



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

The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

ACCESS STATEMENT

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

CONSTRAINTS STATEMENT

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of "fair use."

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

QUALITY STATEMENT

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

PRINTED: 01/17/2003

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: COPPER RIDGE GROUP

ALTERNATE NAMES:
COPPER LEDGE

PIMA COUNTY MILS NUMBER: 533

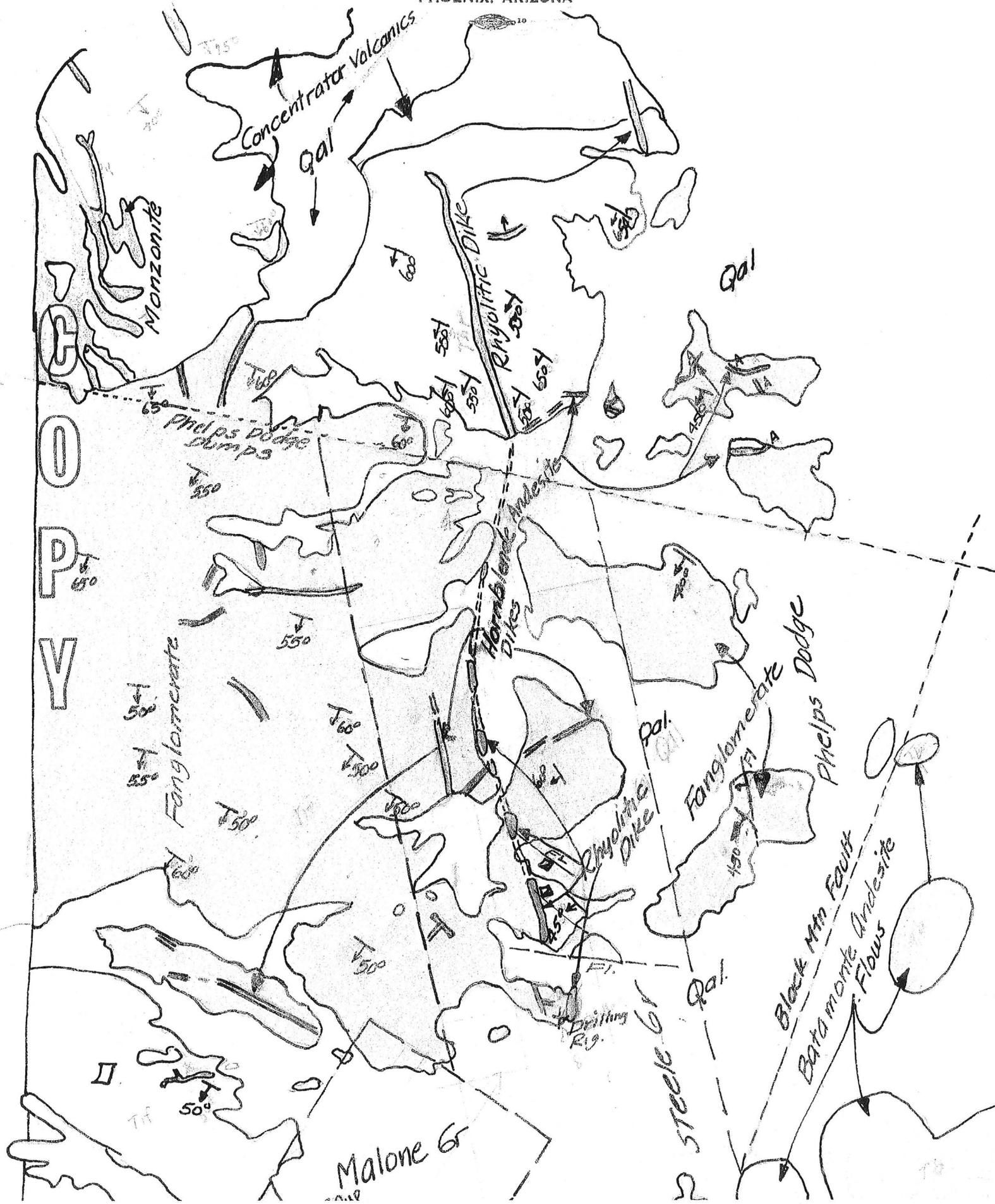
LOCATION: TOWNSHIP 12 S RANGE 6 W SECTION 26 QUARTER NE
LATITUDE: N 32DEG 20MIN 59SEC LONGITUDE: W 112DEG 50MIN 56SEC
TOPO MAP NAME: AJO - 15 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:
COPPER OXIDE
SILVER
GOLD

BIBLIOGRAPHY:
RFC B-308
ADMMR COPPER RIDGE GROUP FILE
ADDITIONAL HOLDINGS IN T12S-R6W, SEC. 25
ADMMR COPPER RIDGE MINING CO COLVO FILE
ADMMR "U" FILE CU 42

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



COPPER RIDGE MINE

Ajo District, Pima County

The Steels, according to Netherlin, are preparing to drill three of the Copper Ledge (Copper Ridge) claims which have not yet been patented. The property now has 10 patented claims and one other which has been applied for. The Steels are reported to have hit ore in this claim in a diamond drill hole.

LEWIS A. SMITH, Ajo ASMOA Meeting - 9-5-61

A conference with Albert Steele revealed that three claims will be drilled to prove them for patenting. Last year two claims in the southeast corner of the group were drilled and some ore encountered. These two have been surveyed for patent. The three claims to be drilled border Phelps Dodge waste dumps and occupy the north border of the Copper Ridge group. The area consists of a prominent rhyolite porphyry dike cutting fanglomerate. The surface shows oxides of copper and iron with some relic chalcocite.

LEWIS A SMITH - Memo - 11-16-61

COPPER RIDGE GROUP, PIMA COUNTY
COPPER LEDGE AJO DIST.
T12S, R6W, sec 26

FOR MAP SEE SECTION #5,
BROWN MAP CABINET, TOP OF
MINE OWNERS REPORT FILES.

MILS COPPER LEDGE 0040190610

Tucson office has two geologic maps.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine : Copper Ridge (Old Copper Ledge)

Date : May 3, 1960

District : Ajo District, Pima Co.

Engineer : Lewis A. Smith

Subject: Mine visit with Albert Steele and H. E. Steele

Property: 16 claims, 10 of which are patented.

Owners: : Albert Steele, Pres., N 35th St., Phoenix

Agent: : H. E. Steele, Vice Pres., 933 W. Latham, Phoenix

Work: The principal workings are on the Copper Ridge 4 and 5 claims. These consist of several shallow shafts, one 200 foot shaft, and many cuts and glory holes. These lie mainly within a length of about 650 feet and a width of about 100 feet.

Present Work: A diamond drill hole is being sunk on the Copper Ridge No. 9 at a short distance from a dike. The hole is in aluvium as yet and is cased down to about 18 feet. Considerable difficulty with caving has been had thus far.

Geology: The accompanying sketch map shows the formation in the area from the New Cornelia Pit (northwest corner) to the Batamonte volcanics. The bulk of the area