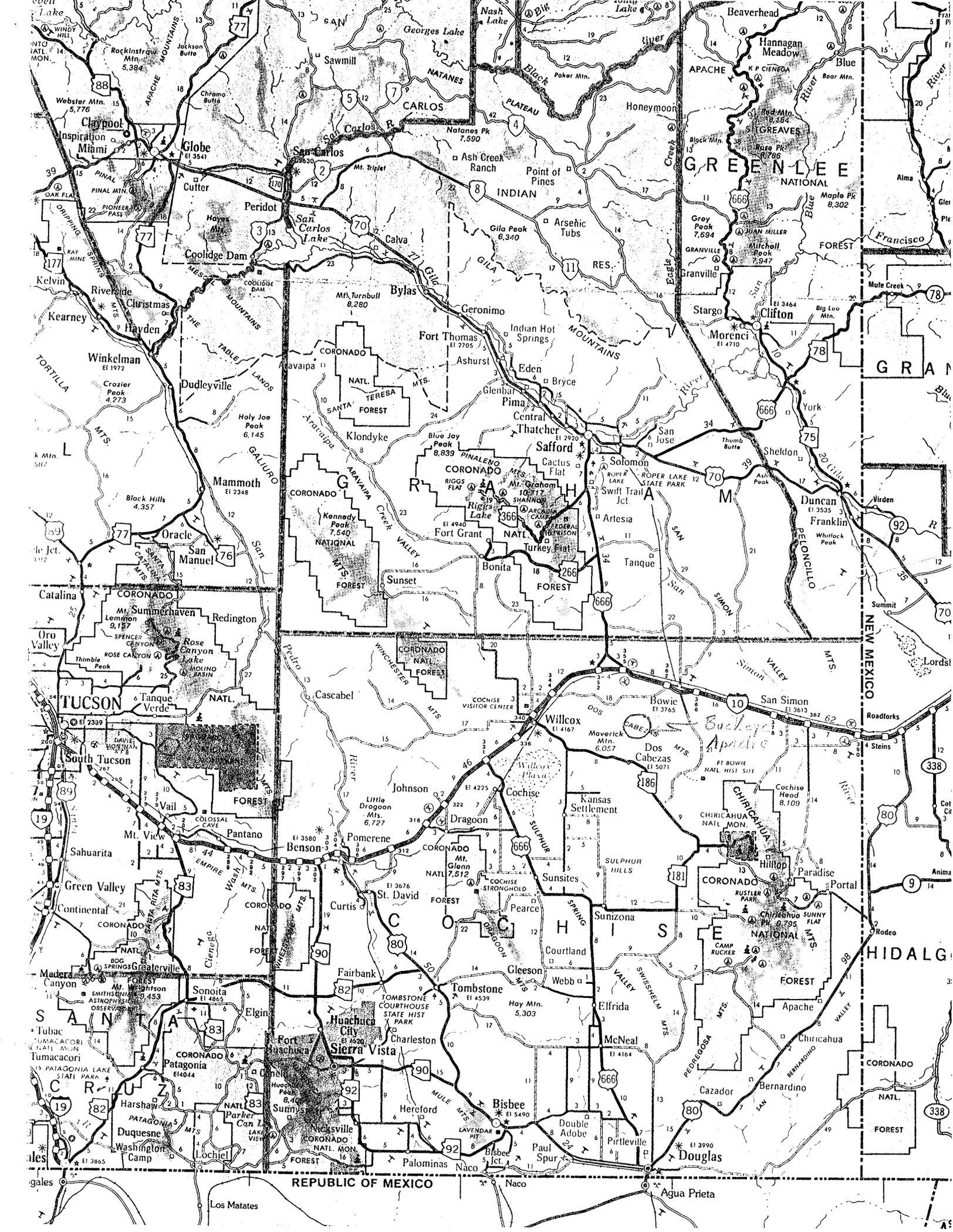
CURRENT STATUS: PAST PRODUCER

COMMODITY:

GOLD LODE
SILVER
LEAD SULFIDE

BIBLIOGRAPHY:

ADMMR BUCKEYE APACHE MINE FILE
KEITH, S.B., 1973, AZBM BULL. 187, P. 72
ADMMR GOLD DEPOSITORY & LOAN CO. FILE
USGS MAP I-1310-B, P. 50; MIN DPST MAP OF
SILVER CITY, NM & AZ
MINES REGISTER 1965-66, P. 70
ADMMR MAP FILE, 2 MAPS



CJH WR 4/9/82: Mine visit: in the company of Dick Beard of the ADMR Phoenix drove to the Apache Buckeye mine, Teviston district, Dos Cabezas Mountains, Cochise County. Looked over the activities of the Gold Depository and Loan Co., (GD and L). Participated in field interviews with Rich Rupert, Geologist, and Frank Arnseiger, Mining Supt., both of GD and L and Randall M. Stewart, Geologist, Phelps Dodge Corp. Dick Beard will write the Engineers Report of the visit.

Note: There seems to be a discrepancy as to the public land survey description of the property. The Buckeye Apache Mine appears on Luzena, Ariz. U.S.G.S. 15' quadrangle in the SW $\frac{1}{4}$ Sec. 34, T12S R27E. A ASMR mine file letter dated 10/9/81 from Richard A. Rogoff, a San Francisco lawyer retained by GD and L to the AZ state Mine Inspector describes the property as being in Sec. 3, 4 and 9 T14S R27E. Of course, Sec. 34, T13S R27E and Sec. 3, T14S R27E are contiguous so the discrepancy may not be important. I'm just surprised that the lawyer did not include Sec. 34, as it is the section in which the mine entry is located.

NJN WR 4/2/82: Bill Cate, geologist with Gold Depository and Loan Company visited. Activity and plans at the Buckeye-Apache Mine were discussed (an office interview report was written).

CJH WR 4/23/82: Phone call: John Griffin, Gold Depository & Loan, San Francisco, CA. He had learned that I had visited the Apache Buckeye property with Dick Beard and wanted my opinion of it. Told him that I didn't see enough to have an opinion, and, unless the access road to the north is made available for use, the road to Dos Cabezas would ruin their ore trucks.

RRB WR 10/7/83 Chant Wysor, Manager Investigations, Wachenhut Security Systems and Services, 3813 N. 15th Avenue, Phoenix, Az. 85014 Ph: 264-0353 and associate were in to inquire about Frank Arnspiger who was the foreman for Gold Depository at the Buckeye Apache in the Dos Cabezas Mountains. They are investigating the disposition of equipment from the mine and want a deposition from Arnspiger. They made copies of parts of the Buckeye-Apache and the Gold Depository files.

MG WR 3/9/84: I have heard that an out-of-court settlement between Phelps Dodge and the Gold Depository & Loan Co., was made to exchange interest in two mining properties. Phelps Dodge reportedly dropped all interest in the Buckeye-Apache property (Cochise County) and Gold Depository & Loan dropped all interest in the Dos Pobres (safford) property.

Not active at present except for assessment work. The newly rebuilt road to the Buckeye Apache Mill was destroyed by a big flood last August. GWI WR 10-11-65

Mr. M. C. Grusendorf reported that the board of directors of the Buckeye Apache Mine wanted to sell but have not reached an agreement. GWI WR 2-5-66

Mine visit to the Buckeye Apache camp used by the Arivaca Mining Corp. GWI WR 9-10-67

Guy Clerc, one of the owners, has moved from Bowie to St. David. GWI WR 10/15/76

Mine visit - Buckeye Apache mine. GWI WR 11/10/76

CJH WR 12/12/80: Messrs Kenneth L. La Van, Pete Insana and Tony Insana, all with Eastern Empire Construction Co., 33251 Curtis Boulevard, Eastlake, Ohio 44094, phone (216) 951-1309. Interested in starting precious metal mining in Arizona. Particularly interested in the Buckeye Apache Mine, Dos Cabezas District, Cochise County.

JBJ WR 10/16/81: Mr. Leonard Leinow, Martec Group, Inc., 700 Larkspur Landing Circle, Suite 199, Larkspur, California 94939, phone (415) 461-7650, called for file information on the Buckeye-Apache mine in Cochise County. Martec is an investment group. Mr. Leinow reports that the owner of the Buckeye-Apache mine claims the property has 300,000 short tons of proven ore averaging 0.3oz/ton.

NJN WR 10/2/81: Bill ^{Cate}Kay of San Francisco (whom I suspect is associated with Gold Depository and Loan Inc.) was in and recorded the conversation between himself, Dick Beard and myself. - - - Mr. ^{Cate}Kay also reported his group is sampling the Buckeye-Apache Mine, Cochise County. Some preliminary samples have been as high as .33 oz/ton Au. He also mentioned seeing Gulf Oil people in the Burro Mining District and a core drilling rig near Dos Cabezas.

NJN WR 2/12/82: Alex Laurins of American Trust and Investment called. He reported that on 2 days notice they can ship 150 tons/day of silica flux with some precious metals content from the Buckeye Apache Mine, Cochise County. He was seeking a list of smelters he could ship to. He also mentioned that they are still seeking miners to work at the Apache-Buckeye mine.

3021 East Whitton Avenue
Phoenix Arizona.
September 18th 1960.

Mr Clyde V. Brown,
New Philadelphia Ohio.

Friend Brown:

Les phoned last night to say that the funds for the Buckeye would be forthcoming when the new corporation is formed - that Geisinger will be away for the next ten days, etc". It was good of Les to phone (and expensive) and I appreciate it. His statement also sounded good and I will attend the meeting of the Board of Directors of the Buckeye Apache Mines Co on the 20th inst; the Lease to Buckeye Marj Ann Mines Co will be cancelled -- and I will try and have the Board authorize myself and Echols to be sole signatories to a new lease to be granted.

It rarely is satisfactory to "do business" by phone when details have to be ironed out. Les's word is good - but I have nothing else with which to go before the Board, and so am "on the spot". Put yourself in my place. Suppose one of them asks what guarantees I have now - any more than at the time I met you, Rutledge, etc in Tucson and "a deal was made"; then again when Geisinger was here and "the deal was made". Study this over; it is time to be brutally frank and not beat around the bush.

For almost a year I have been writing about the Gold situation -- apparently my letters have never been taken seriously, thus paid proper attention. Yet this past week it would appear that everything I have written has has a sound basis in fact, and an advance in the price of Gold is so close that people who have millions at stake "can taste it". WE HAVE MILLIONS AT STAKE TOO -- for any advance in the price of Gold makes the Lease on the Buckeye one of the most promising and fantastic deals possible. Just read the enclosed report, take it to anybody who has any knowledge of geology and mining -- and have them criticise it (IF they can). And, if, after reading the report you fail to appreciate the deal -- just forget the whole thing, for you will not deserve to be in on it in any way.

I have written Les three letters on the 15th and 17th re this Gold situation. Read them, study them, and you will "see what I mean".

In my letter of the 13th to Les, a copy of which was sent to you, I wrote as plainly as possible the following, repeated here for emphasis:--

"The way things stand now are as follows.

"Buckeye Apache Mines Co is in good standing. Any lease we grant will be 100% O.K. All mining claims as per map sent to you are also 100% O.K. as can be instantly verified by photostats, etc.

"Therefore, given something definite to work on - and with; a new Lease can be granted to a "new corporation", as above outlined, by Echols and myself.....

" A new corporation should be formed here in Arizona, and I can handle this as properly and as cheaply as can be done. ALL who put money into this new corporation are Incorporators -- eliminating much red tape, etc. It should not be rushed in any way, but done properly right from the start.

"To get proper guarantees of money forthcoming, is one principal reason I suggested that I visit Ohio. Also so that all concerned can see

who is to handle their money, and how it is to be spent, etc. That way we start off with all the cards laid upon the table .. and I assume every possible responsibility myself... and take responsibility away from others. And, perhaps more importantly, close the deal definitely right then and there.

"For my part, I KNOW that once the crosscut is well under way ore will begin to show -- and with the first showing of ore the big multi-million dollar orebody we are going after will be definitely assured. Once this orebody is reached everything else will fall into line and things will pretty much take care of themselves. Confidence will replace all else".

I have rewritten the foregoing quoted paragraphs for emphasis, which really seems to be needed. The situation as of the moment is, in respect to guarantees, no different in visible signs any different from what it has been for the past year, and this cannot be tolerated longer. Since the Phoenicians invented money several thousand years ago the only guarantees mankind has wanted in business affairs is money, the tangible evidence of performance. I have no money, what I have had has gone to do the necessary to keep this deal alive -- largely for your benefit.

You will note that at no time have I ever mentioned "what am I to get out of this" with the exception of payment for services rendered; and, in all modesty, there is no man anywhere who could have replaced me for the services I have rendered and am capable of rendering for the next few months. If you do not believe this, just say so, you will not be hurting me, you will only be hurting yourself.

Now then; The quoted paragraphs above are specific. It is clear that left to yourselves the Ohio bunch will each attempt to try to have a say in running things -- and, up to a certain point this was O.K. but we have passed that stage; from now on, and for the next few months, the highest phase of intelligence obtainable as far as this particular deal is concerned is in what I represent in person. Any lower or other stage of action must perforce be of lesser experience and grade. I am speaking frankly because it is required -- and we must have an understanding right here and now.

The only real evidence of appreciation is confidence, and the only way this confidence can be expressed is by placing reliance and trust in me. What has been done to date is evidence of my ability to handle this -- and I really thought I was clear out of business four years ago.

I do not want to come to Ohio, but there is no other way this deal can be closed properly and expeditiously. It is NOT satisfactory to me to have to do things exactly as some people in Ohio want them done, when by my own experience (when handling things myself) I know what is required and how they should be and can be done. If you want help, and you most certainly do, to close this deal, send me the money to come to Ohio after the 20th, and you will find the deal closed and the crosscut on its way while you might otherwise be "thinking" and mulling about this, that, and the other thing that might come up.

I will expect to hear from - after you have seen Les, and read the letters mentioned as sent to him on the 15th and 17th inst.

Best regards,

C.W. Gabrielson.

cc to Les.

3021 East Whitton Avenue
Phoenix Arizona.
September 21st 1960.

Friend Les:

The Special Meeting of the Board of Directors of Buckeye Apache Mines Co, was held as scheduled last night. Five Directors were present two sent Proxies (one is in S.Carolina presently). Thus all 7 Directors were the full Board. The lawyer for the Company also attended.

I was exhaustively questioned and subjected to considerable inquiry.

It was regularly Moved and Seconded and unanimously approved that the Lease to and now held by Buckeye Marj Ann Mines Co. be cancelled.

It was also Resolved that Messrs Echols and Gabrielson be authorized to negotiate a new Lease to any corporation putting up proper guarantees of financing and performance -- the lease to be granted subject to approval of the Board of Directors.

At the Meeting I made it as clear as I could that preference be given to the present Ohio group -- and this is agreeable provided there is action. I asked the lawyer if he knew Kelso -- which he does. If you want Kelso to form the new corporation that is O.K. but before you do this may I suggest that you hold a meeting and have the money "put up".

In my letter of the 18th (to Brown) I believe I have given you all necessary particulars. I have done everything possible to assure the deal to the Ohio group, regardless of the fact that they have kept things "in suspense" for many months longer than has been necessary - as far as I am personally concerned.

What happens now is up to you and Brown. The time has arrived for action, my cooperation is yours. The next to last paragraph of my letter of the 18th is fully explanatory.

Best regards,



C.W.Gabrielson.

cc to C.V.Brown.

Les's phone at Dover Ohio

216 + 055 + 3088R - 61767

3021 East Whitton Avenue
Phoenix Arizona.
March 2nd 1959.

Friend Les:

This morning I got to thinking over possible connections of Mr Lichty and his proposal - hence this letter.

The few large mining corporations, since the First World War, have increasingly subsidized the Mining departments of the Universities and Colleges in the U.S. - directly by donations and indirectly through their political affiliations and pressure.

Why not?, since 98% of graduates who continue to follow mining go to work for one or other of said corporations. More than ever before the field of employment is limited to them.

When a young man graduates with a degree after 20 years of schooling at public expense and starts work for a corporation it is then that his real education begins. If diligent in his scholastic endeavors he has absorbed some part of the theories by which men made a success out of the means then available, but when he comes to apply his assumptions and beliefs he makes mistake after mistake until by trial and error and constant adaptation to changed and changing conditions he gets on the right road instead of the ways that have led him astray.

Therefore he is given a job and more or less gently guided along to bring him experience, give him contacts with men of wider experience in their respective fields before he is allowed much initiative - at least until he has proved by performance that his judgment has matured to where responsibility can be placed upon his shoulders, that, so to speak, he can stand upon his own two feet without leaning too heavily upon the props that have previously been provided for him.

This preamble is due to thinking over possible connections between the interest~~s~~ evidenced by Mr Lichty, of his mining engineer, Stranahan - and repeated visits to the Buckeye of a Scout engineer for Kennecott. Ralph and Sam told me of these visits at the time they were at the property, and it is likely he made other visits when they were not present.

Stranahan has lived in Safford Arizona for years and during the past couple of years Kennecott has spent over a million dollars a year diamond drilling an area visible from Safford for prospective copper deposits. It would be the most likely thing in the world for Stranahan and this Scout engineer to meet, indeed, one of the duties of such embryo geologists is to "pick the brains" of any and all mining men encountered in hopes of acquiring some of their knowledge. Stranahan is an old time mining engineer of wide experience, one of the most likely men to have been confided in and used by Kennecott's embryos'. Who can tell where the connections may end at?

I have gone into the foregoing in some detail so that you will know that the proposition set forth to you is not a prospectors dream, but one of real, solid worth, quite different from the vast majority of propositions brought to Los Angeles and back East to be financed. By a brief visit here you can check every word herein 100%, and sooner or later I will expect you will do this.

While this "Ventures" party proposes to start operations with a capital outlay of over \$1,000,000 -- I believe that I can perform exactly as outlined in the "letter" you have, and get the property started on profitable production, and from that point expand out of part of profits. But of course this modest operation is not what Big Money wants -- they want everything Big, the start, operation, and then expand to Bigger. They probably want a Freeway into the mine from the highway, budgeting over \$40,000 for roads alone.

I have gone on record against acceptance of the deal, and stated that once we get your Indianapolis brokers interested we will get the money and always be in control of the proposition which I want to do.

Not having heard from you for over a week I tried to get you by phone so that I could say I had heard from you - for I am convinced in my own mind that this can be a real success in which we can share and that everybody interested, from mine owner to purchaser of shares, will benefit for years and years to come.

I am not writing this to bring any "pressure" on you to do anything you would not normally have done - but merely to state the facts. If you will do the same with me I will appreciate it. Please let me hear from you so that my rejection of the deal above mentioned will have some weight.

With best personal regards, I am,

Sincerely yours,

C.W.Gabrielson.

3021 East Nitton Avenue
Phoenix Arizona.
February 26th 1959.

Friend Les:

Ralph paid me a visit this morning. He brought a two page legal sized memo-proposal from the party mentioned in my letter to you of January 15th last. Last week Sam had gone with them and their mining engineer to the mine; they had looked around, cut samples as they pleased, and after the samples had been assayed had some discussion with Ralph - hence the proposal as outlined below. Judged by the nature of their figuring they are seeking mines requiring large capital expenditures, and in the Buckeye Marj Ann it would seem they have such a mine. There are not many other such mines available anywhere.

I was not present when they were at the mine - they saw things for themselves without prompting and cut samples anywhere and how they pleased. Thus the conclusions they arrived at are entirely their own. They feel confident the property justifies a preliminary expenditure of over one million dollars - and it goes without saying that they are in the mining business for profit.

The proposition they have made is important to us. Like all other such proposals it is subject to further negotiation and change before definite acceptance or otherwise. But whatever decision we do make is irrevocable, thus it cannot be emphasized too strongly that we should be very careful about making any decision. It is easy to sign such a deal, but will not be easy to back out if later on we find it does not suit us. And unless we have a worth while alternative we should not be in a rush to turn it down.

Their sampling of the Buckeye stope (\$24.50 a ton) is higher than the conservative general sample shown on the Assay Map - - still it is reasonable in every way.

The following is their proposal - verbatim.

Assume "heads" of 0.4 oz gold per ton.
7.0 oz silver " "

Recovered values (in dollars)

0.4 X 95% X \$33	\$ 12.54
7.0 X 95% X 75¢	<u>4.98</u>

17.52

Less royalty

1.75

Recovered values per ton 15.77

Assume 200 tons per day milling rate

Ratio of concentration 12 to 1, or 16.6 tons concentrates a day.

REVENUE - per day.

200 X \$15.77

total
\$ 3,154

per ton
\$ 15.77

<u>Less Operating cost - per day</u>	\$total	\$per ton
Development	300.00	1.50
Mining	1200.00	6.00
Hauling ore	60.00	.30
Milling	400.00	2.00
General Expense	200.00	1.00
Hauling 16.6 tons concentrates	<u>249.00</u>	<u>1.20</u>
	\$2,409.00	12.00
Operating profit	745.00	3.72

Less Depreciation

\$1,000,000 over 5 years	555.00	2.77
Profit before taxes	190.00	.95

Capital Expenditures

Mine preparation and equipment	\$ 300,000
Power Supply	50,000
Water Supply	25,000
Road Construction	25,000
Mill - 200 tons @ \$2,000 per ton day	400,000
Shops, warehouse, assay office, etc	150,000
Housing	50,000
Contingencies	<u>100,000</u>
	\$ 1,000,000

Working capital for 3 months

\$2,500 a day for 90 days 225,000

As a preliminary to foregoing expenditures, for a complete check up, the following would be additional.

Roads	\$ 2,500
Diamond drilling 3,000 ft @ \$5	25,000
Assaying	1,000
Geological, \$1,000 a mo for 6 mos	6,000
Supervision	<u>4,000</u>
	\$ 40,000

They would require a firm option for One year, during which time the Exploration fund would be used to determine whether or not to proceed with the major financing.

All cost estimates are of course liberal - may not have any real relation to actual costs of operation.

It is important to note the wording "Less Depreciation". This probably means that they get all their Capital expenditures returned before any distribution of profits. In any event they want 90% - while we get 10%.

The proposal outlined on the preceding two pages can be assumed to be subject to further negotiation and some change - but not much change. Our acceptance means that everything is turned over to them without recourse, then the best we could expect would be that, after they had received in full all capital outlay we would be in line to receive ten per cent of any profits remaining after taxes. Which will not be much.

It will be easy to enter into such a deal. Once it is signed over we cannot back out. There is little prospect of our getting anything for several years at best. Should they have one legal schemer in their outfit who wants to "make a name for himself and acquire power in the corporation" at our expense then all we will get out of it is trouble. And I have found that there are only too many such people. They crop up when there is anything worth while for them in sight.

The deal is now in your hands to form your own conclusions.

What have we as an alternative should this proposal be turned down? This is the time to look all the facts in the face for some decision must be made. Once made it must receive active cooperation - not merely passive recognition. Personal likes and dislikes, beliefs - regardless of what they may be founded upon, whether ignorance or experience - must be subordinated to attainment of any objective decided upon.

If anything has been learned at all it is that my original plan for financing and operation was correct; that my subsequent plan, to find a broker with a clientele through whom the mine could be financed is also correct. I believe that my work in Los Angeles has put me on a direct track, if not in actual contact, with such a broker.

To complete any such arrangements additional finances are required and proper authority given so that once negotiations begin with principals there will be no hitch or delay - and that any and all requirements will be met. In due course the S.E.C. may have to be contacted -- but any such Regulatory requirements will be brought up and met through the Broker selected, each of whom has his own "channels".

You have a "several million dollar mine". You have all the facts up to this moment -- what are you going to do about it.

Very truly yours,

C.W.Gabrielson.

cc to Ralph and Sam.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

Not for publication, pending FIELD ENGINEERS REPORT
additions to the milling equipment

Mine Buckeye Apache Mines and Mill

Date Dec. 4, 1957

District Teviston Mining District, Cochise Co.

Engineer Axel L. Johnson

Subject: Additions to report of Oct. 2, 1957. Information from Sam Wallick & Ralph Richert, and Personal Visit.

Location See report of Oct. 2, 1957.

Number of Galims See report of Oct. 2.

Owners See report of Oct. 2.

Lessees Buckeye Marj-ann Mining Co., Box 1824, Goodyear, Ariz.
 Sam Wallick, Box 1824, Goodyear, Ariz. and
 Ralph Richert, 6109 E. Exeter, Scottsdale, Ariz.
Straight 10 % lease of net smelter returns.

Principal Minerals Gold and silver ores.

Present Mining Activity Mill test at the mill. 2 men working.

Geology & Mineralization See report of Oct. 2.

Ore Values See report of Oct. 2.

Milling & Marketing Facilities A dry mill has been installed at the old mill site, about 1.2 miles from the mine. This mill was designed and set up by William W. Davis of Phoenix, Ariz., using crushers, vibrating screens, cyclones and other equipment from the Southwestern Engineering Co., Los Angeles, Calif., and from other companies.

The main feature of the mill, different from other mill designs, are the dry tables (5 in number), which concentrate the ore by gravity separation by means of shaking and vibrating and a blast of air coming through the screens on which the ore is agitated. The ore is crushed and screened into 5 different sizes, these sizes varying from 8 mesh to 100 mesh, each different size of ore being fed to a separate table. Each table is composed of a shaking vibrating screen, with a different mesh screen for each table depending on the size ore treated. The screens are set at an angle of 15 to 20 degrees. Air is being forced up through the meshes of the screens by means of blowers discharging a blast of air below the screens. The concentrates work up to the top end of the table and discharge into small ore hoppers, while the tailings are discharged at the lower end of the table. Any material which passes down through the meshed of the screen discharges into a cyclone.

Mine ore is first ~~six~~ dumped through a 10 in. x 10 in. grizzly and fed into a 24 in. x 36 in. impact mill. This impact mill is not able to grind the ore down from the 10 inch size to the sizes required for the table feed at required capacity. Oversizes from the various vibrating screens are also returned to the impact mill for regrind.

The feed to the various tables is not uniform. Some of the tables get overloaded and some of the other tables work with very little load.

Operators plan on obtaining a jaw crusher as a primary crusher ahead of the impact mill, and to install automatic feeders for each table. They also plan to call on the mill designer, Mr. Davis for an adjustment of the mill operation.

Operators report the following grade of concentrates on a recent mill test:
Gold ----- 0.38 oz., Silver ----- 50 oz.; Lead ----- 16 %.

Operators admit getting poor recovery, and blames this on irregular feed on the table and mill not working to capacity. They believe they will get up to 90 % recovery after the additional milling equipment is installed & the operation adjusted, with 6 ton/hy.
cabv.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

Not for publication on acc. of FIELD ENGINEERS REPORT
incomplete & unverified information.

Mine Buckeye Apache Mines and Mill

Date Oct 2, 1957

District Teviston Mining Dist., Cochise Co.

Engineer Axel L. Johnson

Subject: Field Engineers Report. Information from Guy Clerc & Tom Bean, and Personal Visit.

Location About 10 1/2 miles SW of Bowie. Drive 1.3 miles west from Bowie on Hwy. # 86. Turn left (south) and drive 8 miles to the mill and an additional 1.2 miles to the mine.

Number of Claims 38 claims ---- 14 patented and 24 unpatented, as reported by Mr. Clerc.

Owners Buckeye Apache Mines Co., 1012 Grand Ave., Phoenix, Ariz.
Chas. Gabrielson, President, and S. B. Eccles, Secretary, of same address.
Capitalized for 250,000 shares. Mr. Guy Clerc of Box 1077, Bowie, Ariz. reports owning 14,700 shares. Pres. and Secretary not contacted.

Lessees Sam Wallick, et. al., Willcox, Ariz. Could not locate Mr. Wallick. Lease reported by Mr. Clerc to be for 10 % of net smelter returns.

Principal Minerals Gold ores.

Present Mining Activity Closed down temporarily on account of milling difficulties, and breakdown of mill equipment.

Geology and Mineralization

(a) According to Guy Clerc, stockholder:

A blanket vein of quartz, from 3 to 13 ft. thick, with a dip of 3 to 10 degrees to the west, towards the tunnel openings. Quartz vein contains flower Gold and a very small amount of ~~galena~~ galena. Footwall and hanging walls are granite.

(b) According to Thomas P. Bean, former owner:

The ore body on the Buckeye claim is not a blanket vein, but an ore lens deposited in a favorable structure in the granite, with feeders from below. Mr. Bean estimates the ore body to be about 800 ft. x 600 to 800 ft. and 13 ft. thick at the center and diminishing in width to 3 ft. and less around the edges. Ore body is circular or elliptical in shape, with an average dip of slightly over 10 degrees to the NW. The dip is rolling, rather than uniform, and also broken by several faults.

The ore body on the Apache claim is a similar ore lens, formed under the same conditions. This ore body dips about 45 degrees to the south. Its size and extent has not been determined.

Ore Values

(a) According to Guy Clerc, stockholder:

Sampling of the ore body by Buckeye Apache Mines Co. in 1946-1948, showed values from \$12 to \$40 in Gold and Silver, with an average ~~of~~ of \$20 to \$25. About 75 % of the value was in Gold and the remaining 25 % in Silver.

(b) According to Thomas P. Bean, former owner:

A fair estimate of the whole vein would be about \$11 per ton. This can be raised up to \$30 per ton by means of selective mining and hand sorting. A set of samples taken in the shaft on the Apache claim showed about \$20 per ton in values.

Ore in Sight and Probable No information available.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

Not for publication on acc. of
incomplete and unverified inform.

FIELD ENGINEERS REPORT

Mine Buckeye Apache Mines and Mill

Date Oct. 2, 1957

District Teviston Mining Dist., Cochise Co.

Engineer Axel L. Johnson

Subject: Field Engineers Report (con't)

Milling & Marketing Facilities A mill has been installed on the old mill site, about 1.2 miles from the mine. Reported capacity of the mill is 150 tons. This is a dry mill, manufactured by the Southwestern Engineering Co. of Los Angeles, Calif. The mill crushes and screens the ore into 5 different sizes, after which the ore is fed to 5 dry tables---- one different size for each table. Each table is composed of a shaking-vibrating screen, with a different mesh for each table, the screen being set at about a 15 or 20 degree angle. Air is being forced up through the meshes of the screens by means of blowers discharging a blast of air below the screens.

I did not see the mill operate as it had been closed down on account of mechanical failures, and no one was around to explain its method of operation. However, that is the way it looked to me from a cursory examination of the mill.

Past History & Production

(1) Mine owned by a Capt. Tevis and a cattle company, who operated the mine prior to 1882, and patented the claims in 1882. The ore was milled at the mill site about 1.2 miles from the mine, and also at one other mill. Gravity concentration with tables (wet) were used. Mr. Bean reports that the tailings ran about \$ 6 per ton in Gold and Silver, and were subsequently retreated with cyanidation for additional extraction.

(2) Mine bought on tax sale by Thomas P. Bean and E. S. Anderson in 1935. Mr. Bean reports that 7 patented claims and 1 patented mill site was purchased. Bean and Anderson subsequently located additional surrounding claims.

(3) Bean and Anderson subsequently operated the mine, shipping the ore directly to the A. S. & R. smelter at El Paso. The ore had to be hauled part of the distance to Bowie by burro, as there was no road that could be used. Mr. Bean reports that the value of the ore shipped was from \$30 to \$32 per ton. Only selected spots on the vein and high grade streaks were mined in order to keep the grade up. Mr. Bean reports that they just about broke even on the operation, and decided to suspend operations.

(4) Property purchased by Chas. Gabrielson, Phoenix, Ariz. about 1944.

(5) Buckeye Apache Mines Co. formed about 1945.

(6) Operations of the Buckeye Apache Mines Co. 1946 to 1948:

(a) Sank well --- 75 ft. deep

(b) Built 2 Quonset huts and a mess hall.

(c) Built 5 miles of road into the property.

(d) Sampled the mine workings, and cleaned out the workings to get ready

for mining. Company ran out of money, before mining operations could be started.

Mine Workings

(1) On the Buckeye claim ----- 6 tunnels into the mountain through the ore body. Tunnels are from 100 ft. to 500 ft. in length. Total footage about 2,000 ft.

(2) On the Apache claim ----- 1 shaft (incl. 35 deg.)----about 30 ft. deep. Also one tunnel about 30 ft. long and one tunnel about 50 ft. long.

Present Mining Operations There was no one working at the property, and no one at the mill. Mr. Guy Clerc reported that they had experienced milling difficulties and had gone to Denver to clear up same. Examination of the mill showed that one of the ~~bearings~~ crusher drive shafts was dismantled, apparently due to mechanical failure.

General Remarks Mr. Thomas P. Bean reports that the ore, in his opinion, is not easy milling, and very probably would require cyanidation. He states that much of the ore is graphic tellurium (sylvanite) associated with lead sulphides.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

BUCKEYE APACHE MINES & MILL

Mine BUCKEYE MARJANA MINE

Date August 13, 1957

District TEVISTON, COCHISE COUNTY

Engineer Lewis A. Smith

Subject: Information from Owner - Office Call

Location: North and East side of the Dos Cabezas Mountains - 1 mile North of Elma Camp.

Owners: Ralph Richert, Sam Wallick, and Associates
C. W. Gabrielson, 1012 Grand Ave., Phoenix, Arizona

Property: 4 SUNRISE GROUP claims) Patented
1 ASSOCIATION claim)
4 Mill Sites - Patented
36 Unpatented claims

The work has been done on the 36 unpatented claims.

Equipment: 1 - 150 ton Davis Dry Mill
Concentrates from dump ran \$150.00 per ton in gold, silver and lead--
mainly gold and silver.
1 Compressor (450)
1 HD11 Bulldozer

Men Working: 4 on development work.

Geology: Two flat veins, dipping 20° and 22° respectively, intersect. Both dip westward and one strikes N30W and the other N5E. The main ore zone is at the intersection of these two flat veins. The country rock consists of granodiorite, or granite, cut by diabase, rhyolite porphyry, and andesite porphyry dikes. The veins cut all of these formations.

DEPARTMENT OF MINERAL RESOURCES

Daily ~~Log~~ Field Engineers

Date _____

Day _____

Expenses Meals _____

Lodging (Receipt) _____

Misc. _____

Total _____

Meter Time of Depart. _____

Meter Time of Arrival _____

Miles _____

Log Comments Etc. _____

Buckeye Apache
Mining Co.

L. W. Scribner
pres.

40 CLAIMS
SUBSIDIARY HIGHWAY
BUCKEYE APACHE
8' VEIN QUARTZ

16 W. FRONT
FW
Value \$120

Signed

(Over)

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Buckeye Apache

Date May 3, 1956

District Teviston District ---- Cochise Co.

Engineer Axel L. Johnson

Subject: Present Status.

Location 26 miles N. of Dos Cabezas. 1 mile N. of Elma Camp.

Number of Claims 4 patented claims
3 patented mill sites
16 unpatented claims

Owners According to the records at the County Court House in Bisbee, 4 patented mining claims and 3 patented mill sites are owned by Buckeye Apache Mines Co., c/o G. W. Gabrielson, 1012 Grand Ave., Phoenix, Ariz.

Principal Minerals Gold and Silver.

Assays

Buckeye Apache Mines Co.

Apache Group

MOTZ ENGINEERING CO.

		Au		Ag		Total	
		Ozs.	Value	Ozs.	Value	Value	"Checks"
Apache - Shaft	- 1	0.36	\$12.60	5.7	\$ 4.39	\$16.99	
	2	0.42	14.70	6.1	4.70	19.40	
	3	1.68	58.80	15.2	11.70	70.50	
	4	1.72	60.20	29.2	22.48	82.68	
	5	0.49	17.15	8.4	6.47	23.62	
	6	0.67	23.45	8.9	6.85	30.30	
	7	0.28	9.80	5.2	4.00	13.80	
	8	0.84	29.40	20.8	16.02	43.42	\$37.84 Av.
Vein	- 9	0.73	25.20	6.8	5.24	30.44	
	10	1.19	41.65	19.6	15.09	56.74	43.59
Tunnel	-11	0.86	30.10	10.4	8.01	38.11	
	12	0.32	11.20	2.3	1.77	12.97	
	13	0.67	23.45	7.6	5.85	29.30	26.79
Wiley Post Cut	-14	1.28	44.80	68.9	53.05	97.85	97.85
Halfway - Gulch	-15	0.16	5.60	6.0	4.62	10.22	
Cut	-16	0.33	11.55	9.8	7.55	19.10	14.66
Apache No. 1 Shaft	-17	0.18	6.30	1.8	1.39	7.69	
	18	0.16	5.60	3.4	2.62	8.22	
	19	0.12	4.20	2.00	1.54	6.74	
	20	0.21	7.35	2.4	1.85	9.20	7.71
	21	0.27	9.45	2.7	2.08	11.53	
	22	0.48	16.80	6.9	5.31	22.11	
	23	0.44	15.40	3.4	2.62	18.02	
	24	0.18	6.30	2.8	2.16	8.46	15.03
	25	0.56	19.60	6.1	4.70	24.30	
	26	0.37	12.95	5.2	4.00	16.95	
	27	0.85	29.75	12.9	9.93	39.68	26.94
Apache No. 2 Shaft	-28	0.41	14.35	12.5	9.63	23.98	
	29	0.72	25.20	13.7	10.55	35.75	
	30	0.52	18.20	11.6	8.93	27.13	28.95
Average No. 1 Shaft							15.63 Av.

Gold @ \$33 oz.

Silver 71¢ oz.

LIST OF CERTIFIED ASSAYS MADE FROM ORES FROM THE PROPERTIES OF
THE BUCKEYE APACHE MINES COMPANY

* * *

APACHE CLAIM

Assay Certificate No. 32,556 By A. H. Jacobs, Tucson, Arizona. Serial Number 84569.

Gold ozs per ton	Silver ozs per ton	\$ per ton
72.20	7,305.2	\$ 8,151.90
Serial Number 84,571		
2.18	37.0	104.79

Assays by O. K. Weisner, assayer for Consolidated Gold Mines Co., Dos Cabezas, Ariz.

.60	6.24	25.37
.42	9.20	21.10
.54	6.85	23.75
132.00	1,902.7	9,951.89
1,302.5	5,334.30	50,981.80

Assay by Jonatham Gordam, Tombstone, Arizona. Certificate No. 3578

431.00	16,843.00	26,875.00
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Assay by Hawley and Hawley, Douglas, Arizona. Certificate No. 112,447.

556.60	11,462.00	30,504.40
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Sent to American Smelting and Refining Co., El Paso, Texas, Smelter Lot 731.

Gold	29.50 ozs	\$ 983.80 per ton
Silver	415.00 "	260.43 "
Lead	15.4 %	6.61 "
Total Value per ton		\$ 1,250.75

List of Assays taken generally from three tunnels on SUNRISE CLAIM

#1	Values in gold and silver	54.00
#2	" " "	18.00
#3	" " "	13.60
#4	" " "	25.80

Assays by C. H. Diehl, Phoenix, Arizona. - - - - BUCKEYE STOPE

\$15.27	\$8.33	\$24.82	\$20.78
7.12	14.84	17.38	25.87
			5.70

Phoenix, Arizona
October 24th, 1947

TO ALL WHOM IT MAY CONCERN:

The writer, Leroy Sunderland of Phoenix, Arizona, studied Mining Engineering at the University of Nevada, then took an additional year (1899) at the same university studying Inorganic Chemistry and Metallurgy, particularly Cyanidation, then a new process.

After working at various mines in Nevada, California and British Columbia, I was with the firm of Charles Butters for 18 years in Central America, at the gold-silver mines of Devisadero, Comacaron, San Juan de Lamai, Chontales, etc. I built, rebuilt, and operated mills from 100 to 600 tons daily capacity, and at times also took charge of the mining operations.

After two years in Cuba as Superintendent of a 600 ton a day Flotation plant, I returned to the United States; then for three years was Field Engineer for the United Verde Copper Co. of Jerome, Arizona, for which Company I examined mines in Mexico and the Western States.

One of the very best gold-silver mines of my experience was the Chontales mine, where for years I operated a 400 ton a day cyanide plant. Yet from what I have seen the Buckeye is far better than the Chontales - and I have seen but a small part of the property of the Buckeye Apache Mines Company.

My experience covers some of the largest and most important gold-silver mines of the West and Central America. But it has never before been my experience to see such a large body of gold-silver ore as is now exposed at the Buckeye stope of the Buckeye Apache Mines Company. I call this a well developed mine, capable of producing an enormous tonnage of ore at low cost per ton. I truly believe this mine will shortly be one of the largest and most profitable mines of Arizona.

The work already done and planned on the property shows that the Management has courage, vision, and mining ability. Their work is an inspiration to all interested in the mining business. Every indication shows they can safely be anticipated to make a profitable and lasting success for the Buckeye Apache Mines Co.

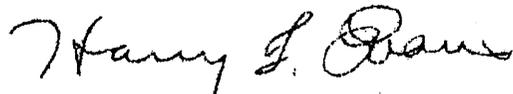
Very truly yours,



Leroy Sunderland

State of Arizona)
County of Maricopa) SS

Leroy Sunderland, known to me to be the person whose signature appears above, signed the foregoing in my presence.



Notary Public

My Commission Expires January 4, 1951

(SEAL)

BUCKEYE-APACHE MINES CO.

Box 1163

Bowie, Arizona

September 20th, 1947

The Buckeye Apache Mines Company is a sound business proposition because every share of stock to be outstanding in the Company is today backed by several dollars worth of ore in plain sight. From the Buckeye stope alone, if desired, several hundred tons of ore can be mined daily -- and there is enough ore visible to keep in continuous operation for many years the 200 ton a day mill now "in process" of being built.

This ore is so wide and so situated that it can be mined largely by mechanical means on a low cost, large scale basis. Areas in the Buckeye stope assay high, and \$40 ore is fairly common - yet estimates are based on an average of \$12 a ton in gold-silver. The ore also carries some lead, at present high prices almost enough to meet mining and milling expenses - leaving the gold-silver values as profit.

The ore now exposed has caused many mining men to state that the Buckeye Apache mines has one of the largest proved deposits of gold-silver ore in the entire West. Because of what they saw they invested their money and interested their friends. This great tonnage of ore is an assurance of safety and profit for the stock-holders of the Buckeye Apache Mines Company.

Last week surveyors made surveys for the mill for the El Paso firm of engineers who are to build our 200 ton a day concentration-cyanidation plant. This mill is to be built as a 'turn key' job, electrically driven and almost automatic in operation, estimated to make several tons a day of lead concentrates for shipment to the El Paso smelter; and bars of gold-silver bullion for shipment to the Mint.

After operations have been smoothed out by a few weeks of operation we expect total mining and milling costs to be about \$3 a ton, and, with recovery of gold-silver values estimated at \$10 - NOT including lead values - it is considered that estimates with an ample margin of safety will show profits of \$7 a ton.

200 tons a day, 26 days a month, 12 months a year - thus indicates profits of \$438,800 a year - equal to 60¢ a share.

The Capitalization is low - thus fair to investors, and the fact that the mill is now 'in process' of being built, to be completed in about six months, provides reasonable assurance there may be higher prices for shares, as well as earnings to be applied to dividends.

The Company is free from debt, all properties fully paid for, with cash on hand towards paying for the mill, and vital parts of mill equipment have already been purchased and paid for. The large tonnage of ore and good grade of values eliminates the 'gamble' or uncertainty associated with the usual mining enterprise. The Management and many other experienced mining men believe that the Buckeye Apache Mines Company has as good a chance for success as any mining company formed in this country for the past 25 years.

Very truly yours,

C. W. Gabrielson.

Assays

Buckeye Apache Mines Co.

Apache Group

MOTZ ENGINEERING CO.

		Au Ozs.	Value	Ag Ozs.	Value	Total Value	"Checks"
Apache - Shaft	- 1	0.36	\$12.60	5.7	\$ 4.39	\$16.99	
	2	0.42	14.70	6.1	4.70	19.40	
	3	1.68	58.80	15.2	11.70	70.50	
	4	1.72	60.20	29.2	22.48	82.68	
	5	0.49	17.15	8.4	6.47	23.62	
	6	0.67	23.45	8.9	6.85	30.30	
	7	0.28	9.80	5.2	4.00	13.80	
	8	0.84	29.40	20.8	16.02	43.42	\$37.84 Av.
Vein	- 9	0.73	25.20	6.8	5.24	30.44	
	10	1.19	41.65	19.6	15.09	56.74	43.59
Tunnel	-11	0.86	30.10	10.4	8.01	38.11	
	12	0.32	11.20	2.3	1.77	12.97	
	13	0.67	23.45	7.6	5.85	29.30	26.79
Wiley Post Cut	-14	1.28	44.80	68.9	53.05	97.85	97.85
Halfway - Gulch	-15	0.16	5.60	6.0	4.62	10.22	
Cut	-16	0.33	11.55	9.8	7.55	19.10	14.66
Apache No. 1 Shaft	-17	0.18	6.30	1.8	1.39	7.69	
	18	0.16	5.60	3.4	2.62	8.22	
	19	0.12	4.20	2.00	1.54	6.74	
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	23	0.44	15.40	3.4	2.62	18.02	
	24	0.18	6.30	2.8	2.16	8.46	15.03
	25	0.56	19.60	6.1	4.70	24.30	
	26	0.37	12.95	5.2	4.00	16.95	
	27	0.85	29.75	12.9	9.93	39.68	26.94
Apache No. 2 Shaft	-28	0.41	14.35	12.5	9.63	23.98	
	29	0.72	25.20	13.7	10.55	35.75	
	30	0.52	18.20	11.6	8.93	27.13	28.95
Average No. 1 Shaft							15.63 Av.

Gold @ \$33 oz.

Silver 71¢ oz.

LIST OF CERTIFIED ASSAYS MADE FROM ORES FROM THE PROPERTIES OF
THE BUCKEYE APACHE MINES COMPANY

* * *

APACHE CLAIM

Assay Certificate No. 32,556 By A. H. Jacobs, Tucson, Arizona. Serial Number 84569.

Gold ozs per ton	Silver ozs per ton	\$ per ton
72.20	7,305.2	\$ 8,151.90

Serial Number 84,571

2.18	37.0	104.79
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Assays by O. K. Weisner, assayer for Consolidated Gold Mines Co., Dos Cabezas, Ariz.

.60	6.24	25.37
.42	9.20	21.10
.54	6.85	23.75
132.00	1,902.7	9,951.89
1,302.5	5,334.30	50,981.80

Assay by Jonatham Gordam, Tombstone, Arizona. Certificate No. 3578

431.00	16,843.00	26,875.00
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Assay by Hawley and Hawley, Douglas, Arizona. Certificate No. 112,447.

556.60	11,462.00	30,504.40
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Sent to American Smelting and Refining Co., El Paso, Texas, Smelter Lot 731.

Gold	29.50 ozs	\$ 983.80 per ton	
Silver	415.00 "	260.43 "	
Lead	15.4 %	6.61 "	
Total Value per ton			\$ 1,250.75

List of Assays taken generally from three tunnels on SUNRISE CLAIM

#1	Values in gold and silver	54.00
#2	" " " " "	18.00
#3	" " " " "	13.60
#4	" " " " "	25.80

Assays by C. H. Diehl, Phoenix, Arizona. - - - - BUCKEYE STOPE

	\$15.27	\$8.33	\$24.82	\$20.78
7.12	14.84	17.38	25.87	5.70

LIST OF CERTIFIED ASSAYS MADE FROM ORES FROM THE PROPERTIES OF
THE BUCKEYE APACHE MINES COMPANY

Assay Certificate No. 325,56 By A. H. Jacobs, Tucson, Arizona, dated July 1st, 1935. Serial number 84569 - - - APACHE CLAIM

Gold ozs per ton	Silver ozs per ton	\$ per ton
72.20	7,305.2	\$ 8,151.90
Serial number 84,571		
2.18	37.0	104.79

Assays by O. K. Weisner, assayer for Consolidated Gold Mines Co., Dos Cabezas, Arizona. July 1935 - - - APACHE CLAIM

.60	6.24	25.37
.42	9.20	21.10
.54	6.85	23.75
132.00	1,902.7	9,951.89
1,302.5	5,334.30	50,981.80

Assay by Jonathan Gordan, Tombstone, Arizona. July 2nd, 1935. Certificate No. 3578 - - - APACHE CLAIM

431.00	16,843.00	26,875.00
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Assay by Hawley and Hawley, Douglas, Arizona. April 29, 1935. Certificate No. 112,447 - - - APACHE CLAIM

556.60	11,462.00	30,504.40
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TABLE NO. 1 - ORES ASSAYED BY O. K. WEISNER, DOS CABEZAS, ARIZONA, JULY 1935

No.	Description	Gold	Silver	Copper	Total
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PROSPECTUS

Dated April, 1947

BUCKEYE APACHE MINES COMPANY

(An Arizona Corporation)

Offering 75,000 shares of fully paid, non-assessable stock at
\$2 per share — under Permit granted by the Arizona
Corporation Commission.

Company Incorporated September, 1939

Main Office - - - - - Box 1163, Bowie, Arizona

Temporary Office - 1012 Grand Ave., Phoenix, Ariz.

OFFICERS AND DIRECTORS

C. W. GABRIELSON	Mine Operator	Bisbee, Arizona
President, General Manager and Director		
JESSE W. ANGLE	Kist Bottling Works, ABC Produce Co., etc.	Phoenix, Arizona
Vice-President and Director		
C. M. SCHERER	Farm Dairy Equipment Co.	Phoenix, Arizona
Secretary-Treasurer and Director		
S. B. ECHOLS	Echols Tire Service	Phoenix, Arizona
Director		
H. Y. HEISKELL	Farm Dairy Equipment Co.	Phoenix, Arizona
Director		
R. A. LUTZ	Spartan Trailer Distributor	Phoenix, Arizona
Director		
LYLE HINER	Resident Vice-President and Manager	Phoenix, Arizona
Director Mutual Benefit, Health & Accident Co.		

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Stockholders Annual Meeting each Third Thursday in January of each year, as may  
be determined by the Board of Directors, at either Phoenix or Bowie, Arizona.

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BUCKEYE APACHE MINES COMPANY

HISTORY

Arizona Bureau of Mines, Vol. 5, No. 6, states: "Gold deposits in the Dos Cabezas range were discovered prior to the Civil War . . . and have been operated intermittently."

The property now owned by the Buckeye Apache Mines Company is one of the oldest mines of Arizona. Operations started before the Southern Pacific Railroad entered Arizona in 1880; it was, like Tombstone, one of the largest of the early mines, with two mills in operation and over 300 men said to be working on the property. Roads were built, a mine railroad to mill from mine over one and a half miles long, etc. Reliable old timers who visited and knew the camp when it was in active operation state there were over twenty saloons serving the men who made this camp their headquarters and this was one of the liveliest and toughest camps of those wild days.

The veins were well prospected by workings and good work was done, but as it was impossible with the machinery then available to grind the ore fine enough to release the gold-silver values which are locked up in microscopic form in the ore, and recovery of the values they did release was prevented by the sulphides in the ore "sickening" the mercury used to catch (amalgamate) the values, the property was closed down in 1892. Watchmen's wages were paid until 1920, when the roads washed out and the property gradually became inaccessible. It then was acquired by others, who brought it to the founders of the Buckeye Apache Mines Company, who acquired and have maintained clear title to the entire property.

The work these men did 60 years ago is of the greatest value to us today; they opened up large bodies of ore, thus proved the great value of the mine — and with modern process of recovery this ore is rich ore. Since their day the research, expenditures, and hard work of mining men all over the world has resulted in an enormous technical development, and developed equipment and processes that enable us to recover the vast treasure of gold and silver in the ore in plain sight in our mine. This vast accumulation of data and experience is available, to be used almost as freely as the air we breathe.

PROPERTY

The property is situated about ten miles southwest of Bowie, a station on the main line of the Southern Pacific Railroad, and on paved Highway 86.

The Company owns outright 30 Patented and Unpatented mining claims (about half a mile wide and two miles in length), in the Tevis mining district, Cochise County, Arizona — in the midst of a region which by records of actual production is the richest mining area of Arizona.

The claims are contiguous, in one block. Cut by four canyons, the ORE is exposed in veins and workings the entire TWO MILES length of the property. For convenience, the property is described as of three different groups, the Sunrise, Buckeye, and the Apache. On each of these three groups a large amount of ore has been developed and is available for immediate mining.

it for large scale extraction. An estimated 2,000 tons of \$10 ore lies broken in the stope, and, from the present "faces" of ore, when proper equipment is provided, over 150 tons of ore a day may be continuously mined.

In this Buckeye stope there is an intersection of two flat lying veins, the Buckeye and the Mountain View. Each dips about 20 degrees, at right angles to each other, and cross in the stope. This junction of the two veins shows in the stope as a zone 150 feet across, with ore from three to fifteen feet thick (high). While 69 samples taken from across the entire stope show a weighted average of \$10.58 a ton, the 29 samples taken from across this 150 ft. zone of intersection show a weighted average of over \$15 a ton in gold and silver. This junction of veins may be followed upward into the mountain for hundreds of feet, and has all the ear marks of a continuous, large and rich body of ore from which tremendous profits can be made.

Visitors state that in the Buckeye stope and vicinity the quantity of ore in plain sight is so large that it cannot be estimated; and the general average of \$10.58 a ton shown on the Assay Map is much lower than that obtained by others who have "check sampled" the stope.

This ore is all above creek level, with no shaft sinking necessary to handle the ore, much of which may be handled mechanically by underground scrapers at low cost. The future tonnage to be obtained by shaft sinking is incalculable. There is ample ore above creek level for many years of large scale operation.

ROADS AND CAMPS

While the property is almost unknown because it was inaccessible for many years, today a fair road has been built right to the foot of the Buckeye stope. A good camp has been built with capacity for 20 to 30 men at the old millsite, where men can live in comfort in all weathers, handy to both mine and mill.

As this is intended to be one of the really large mines of Arizona, another camp has been started on 80 acres of fairly level ground three miles nearer Bowie, where families may live closer to school and other conveniences.

PRESENT FINANCING

The proceeds of this offering of 75,000 shares are expected to net the Company at least \$120,000. The stock is to be sold at \$2.00 a share, less the normal sales expense.

The purpose of this financing is to obtain items of mine equipment, bring electric power to mine and mill, develop water for the mill, and to install a 150 ton a day flotation-cyanide plant, as well as to provide cash reserves to place the Company in a sound cash position.

With this financing completed, it will probably not be necessary to use earnings from production for the purchase of equipment other than to enlarge the scale of operations and production, and thus a large part of said earnings can be set aside for distribution as dividends at the discretion of the Board of Directors.

of the total only gold and silver bullion will be produced for shipment to the U. S. Mint. This will eliminate paying freight and smelter charges, a higher percentage of recovery is possible, and greater profits per ton to be expected.

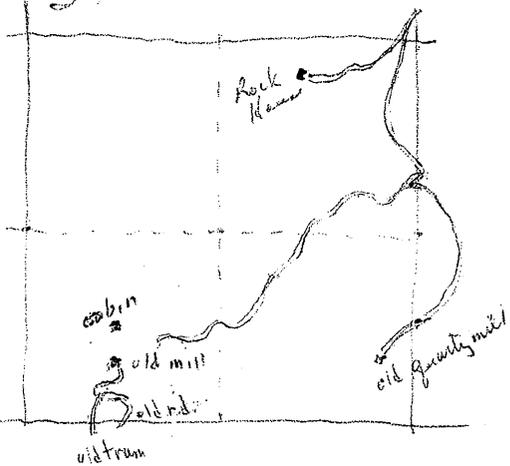
Lead is selling at higher prices than for the past 50 years, and is in great demand, so scarce that it is posted as a "critical" metal. At present high prices, the lead content of the ore is indicated as almost sufficient to defray the expense of operation, leaving most of the gold and silver as clear profit.

Exhaustive tests have been and will continue to be made on the ore so as to have a mill that will get the utmost in metallurgical return and ease of operation, with a minimum of man power and cost. This mill is to be planned and built by a firm of well-known engineers who have specialized in erection of such plants, thus are familiar with and practise up-to-date approved developments. Once this modern and efficient mill is in operation the property can be very profitable to all stockholders.

Buckeye Apache Mines Company
C. W. Gabrielson,
President

Sec
34

14 S 27 E



Deeds of Mines - Book 34 Cochise Co.

No 5114	pp 378-379-380	41	Mining Cert # 494 Silver Chief
No 5115	pp 381-382-383	38	Mining Cert # 495 Virginia
No 5116	pp 383-384-385	39	Mining Cert # 496 State of Iowa Lode & Millite Claim
No 5117	pp 385-386-387		Mineral Entry # 498 Lincoln Pl Millite
No 5118	pp 387-388-389-390	40	State of Missouri Lode & Millite Claim

∴ all pages inclusive 378 - 390 (13 pages)
Book 34

15.75 total
pd
J. E. Warner
2525 E Indian School Road
Phoenix 85016
1087

#6.75
front & back?

Record of Mines

Apache	72 - 236 - /
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12 pages total

\$ 9.00
singles

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date June 7, 1939

1. Mine ✓ Buckeye Apache
2. Mining District & County Tevis
3. Former name ✓ E. S. Anderson and T. P. Bean ✓
4. Location 1 mile north of Elma Camp
5. Owner
6. Address (Owner)
7. Operator
8. Address (Operator)
9. President
10. Gen. Mgr.
11. Mine Supt.
12. Mill Supt.
13. Principal Metals ✓ Gold, silver
14. Men Employed
15. Production Rate
16. Mill: Type & Cap.
17. Power: Amt. & Type Man power
18. Operations: Present Myself - E. S. Anderson

19. Operations Planned 2 miles road re

BUCKEYE APACHE

Au, Ag

Cochise

2 - 2

T 4 S, R 27 E

E. S. Anderson, 140-C Opera Dr., Bisbee

'39

20. Number Claims, Title, etc. 20 claims - title good

21. Description: Topography & Geography Rugged deep canyons

22. Mine Workings: Amt. & Condition 1 stope open 10,000 tons mined out, 4 shafts full of water

23. Geology & Mineralization. Granite ore telluride

24. Ore: Positive & Probable, Ore Dumps, Tailings 600,000 tons of positive ore tailings and
dumps worked in ~~1999~~ year
1900

24-A Vein Width, Length, Value, etc.

25. Mine, Mill Equipment & Flow Sheet

26. Road Conditions, Route Road condition bad, trail also bad - route Bowie or Dos Cabezas

27. Water Supply 60 gal. per minute

28. Brief History Worked in early 80's. No milling done since 1900 year

29. Special Problems, Reports Filed Money - one engineer's report

30. Remarks

31. If property for sale: Price, terms and address to negotiate. \$75,000.

32. Signed..... E. S. Anderson
Dos Cabezas

33. Use additional sheets if necessary.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date 6/7 - 1939

Mine ✓ Buckeye Apache

District Devis

Location 1 mile north of Elma Camp

Former name Buckeye

Owner ✓ E. S. Anderson ✓ W. P. Bean

Address

Operator

Address

President

~~Gen. Mgr.~~

~~Mine Supt.~~

~~Mill Supt.~~

Principal Metals ✓ Gold Silver

Men Employed

~~Production Rate~~

~~Mill Type & Cap.~~

Power: Amt. & Type man power

Operations: Present myself E. S. Anderson

Operations Planned

2 mile road repair and 1/2 mile new road

Number Claims, Title, etc.

20 claims title good

Description: Topog. & Geog.

rugged deep canyons

Mine Workings: Amt. & Condition

1 stop open 10,000 tons mined out, 4 shafts full of water

Geology & Mineralization

Granite ore Telluride

Ore: Positive & Probable, Ore Dumps, Tailings

600,000 tons of positive ore tailings
and dumps worked in 1900yr

~~Mine, Mill Equipment & Flow Sheet~~

Road Conditions, Route

Road conditions bad, trail also bad, Route Bonita
or Dos Cabezas

Water Supply

60 gal per minute

Brief History

Worked in Early 80's. No milling done since 1900 yr

Special Problems, Reports Filed

money, one Engineer report

Remarks

If property for sale: Price, terms and address to negotiate.

\$75,000,

Signed

E.S. Anderson Dos Cabezas

Use additional sheets if necessary.

During the latter part of the year 1937 I became interested in knowing more about a certain group of mine claims located in the Dos Cabezas mountains of Cochise County, of Arizona. Therefore, in December of that year I paid a hurried visit to the properties.

Samples of mineral bearing rock were taken at different points without, however, following any particular system of sampling. These were taken merely to give me an idea as to values.

An assay report on the samples as made by Ralph L. Motz of Bisbee, Arizona, gave the following results:

Sample marked "Buckeye No. 1":	3 cuts 6 ft. wide,	value	per ton	\$64.97
" " " " 2 :	5 ft wide	" "	" "	47.15
" " " " 3 :	taken along drift	" "	" "	34.43
" " " " 4 :	pillar 2 to 5 ft. wide	" "	" "	51.47
" " "Apache"		value	per ton	28.91
" " "No. 6" - loose pieces of quartz		" "	" "	14.24

The preliminary examination and sampling were so interesting that in April, this year (1938) I made a second trip to the property.

At this time I was supplied with the copy of a report made by Mr. Ralph L. Motz, Mining Engineer of Bisbee, Arizona. From personal observation I found the report to be reliable in all such details as I was able to check.

I do not believe that I can do better than to copy in total Mr. Motz' report, which reads as follows:

LOCATION: The property is situated in the Buckeye Canyon of the Dos Cabezas Mountains, Cochise County, Arizona. The Dos Cabezas Mountains are the northwest extension of the Chiricahua Mountain Range, and are part of the mountains that divide the Sulphur Springs and the San Simon Valleys. The highest points of this mountain range are two peaks or heads close together which gives the range its name.

The property lies at an approximate elevation of 6500 feet above sea level. The sides of these mountains are very steep and the canyons are abrupt and rugged. The sides of the canyons are covered with brush of the semi-tropical type, with a fair growth of oak and juniper, intermingled with desert cacti.

Cochise County is located in the southwestern part of Arizona. The climate is very mild. The summers in the valleys are hot but the altitude of the mountains give them a cooler climate. The nights are always cool in the hottest part of the summer. The winters are very mild. Sometimes there is a light fall of snow which keeps the springs alive. The rainfall averages about 20 inches a year. All in all the climate is ideal for all-year activities, and a man can work outside all the year round.

PROPERTY: The property consists of 18 unpatented claims, Apache, Will Rogers, Clarissa, Apache Tom, Apache Squaw, South Apache, Gen. Custer, Apache Chief, Goldie, Florencita, San Francisco, Wiley Post, Apache Kid, Cochise, Geronimo and Halfway, these claims being shown on the accompanying map. The other two are the Gold Rock, which lies to the west of the Apache Tom, and the Mark Twain, which lies to the south of the Halfway.

ACCESSIBILITY: The property lies on the northeast side of the Dos Cabezas Mountains. At the present the nearest railroad point is Willcox on the main line of the Southern Pacific Railroad. From Willcox a good automobile road, unpaved, runs 15 miles southeast to Dos Cabezas. At Dos Cabezas, a mining town, there are several stores, service station, school and other establishments. From Dos Cabezas a fair road winds up the mountains for about 5 miles to the ridge and then down the other side for 2 miles to the Elma Camp. This is a camp that was established by the Central Copper Co. some years ago and consists of a number of buildings. This camp can be secured under lease. The water supply of the camp is very good and the water is piped to the various buildings.

From the Elma Camp to the several workings of the group are trails. These trails are the ordinary burro trails at present. It is about 1 1/2 miles by trail from the Elma Camp to the Apache Shaft.

Bowie, another station on the main line of the Southern Pacific, is about 12 miles to the northeast of the property. From Bowie there is a good road to a CCC camp in the lower end of the Buckeye Canyon. This camp is about 3 miles from the property and a good road could be built down the canyon. The distance then from the property to a shipping point on the railroad would be 12 miles against the present distance of 23 or 24 miles to Willcox. Another good feature of the road to Bowie would be the fact that the haul of concentrates would be all down hill, whereas now there is 2 miles of steep grade up out of the camp.

At Willcox, or Bowie, the ore or concentrates can be loaded into cars and shipped direct to the smelter at El Paso. This smelter is the customs smelter of the American Smelting & Refining Co. Here they pay for the gold, silver, copper and lead contents.

Bisbee, the main mining camp of the southwest, lies about 78 miles from Dos Cabezas and the town of Douglas, the third largest in Arizona, about the same distance. Tucson, the second city and home of the University of Arizona, is about 100 miles to the west and Dos Cabezas and is reached over excellent roads.

HISTORY: The mineral showings of the Dos Cabezas mountains have been known to prospectors since the earliest days of the westward movement. The main traveled road to California, of the Forty-niners ran through a low pass a few miles to the south of Dos Cabezas. A large amount of work was done in this section in the early part of the 80's. The evidence of this early work is still seen in the old shafts, tunnels and mill dumps. These old shafts are especially numerous in the vicinity of the claims hereinreferred to. Several mills were operated in the Buckeye Canyon.

Considerable gold has been taken out of the placers at the foot of the Dos Cabezas Mountains to the north of the property. This gold no doubt has been derived from veins similar to the ones on this group.

GEOLOGY: The main geological formation on these claims is granite. The granite has been cut by numerous dikes of various porphyries and other igneous rock. A detailed geological examination has not been made as yet. The granite is also cut with numerous veins of quartz. There are several of these veins that are of considerable size. The main vein from the Halfway through the Wiley Post to the Apache and Will Rogers crops out on the surface for several thousand feet and is from 18 inches to 3 feet wide on the surface. Immediately adjacent to this vein there are numerous parallel small veins. These form a banded structure that is very noticeable. In some places the footwall of this vein is schist. There are several prominent veins parallel to this vein on which considerable work was done in the past. Time has not permitted an extensive study of the geology and the other veins.

MAIN VEIN: There has been considerable work done on this vein. Several old shafts were found that had been filled with water and debris. Two of these are on the Halfway claim. One of them, Shaft No. 2, has been completely unwatered and the depth was found to be 55 feet. The vein at the surface of this shaft is about 12 inches wide. This and at the face at the bottom it is 33 inches wide. About 200 feet further west on this vein at the point where sample No. 16 was taken therein is 12 inches wide.

Shaft No. 1 on the Halfway claim has been unwatered and cleaned out to a depth of about 85 feet. This shaft was sunk on the vein and pitches 35. Therein at a depth of 25 feet is 36 inches wide and varies between 30 and 40 inches, the balance of the distance, except that at two points it is 48 inches wide. It seems to be stronger as it goes down.

At the location work on the Wiley Post Claim the vein is 12 inches wide on the surface and is highly mineralized.

This vein again prominently outcrops at the workings on the Apache claim. The vein was originally exposed in the bottom of the gulch and is from 14 to 20 inches wide. At this point from which samples 9 and 10 were taken a lens of gold ore is shown. The shaft at the Apache is now being sunk and has attained a depth of 35 feet. The vein here dips at an angle of 32, and varies from 30 to 36 inches in width. On the west side of this shaft there is exposed a fine body of ore which trends to the west away from the shaft. At the bottom of the shaft the lens exposed in the gulch is coming into the shaft and no doubt at more depth will combine with the other.

The surface oxidation along the vein is very shallow and in all workings sulphides of iron and lead are exposed in the vein. The vein at the Apache shaft is about 200 feet lower in elevation than at the Halfway shafts and the mineralization seems to be stronger at this point leading us to believe that the mineralization is stronger with depth and that such mineralization will continue for a considerable depth.

SAMPLINGS AND ASSAYS: The samples were all, with the exception of 14 and 16, taken by grooves cut across the vein for the full width. These samples were then assayed by me for gold, silver and lead. The higher values of gold and silver were accompanied by a higher value of lead. In the values of the samples the lead was not taken into account. The price of lead is not as stable as gold and silver and the smelter deductions for lead are very high. If the concentrates are made by table concentration the lead will run very high and the value will add considerably to the profits. A sheet showing the assay values is attached to this report. The following points should be noted: Sample No. 7 taken at a depth of 30 feet in the shaft shows the low grade spot between the two lenses of ore, No. 8 showing good ore coming back into the shaft. The average of the 8 samples in the shaft is \$37.84 and of the three taken in the tunnel at the mouth of the shaft is \$26.79. The samples in shaft No. 1 were taken at intervals of 5 feet, starting with a depth of 25 feet for No. 17. The assay returns of these samples show that the values are getting better with depth with an average for last 15 feet samples of \$26.94. The bottom 15 feet of the No. 2 shaft averaged \$28.95. The average width of these samples in the two shafts on the Halfway and the one on the Apache is 33 inches.

RECOMMENDATIONS: The main vein is a very strong vein on the surface and can be traced for a considerable distance. At all places where opened up the sampling showed a good grade of ore. Where any depth has been obtained the mineralization is stronger than on the surface. In the assaying the samples showed the presence of tellurium. The values appear to go with the iron and lead sulphides. The property has merit and should be vigorously prospected and developed. This should be done at the points where the values have been proven.

The No. 1 shaft of the Halfway is now down to the 85 foot point and from all evidence must be considerably deeper. The No. 2 shaft is only 175 feet from the No. 1 shaft and has a depth of only 55 feet. This shaft has been boarded up to keep debris from falling in. It might come in handy at some future time as an air shaft or other outlet.

The No. 1 shaft should be sunk to a depth of about 400 feet or approximately 300 feet below the present bottom.

The shaft on the Apache should be sunk 200 feet. From the bottom of this shaft a drift should be run to connect with the bottom of the No. 1 shaft on the Halfway. The distance along the vein between these two shafts will be about 1400 feet. The connection should be run from both ends which will shorten the time. The time necessary to complete this work, shaft sinking and drifting, will be from 9 to 10 months.

Work should be done at the same time on the trail from the Elma Camp to the shaft sites.

If the vein is found to be of the same general average and width by this development work, there will be proven an ore body containing 125,000 tons. The factors used in this computation being a length of 1400 feet between the two shafts, an extension of 100 feet beyond rises from the No. 1 shaft of the Halfway and then drops sharply to the Apache shaft, and 12 cubic feet in place to weight one ton. With an average value of \$20.00, which is below the average found in the sampling, the gross value of the silver and gold in the ore at the present prices would be \$2,520,000.

Accurate record of the assay values of the shafts and drifts should be kept. When the work is completed it should not be a difficult matter to determine the flow sheet and the tonnage of a mill.

The following is an approximate cost of doing this work:

2 portable compressors, each 240 cu. ft. capacity	\$3,000.00
2 hoists	1,000.00
Drill, steel, tracks, cars	1,000.00
Shaft sinking - 100 ft. at Apache	1,500.00
Shaft sinking - 100 ft. at Apache, 300 ft. Halfway	8,000.00
1400 drifts at \$8.00	11,200.00
Superintendence, engineering, assaying, etc.	4,300.00
	<u>30,000.00</u>

(Signed) Ralph L. Motz
Registered Engineer, State of Arizona
Certificate No. 266

Bisbee, Arizona
Dec. 11, 1935

MOTZ ENGINEERING CO.

	Au ozs.	Value	Ag ozs.	Value	Total Value	
Apache - Shaft - 1	0.36	\$12.60	5.7	\$ 4.39	\$16.99	
2	0.42	14.70	6.1	4.70	19.40	
3	1.68	58.80	15.2	11.70	70.50	
4	1.72	60.20	29.2	22.48	82.68	
5	0.49	7.15	8.4	6.47	23.62	
6	0.67	23.45	8.9	6.85	30.30	
7	0.28	9.80	5.2	4.00	13.80	
8	0.84	29.40	20.8	16.02	43.42	\$37.84
Vein - 9	0.73	25.20	6.8	5.24	30.44	
10	1.19	41.65	19.6	15.09	56.74	43.59
Tunnel - 11	0.86	30.10	10.4	8.01	38.11	
12	0.32	11.20	2.3	1.77	12.97	
13	0.67	23.45	7.6	5.85	29.30	26.79
Wiley Post - Cut 14	1.28	44.80	68.9	53.05	97.85	97.85
Halfway - Gulch 15	0.16	5.60	6.0	4.62	10.22	
Cut 16	0.33	11.55	9.8	7.55	19.10	14.66
No. 1 Shaft 17	0.18	6.30	1.8	1.39	7.69	
18	0.16	5.60	3.4	2.62	8.22	
19	0.12	4.20	2.0	1.54	6.74	
20	0.21	7.35	2.4	1.85	9.20	7.71
21	0.27	9.45	2.7	2.08	11.53	
22	0.48	16.80	6.9	5.31	22.11	
23	0.44	15.40	3.4	2.62	18.02	
24	0.18	6.30	2.8	2.16	8.46	15.03
25	0.56	19.60	6.1	4.70	24.30	
26	0.37	12.95	5.2	4.00	16.95	
27	0.85	29.75	12.9	9.93	39.68	26.94
No. 2 Shaft 28	0.41	14.35	12.5	9.63	23.98	
29	0.72	25.20	13.7	10.55	35.75	
30	0.52	18.20	11.6	8.93	27.13	28.95
Average No. 1 Shaft						15.63

This is the termination of the Motz report.

Under date of January 31, 1936, the College of Mines & Metallurgy, El Paso, Texas, rendered a report of results obtained in flotation tests made with ore from the Apache shaft, from which I take the following summary. The complete report is a very exhaustive analysis of the methods employed, leaving room for no doubt as to the correctness of the results.

The summary reads: "Flotation Tests on Apache Shaft Ore. This is unusually good flotation ore, the high recoveries obtained being much better than can usually be expected.

While the ore is hard, the values shatter out while the ore is still coarse, so that grinding costs will be about normal.

The amount of reagents required is a minimum, both in quality and kinds, xanthate and pine oil being all that is necessary.

Thirteen tons concentrate into one, thus dividing haulage, freight and smelter charges and treatment by thirteen.

The value of the sample tests is Au .32 ozs., Ag 5.64 ozs., Pb 1.95%.

The grade of concentrate shipped, assuming that the ore milled is represented by the sample tested, will be:

Au - 3.98 oz., Ag - 67.8 oz., Pb - 24.6%, Cu - 1.32%.

The recovery is:

Gold - 98.7% Silver - 96.1% Lead - 99.0%

The value of a ton of concentrate is	\$192.67
Haulage, freight and smelter charges are	14.00
Returns per ton of concentrate	\$178.67
Return per ton of ore milled	13.85

Out of this will be paid mining and milling charges."

This completes the summary.

Since Mr. Motz' report already quoted was prepared, the two groups of claims known respectively as the "Sunrise" and "Buckeye", have been included in the one ownership. These properties are physically part of the group of claims constituting the great mineralized area under discussion.

According to local history, the Buckeye and Sunrise mines were profitable producers until the demonetization of silver forced their suspension. The former owners are stated to have held on to the properties for many years until they finally abandoned hope of being able to operate under the then prevailing prices of gold and silver.

The Sunrise mine is stated to have been quite extensively developed, but will have to be unwatered before an exhaustive examination can be made. However, this is a step that can be left until some future time as the development of the Buckeye mine, in conjunction with other openings, will give ample ore reserves for a long time.

The Buckeye is directly across the canyon from the Halfway shaft. It shows evidence of considerable stoping, and must have supplied a large tonnage to the mill erected at a point nearer the outlet of the canyon.

Mr. Thos. P. Bean, who has made an exhaustive study of the Buckeye property, estimates that the tonnage of the Buckeye, easily available amounts to 369,228 tons. He has been rather conservative in taking a value of \$8.00 per ton as a basis for calculating that the tonnage states represent a gross value of \$2,953,824.00. The assay records show that the average of 35 samples taken gave a value of \$10.13 per ton.

CONCLUSION: After two visits to the properties referred to above, I am of the opinion that no further time should be wasted but that steps should be taken to properly finance the installation of a mill of, say an initial capacity of 50 tons per day.

Without doubt the properties should be opened up and equipped from the Bowie side, not only on account of the shorter haul from the mines to that station, but also because of the greater accessibility.

A good road should be built from a point in the Buckeye Canyon where the present road from Bowie terminates up to the Buckeye Mine. While the topography of the country is decidedly rugged, it is nothing compared to situations I have had to overcome in Mexico. The construction of such a road presents no engineering difficulties.

In the building of a small initial mill it will be well to plan the set-up so that its capacity can be increased without the necessity of complete modifications.

There is no doubt that these properties can be worked to very great advantage to the interests of the investors. The estimates have been made on a conservative basis, so that zones of high-grade ores that are sure to be encountered at intervals in ore occurrences such as these will be so much "velvet".

Respectfully submitted,

E. D. Nelson, General Manager
Mexican Coal & Coke Co.
Las Esperanzas, Coahuila, Mexico

9-8-58 Weekly Report ALJ

✓ BUCKEYE APACHE MINES

COCHISE COUNTY

11 Miles South of Bowie.

See Guy Clerc, Bowie, regarding mining operations at the Buckeye Apache Mines.

Was told that the mine operators had informed him that they expected to commence operations again soon, after having been closed down for some time.

Tempe, Arizona
October 22, 1946

Mr. S. B. Echols
1012 Grand Avenue
Phoenix, Arizona

My dear Ben:

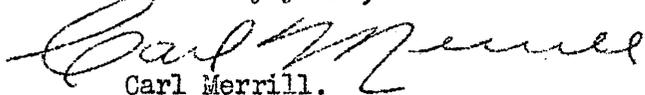
Since we were boys together many years ago I have been continuously engaged in the mining business, operated gold and other mines, for years was scout seeking gold mines for mining companies, etc. This work gave me wide experience and practical knowledge in what it takes to make a big and profitable mine - and first hand knowledge of what big gold mines are from the surface - down to depths of thousands of feet.

Your Buckeye Apache mines have such unusually large ore exposures that I was surprised, I never expected to see half as much ore as I actually saw. What I did see completely overshadowed any previous experience. I have never before seen so much ore in sight for the amount of development work done, and can say that I have never seen anything as good. What I like most about the ore is that it is "alive", so well mineralized throughout that it can be depended upon to be consistent in grade and character to great depth. You have already in the Buckeye stope more than enough ore to justify installation of a 150 ton a day mill, and larger. This ore is bedded in such a way that mining it automatically increases your ore reserves.

The idea of installing a centrally located mill is good. This will enable ore to be drawn from several places on the property, thus permit selective mining without imposing undue strain on any one operation - and it can also assure almost any grade desired for the mill. The capacity of the mill can also be increased by merely adding a few items of equipment. It is not difficult to foresee that it may not be long before you are milling 1,000 tons of ore a day, especially since you are going to install the best milling equipment and hire the best operating brains of the cyanidation process to get the last few cents per ton out of the ore in its first pass through the mill. This sort of extraction assures profits from almost every ton passed through the mill. Profits for you - and for your stockholders.

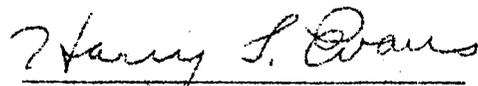
The tremendous exposures of ore on your property are of vast significance to any man who understands mining and I am happy for you that you are associated with the Buckeye Apache Mines Company, for to me everything about it indicates long continued success and satisfaction.

Sincerely yours,


Carl Merrill.

State of Arizona)
County of Maricopa } S.S.

Carl Merrill, known to me to be the person whose signature appears above, signed the foregoing in my presence.


Notary Public.

My Commission expires
January 4, 1947

(S E A L)

Field Engineers Report
Buckeye Apache Mine
Cochise County
R. R. Beard 4/5/82

-2-

When asked about the difficulties of hauling 100 tons per day over the access road from Dos Cabezas Mr. Arnspiger said that they were still talking to the private land holder who was blocking the much easier access from Bowie. He seemed reasonably confident that they would be able to use that access for haulage.

m
K*circulate
copy for Tucson***DEPARTMENT OF MINERAL RESOURCES****STATE OF ARIZONA
FIELD ENGINEERS REPORT**

Mine Buckeye-Apache **Date** April 5, 1982
District Teviston, Cochise County **Engineer** R. R. Beard
 T13S R27E Secs. 33 & 34 Dos Cabezas Mtns.
Subject: Field Visit

Operator: Gold Depository & Loan Company
 2124 Union Street
 San Francisco, California 94123

Numerous inquiries have been directed to this office by the media and the general public as to the status of the operations at the Buckeye-Apache property. Mr. Cates of G.D. & L. was in the office trying to find a suitable mill to ship ore from the property and reported that they had 100 tons of ore stockpiled and that they could be in production at the rate of 100 tons per day within 90 days. Therefore, Cliff Hicks of the Tucson office and the author visited the property to become acquainted with the operation.

In an effort to find out how to contact the operators locally the author called the Department of Economic Security Job Service in Willcox who said they had no contact with the operator but had had numerous inquiries from job seekers. The State Mine Inspector was then contacted and reported that they had received no notification that the property was planning to go into production. The Safford office of the BLM said that a letter of intent to build a road on the property had been received but that the operators were camping at the property and had no local address. They also confirmed that the access road from Bowie was blocked by a private land owner and that the only access was over the mountains from Dos Cabezas.

The property is nine miles by road from Dos Cabezas. Turn north at about the center of Dos Cabezas and continue past the old Mascot Mine, over the summit and past the Elma Mine. The road from the summit to the property is steep and extremely rough in places and it was found necessary to load the bed of the pickup with rocks to get in and out. A four wheel drive vehicle is recommended for the trip.

Rich Rupert, a geologist with G.D. & L. was met on the road in and he confirmed that we were headed the right way but didn't think we would make it back out without help. He also reported that Bill Cate had left earlier in the day to talk to some mill operators.

At the property we found Mr. Frank Arnsperger in charge and three miners. They had just set off a blast at the portal of an old drift and were preparing to return to work. The vein or lens is quartz carrying galena and pyrite. It is 3 to 4 feet thick at the portal and dips at about 20°. Several specimens were taken from the blast.

Mr. Arnsperger gave us his home telephone number in Phoenix (237-3536) as a place to contact him. He said that this was the Apache adit and that the ore contained 0.5 oz. of gold (in the pyrite) and 8.0 oz. of silver (in the galena) per ton. He said he was going to drive a drift on the strike of the vein and then stope upward. The vein pinches out about 45 feet down dip. He said that they had about 120 tons stockpiled from old dumps and that he could be in production at a rate of 100 tons per day by the end of the week.

When they go into production he expects to work about 35 people on two shifts per day. He said they already had over 200 applications for jobs which is why he hasn't contacted the DES Job Service. He also said that within 3 or 4 months they expect to start production on the Gold Farm property nearby and that he would need more miners at that time. He reported that G.D. & L. has several properties in the area.

12/11/81

man file

LAW OFFICES
RICHARD A. ROGOFF
A PROFESSIONAL LAW CORPORATION
2124 UNION STREET
SAN FRANCISCO, CALIFORNIA 94123
TELEPHONE (415) 346-3287
TELEX 171792
October 9, 1981

RECEIVED
OCT 12 1981
DEPT. MINERAL RESOURCES
PHOENIX, ARIZONA

State Mine Inspector
Capitol Building, West Wing
Room 705
Phoenix, Arizona 85007

Re: Buckeye Apache Mine
Chochise County, Sec. 3,4,9 T14S
R27E G&SR Meridian

Gentlemen:

Please be advised that I have been retained to represent The Gold Depository & Loan Co., Inc. (GD&L) in connection with its prospective activities with respect to the referenced mine.

GD&L intends to employ ACC Mining Co. of Phoenix to undertake exploration activities for the purpose of determining the commercial potential of the old Buckeye Mine. Specifically, an extensive sampling program of the ore reserves of the Buckeye Mine will be commenced, using the existing well below the mine portal, and the existing old county maintained road to the mine. GD&L does not intend to process any ore whatsoever on the property. It will be necessary to build a hoist from the mine portal to a spur of the West Ridge, since the mine portal is now approximately 380 verticle feet above the buckeye Canyon intermittent stream bed. The initial crew of ACC Mining will consist of three men.

If the exploration program indicates potential for development, we will notify you well in advance before the commencement of construction of a mill and development of stockpiled ore from the mill. By this letter GD&L wishes only to notify you that limited exploration work will be undertaken during the next few months, as set forth in the preceding paragraphs.

Very truly yours,

RICHARD A. ROGOFF

RAR/lhc

cc: Bureau of Land Management
MSHA
✓ Department of Mineral Resources

Handwritten notes on left margin:
This ACC Mining Co. is a subsidiary of the Gold Depository & Loan Co. Inc. Do

October 15, 1981

Mr. Richard A. Rogoff
2124 Union Street
San Francisco, California 94123

Dear Mr. Rogoff:

Thank you for sending us a copy of your letter to the State Mine Inspector. We appreciate your courtesy.

I have enclosed an informational pamphlet on starting up a new activity in Arizona. You may find it of interest. I have also enclosed a list of our publications for your information.

We are a non-regulatory, non-taxing, promotional only, agency. Please let us know if we can be of any assistance.

Very truly yours,

John H. Jett
Director

JHJ:at

Enclosures

No dealer, salesman, or any person has been authorized to give information or make any representation not contained in this Prospectus. Any other or different information or representation must not be considered as authorized by the Company.

No dealer, salesman, or any person has been authorized to give information or make any representation not contained in this Prospectus. Any other or different information or representation must not be considered as authorized by the Company.

HAROLD V. HEISKELL

STATE DISTRIBUTOR

SURGE FARM DAIRY EQUIPMENT

1014 Grand Ave. PHOENIX, ARIZONA

Day
SERVICE : Nite Phone 2-6851 : PARTS

P R O S P E C T U S

Dated November 1, 1946

B U C K E Y E A P A C H E M I N E S C O M P A N Y
(An Arizona Corporation)

Offering 150,000 shares of fully paid, non-assessable
stock at its par value of \$1 per share - under Permit granted
by the Arizona Corporation Commission.

Company Incorporated

September, 1939

Mine Office

Box 1163, Bowie, Arizona

O F F I C E R S A N D D I R E C T O R S

C. W. Gabrielson	Mine Operator	Bisbee, Arizona
President, General Manager and Director		
Jesse W. Angle	Kist Bottling Works, etc.	Phoenix, Arizona
Vice President and Director		
Ray B. Krebs	Real Estate, etc.	Tombstone, Arizona
Secretary-Treasurer and Director		
S. B. Echols	Echols Tire Co.	Phoenix, Arizona
Director		
H. Y. Heiskell	Farm Dairy Equipment Co.	Phoenix, Arizona
Director		
S. M. Story	Ranch Activities Co.	Phoenix, Arizona
Director		
Lyle Hiner	Resident Vice-President and Manager	Phoenix, Arizona
Director	Mutual Benefit, Health and Accident Co.	

Stockholders Annual Meeting each Third Thursday in January of each year, as may
be determined by the Board of Directors, at either Phoenix or Bowie, Arizona.

B U C K E Y E A P A C H E M I N E S C O M P A N Y

BUSINESS

The Buckeye Apache Mines Company owns outright a large gold-silver mine. The Company conducts a general mining business under a comprehensive charter embracing most branches of the metal mining business, for the benefit of all its stockholders.

CAPITALIZATION

The total authorized capitalization is \$1,000,000, divided into 1,000,000 shares, each \$1.00 par value. All common stock.

STOCK ISSUED

To October 15th, 1946, 532,000 shares of \$1.00 par value were issued and outstanding; as follows:-

Issued for properties	400,000
For cash and equivalent services, etc.	132,000

HISTORY

Arizona Bureau of Mines, Vol. 5, No. 6, states: "Gold deposits in the Dos Cabezas range were discovered prior to the Civil War...and have been operated intermittently."

The property now owned by the Buckeye Apache Mines Company is one of the oldest mines of Arizona. Operations started before the Southern Pacific Railroad entered Arizona in 1880; it was, like Tombstone, one of the largest of the early mines, with two mills in operation and over 300 men said to be working on the property. Roads were built, a mine railroad to mill from mine over one and a half miles long, etc. Reliable old timers who visited and knew the camp state there were over twenty saloons serving the men who circulated around the camp, and this was one of the liveliest and toughest camps of those wild days.

The veins were well prospected by workings and good work was done, but as it was impossible with the machinery then available to grind the ore fine enough to release the gold-silver values which are locked up in microscopic form in the ore, and recovery of the values they did release was prevented by the sulphides in the ore "sickening" the mercury used to catch (amalgamate) the values, the property was closed down in 1892. Watchmen's wages were paid until 1920, when the roads washed out and the property gradually became inaccessible. It then was acquired by others, who brought it to the founders of the Buckeye Apache Mines Company, who acquired and have maintained clear title to the entire property.

PROPERTY

The property is situated about ten miles southwest of Bowie, a station on the main line of the Southern Pacific Railroad, and on paved Highway 88.

The Company owns outright 30 Patented and Unpatented mining claims (about 500 acres), in the Tevis mining district, Cochise County, Arizona - in the midst of a region which by records of actual production is the richest mining area of Arizona.

The claims are contiguous, in one block. Cut by four canyons, the ORE is exposed in veins and workings the entire TWO MILES length of the property. For convenience, the property is described as of three different groups, the Sunrise, Buckeye, and the Apache. On each of these three groups a large amount of ore has been developed and is available for immediate mining.

ENGINEERS' REPORTS

Reports on the property were made at various times by mining engineers, each report having been made separately.

Ralph L. Motz, of Bisbee, Arizona, made a report on the Apache group. This states "126,000 tons of ore may be blocked out with relatively little expense on a part of the Apache vein alone - value \$2,500,000."

E. D. Elson in his report covers both the Apache and the Buckeye groups. He agrees with Mr. Motz's report on the Apache, and states, "In the area of the Buckeye stope alone there is now, readily available, about 300,000 tons of ore, valued at \$3,000,000."

Other engineers visiting the property have said that the Sunrise group has the best ore showings of any part of the property.

VEIN SYSTEM

The veins are wide, from three to fifteen feet. The ore is a typical quartz-pyrite, with some galena, and, in places, tellurides. Values are gold-silver, distributed throughout the entire vein mass, and apparently not particularly associated with the sulphides present but microscopically distributed in the quartz gangue. The veins are well mineralized and give every evidence that the values will persist to the greatest depths possible to mine, being similar in every respect to ore from the best known producing gold-silver mines of the West.

There are many veins on the property, the most prominent being the Buckeye, Apache, San Francisco and Mountain View veins. They have two distinct general directions of strike and dip, and, while the mineralization in these veins is apparently identical, they originated at depth from sources far distant from each other.

GEOLOGY

The only "country rock" is coarsely crystalline granite. This granite is cut by dikes of andesite, diabase, aplite and some rhyolite, all Tertiary, in the order named. The veins are later than any of the younger intrusives, as they cut all formations. The rocks are merely "host rocks" and have had but little, if any, effect on the mineralization. The ore mixture was fixed in the deep seated magmatic zone, thus can be expected to be consistent in character and values.

MINE DEVELOPMENT

Many different workings (29) are in ore on the property on the various groups. ONE of these workings is the Buckeye stope, from which former operators (prior to 1892) took out about 10,000 tons of ore in merely starting the stope

and preparing it for large scale extraction. An estimated 2,000 tons of \$10 ore lies broken in the stope, and, from the present "faces" of ore, when proper equipment is provided, over 150 tons of ore a day may be continuously mined.

In this Buckeye stope there is an intersection of two flat lying veins, the Buckeye and the Mountain View. Each dips about 20 degrees, at right angles to each other, and cross in the stope. This junction of the two veins shows in the stope as a zone 150 feet across, with ore from three to fifteen feet thick (high). While 69 samples taken from across the entire stope show a weighted average of \$10.58 a ton, the 29 samples taken from across this 150 ft. zone of intersection show a weighted average of over \$15 a ton in gold and silver. This junction of veins may be followed upward into the mountain for hundreds of feet, and has all the ear marks of a continuous, large, and rich body of ore from which tremendous profits can be made.

Visitors state that in the Buckeye stope and vicinity the quantity of ore in plain sight is so large that it cannot be estimated; and the general average of \$10.58 a ton shown on the Assay Map is much lower than that obtained by others who have "check sampled" the stope.

This ore is all above creek level, with no shaft sinking necessary to handle the ore, much of which may be handled mechanically by underground scrapers at low cost. The future tonnage to be obtained by shaft sinking is incalculable. There is ample ore above creek level for many years of large scale operation.

ROADS AND CAMPS

While the property is almost unknown because it was inaccessible for many years, today a fair road has been built right to the foot of the Buckeye stope. A good camp has been built with capacity for 20 to 30 men at the old millsite, where men can live in comfort in all weathers, handy to both mine and mill.

As this is intended to be one of the really large mines of Arizona, another camp has been started three miles nearer Bowle, in which families may live closer to school and other conveniences.

PRESENT FINANCING

The proceeds of this offering of 150,000 shares are expected to net the Company at least \$120,000. The stock is to be sold at \$1.00 a share, less the normal sales expense.

The purpose of this financing is to obtain items of mine equipment, bring electric power to mine and mill, develop water for the mill, and install a 150 ton a day cyanide plant, as well as to provide cash reserves to place the Company in a sound cash position.

With this financing completed, it will probably not be necessary to use earnings from production for the purchase of equipment other than to enlarge the scale of operations and production, and thus a large part of said earnings can be set aside for distribution as dividends at the discretion of the Board of Directors.

Upon completion of this financing there will then be outstanding about 682,000 shares, leaving 318,000 shares in the Treasury of the Company. It has always been and will be the policy of the Management to keep the number of shares outstanding to as few as possible. This is evident by the past history of the Company.

COMPANY

This Company has no preferred stock, and no funded debt, either outstanding or anticipated; no mortgages, royalties, or licenses to be paid. No Officer or Director, as such, has been paid a salary, and will not be paid any salary, bonus, or remuneration as such during the coming year. Salaries and payments are to be made to persons who may be Officers or Directors solely for active Managerial and Administrative services -- at the discretion of the Board of Directors.

LEGAL DETAILS

Legal details in connection with this offering were handled by Dougherty, Chandler and Connor, of Phoenix, Arizona. The Arizona Corporation Commission has granted a Permit permitting this offering of 150,000 shares to residents of the State of Arizona.

CONCLUSION

The Buckeye Apache Mines Company owns outright a large property on which large bodies of gold-silver ore are exposed. At present Buckeye Apache Mines Company stock is a speculation, for earning capacity is dependent upon the scale of operation and production. Its property is large, big enough for several big mines, veins are numerous and strong, and exceptionally well mineralized -- with low cost mining conditions permitting much of the ore to be handled mechanically.

The 150 ton a day cyanide plant to be built will be located so as to draw ore from several places on the property, which will permit of selective mining and maintenance of desired grade, and will permit of mining different areas so as to get the best out of each at all times, and quickly provide for expansion of operations. This plant will get maximum extraction of the values on the first pass through the mill of the ore, (99% is possible), and produce gold and silver bullion in bars for shipment to the U. S. Mint, thus eliminating smelter charges and freights.

Exhaustive tests have been and are being made on the ore so as to get the best possible mill -- and eliminate waste and lost motion. Once this mill is in operation the property can be very profitable.

BUCKEYE APACHE MINES COMPANY

C. W. Gabrielson
President

Phoenix, Arizona
October 24th, 1947

TO ALL WHOM IT MAY CONCERN:

The writer, Leroy Sunderland of Phoenix, Arizona, studied Mining Engineering at the University of Nevada, then took an additional year (1899) at the same university studying Inorganic Chemistry and Metallurgy, particularly Cyanidation, then a new process.

After working at various mines in Nevada, California and British Columbia, I was with the firm of Charles Butters for 18 years in Central America, at the gold-silver mines of Devisadero, Comacaron, San Juan de Lamai, Chontales, etc. I built, rebuilt, and operated mills from 100 to 600 tons daily capacity, and at times also took charge of the mining operations.

After two years in Cuba as Superintendent of a 600 ton a day Flotation plant, I returned to the United States; then for three years was Field Engineer for the United Verde Copper Co. of Jerome, Arizona, for which Company I examined mines in Mexico and the Western States.

One of the very best gold-silver mines of my experience was the Chontales mine, where for years I operated a 400 ton a day cyanide plant. Yet from what I have seen the Buckeye is far better than the Chontales - and I have seen but a small part of the property of the Buckeye Apache Mines Company.

My experience covers some of the largest and most important gold-silver mines of the West and Central America. But it has never before been my experience to see such a large body of gold-silver ore as is now exposed at the Buckeye stope of the Buckeye Apache Mines Company. I call this a well developed mine, capable of producing an enormous tonnage of ore at low cost per ton. I truly believe this mine will shortly be one of the largest and most profitable mines of Arizona.

The work already done and planned on the property shows that the Management has courage, vision, and mining ability. Their work is an inspiration to all interested in the mining business. Every indication shows they can safely be anticipated to make a profitable and lasting success for the Buckeye Apache Mines Co.

Very truly yours,



✓ Leroy Sunderland

State of Arizona)
County of Maricopa) SS

Leroy Sunderland, known to me to be the person whose signature appears above, signed the foregoing in my presence.



Notary Public

My Commission Expires January 4, 1951

(SEAL)

January 31, 1947

Mr. C. W. Benson
P. O. Box 612
Bowie, Arizona

Dear Mr. Benson:

Enclosed is copy of Mr.

E. D. Nelson's report on the Buckeye-
Apache Mine, which you requested.

Yours very truly,

Secretary

lp
Enc.

January 29, 1947

Mr. C. W. Benson
P. O. Box 612
Bowie, Arizona

Dear Mr. Benson:

Enclosed is copy of Mine Owner's Report on the Buckeye-Apachs Mine, as requested in your card of January 23.

We have no extra copies of Mr. Nelson's report on the above property, but will be glad to send you one as soon as we can have some made.

Yours very truly,

Roger I. C. Manning
Field Engineer

RICM:LP
Enc.

5 September 1940

✓
Mr. E. S. Anderson,
Gen. Delivery,
Bisbee, Arizona.

Dear Mr. Anderson:

I am returning herewith copy of report which you sent to be filed with the mine owners report on the Buckeye-Apache Mine.

This report has been copied and the copy attached to the report on this property.

Yours very truly,

J. S. Coupal
Director

JSC-jrf
encls.

Ben King Apache

July 12th 1948

Mr J.S. Coupal

Phoenix

Director

copied
Return

your letter dated June 24th rec -

Inclosed is a copy of Mr Ralph Moley's report confirmed by Mr E.D. Elson whom is a mining Engineer himself.

Owing to lack of funds the report was not completed. The best part of the property is not in the report.

Recently I have made some new discoveries

Should you contact any one seeking a property of this kind will be glad to do business,

Wishing you the best of luck

I remain

Yours sincerely
E.S. Anderson
Can Del Bisbee Ariz

DONALD P. MCCARTHY

CONSULTING GEOLOGIST

551 WEST SECOND PLACE

MESA, ARIZONA

TELEPHONE WOODLAND 4-0148

June 22, 1960

Mr. Herb Miller
Skyriders Hotel
Skyharbor Airport
Phoenix, Arizona

Dear Sir:

Two properties situated in the Dos Cabezas Mountains, Cochise County, Arizona controlled by Mr. C. J. Gabrielson and Mr. Sam Wollack were visited by me on June 17th and 18th. In addition to being guided around the properties by these two gentlemen, they also have provided me with reports of examinations made by other persons, notably Mr. Ralph L. Metz Mining Engineer, Bisbee, Arizona dated Dec. 11, 1935. Mr. Gabrielson also has written on the Buckeye Mine, Oct. 16, 1959 and has compiled an annotated sketch illustrating the Gold Mill proposal.

The purpose of the examination was to determine the present status of the properties and insofar as the available time would permit to decide if there was agreement or disagreement with the earlier reports and projected manner of development.

First described is the Buckeye Area: Located about 12 miles west of Bowie, Arizona at an elevation of approximately 6500 feet on the northeastern flank of the Dos Cabezas Mountains, this property includes 16 patented and unpatented mining claims. An excellent camp consisting of 2 Quonsets and a large cook and mess-hall has been established in Buckeye Canyon. This is also the site of a small mill which employed 5 air and vibrating tables to concentrate sulphides from quartz vein rock. The mill, as well as the mines are not operating at the present time. The topography is rugged consisting of quite narrow ridges separated by deep and steep-sided canyons. Access to the area is provided by a good graded road for the first 6 miles from Bowie and by a lesser though readily negotiable road on to the Mill Site and camp. From the camp, jeep roads continue on up the canyon and also continue to the top of the ridge west of Buckeye Canyon.

Outcropping rocks consist principally of granite with several diabase dikes, aplite dikes, and a number of quartz veins exposed.

The largest quartz vein which I visited was the Buckeye Vein which measured 27 feet thick at one point on the west side of

Buckeye Canyon. It is a westward dipping (20°), sill-like vein which has been penetrated by Buckeye Canyon so that the outcrops are over one hundred feet above the floor of the canyon. Extensive mining has been done in this vein on the east side of the canyon, and the old workings are very evident from across the canyon. Several smaller veins outcrop up the side of the canyon and across the ridge between this and the next canyon westward. All the veins dip westward at angles varying from over 50° to slightly more than 30° . The strike is nearly north-south and the veins can be visually traced for distances of well over 1000 feet. Thickness of these veins at their outcrops is from 2 to over 3 feet. Two of the veins at least have been named; both outcrop on the ridge, one is the San Francisco and the westernmost vein visited is the Apache. All of the veins from the Buckeye at the bottom to the Apache at the top consist of clear white quartz liberally marked and banded by veins which are clearly veins of pyrite and galena. Upon breaking further back into the veins a few inches in most cases, unoxidized sulphides are disclosed. Most abundant is pyrite, followed by galena, and occasionally chalcopyrite is seen. A channel-sample was taken from the westernmost vein at the top of the ridge where it was crossed by a small wash. Vein dip measured as 32° W.

13" White quartz, highly mineralized with pyrite and galena in bands.

44" Light green-altered diabasic (?) material with numerous pyrite inclusions. Some quartz in stringers and nodules.

26" Quartz as at top but with lesser pyrite.

85" Total Assay: Au 0.18 oz/T (\$6.30) Ag 2.10 oz/T (\$1.89)
Pb 1.15% (\$2.76 @ .12/lb) Total value \$10.95/T

A grab sample obtained from all the veins crossed from the Buckeye to the one sampled separately above assayed as follows:

Au 0.22 oz/T (\$7.70) Ag 5.40 oz/T (\$7.56) Lead not determined, total \$15.26/T
This last sample included much pyrite and galena in the quartz.

The strength of the veins evidenced by both their great length and quite uniform thickness, indicates that they are probably projecting their surface dip downward. They would intersect the Buckeye vein which is considered by Mr. Gabrielson to be the main vein in the area. It does appear to me to be the case. "Structural conditions for probably higher grade ore shoots" are numerous in the form of vein interfections and intersections of veins with both diabase and aplite dikes.

A site has been selected by Mr. Gabrielson for a cross-cut which entering beneath the Buckeye Vein in Buckeye Canyon would extend westward and cut all of the veins which were visited on outcrop. Advantages to this method of development would be level haulage way, access to portal by vehicular equipment, large tonnage of quartz vein material overhead to simplify mining, and others. It is considered possible that one would be encountered within 500 feet of the portal. Contracted cost of such a drift has been stated to be at the rate of \$25.00 per foot. I have been unable to contact the contractor to verify this at this time but I will do so.

Mr. Motz reported only on the Apache Vein which he sampled at three inclined shafts. His projected estimate of ore to be blocked out by deepening two of the shafts to around 400 feet and then connecting them with a drift along their bottoms was 126,000 tons with average value of \$20.00 per ton. His estimated approximate cost for the exploration outlined was \$30,000.00 at 1935 prices. On the other hand, drifting from Buckeye Canyon would be much cheaper than shaft-sinking and might be accomplished at a present price which would be comparable with that expenditure. The total tonnage of vein rock lying above a cross-cut such as has been outlined and extending westward to intersect the Apache Vein would be at least 2,000,000 tons with the following assumptions: Over 500 feet of backs; 1000 feet of width developed by drift across each vein; and vein width of 4 feet; and 12 to 15 cu. ft. per ton. Costs of drifting on the veins has not been included with the cross-cutting costs; however, this would be drift mining of a marketable vein rock and could be offset by sales to some extent. Vein samples together with outcrop examinations lead me to conclude that a gross value of \$10.00 per ton is possible, exclusive of premium for silica which might be paid by smelters. The foregoing is presented to demonstrate possible expectations concerning costs of exploration; volumes, and grades, of product; it is conceded, at the outset that mining methods and direction of exploration would probably be adjusted to the particular conditions encountered and might be found to differ considerably from the simple outline above.

The second area visited was the Gold Hill property. It is located southeast of Wilcox, Arizona a distance of 6 miles. 21 claims are involved in this offering. Recent discovery work was not in evidence and therefore the manner by which the claims are held should be looked into.

This property is much more accessible than the Buckeye with a nearly flat approach from Wilcox for the first 5 miles. The last mile of road raises gradually to the foot of Camel-back Mountain. A mile or more further the crest of the mountain rises to a height of 5500 feet above sea-level or 1900 feet above the foot of the mountain. Dry-washes extending generally westward from the mountain separate ridges lying between.

Country rock in this area consists of dark gray finely laminated schist which appears to strike E-W and have vertical dip. Several andesite and some diabase dikes were noted.

Quartz veins striking N 10 to 20 degrees W and dipping west at rates from 59 to 69 degrees cross the low westward extending spur-ridge. Two or possibly three cross veins strike N 70° W. and dip SW at 61°. Composition of the veins appears identical with that of the Buckeye area veins. Thickness and apparent length are also comparable, except no vein here had the prominence which is displayed by the Buckeye Vein itself.

An assay of a sample grabbed from several of the veins follows: Au 0.28 oz/T (\$9.80) Ag 1.80 oz/T (\$1.62) Pb 4.45% (10.58) Total value \$22.10. This demonstrates that in addition to the lead and iron sulfides which are readily visible in the rock, that gold

and silver also occur here as they do in the Buckeye area. Several prospect pits and shallow shafts have been sunk on the veins. The deepest is probably about 40 feet and shows uniform vein width throughout of 3 to 4 feet. The shaft was not accessible.

Proposed development of these veins by Mr. Gabrielson is illustrated by the enclosed sketch which he has prepared. At the site of the proposed portal the cross-vein is not evident on the ground however, it does outcrop higher up the slope. In order to have as much ore overhead as possible it would probably be desirable to start cross-cutting at the lower site rather than go any higher up the hill. Since this is a relatively low ridge the first veins encountered would have probably less than 125 feet of back. With that one exception, the sketch drawn by Mr. Gabrielson ~~seems to be~~ correctly interpretive of field conditions. Additional surface work and sampling should be done however, and possible alternate exploration methods should be considered.

A composite of the three samples reported above (2 from the Buckeye area and 1 from the Gold Hill) was run for insoluble residue and determined to be 89.38% insol. Correspondence with representative local smelters inquiring about the solubility of silica have been initiated.

To summarize briefly, the two properties visited - The Buckeye and the Gold Hill - both display strong and rich quartz veins on the surface. Shallow workings down to a maximum depth of 85 feet show the values increasing. An expenditure of from 25,000 to 50,000 dollars on each of these properties should develop a very large tonnage of direct-shipping quartz vein "ore". Accessibility of the properties to shipping points - 12 miles and 6 miles distant, respectively, and to a number of smelters located in southeastern Arizona and one at El Paso, Texas, makes these very attractive prospects.

Yours truly,

w enci.

Donald P. McCarthy
Geologist

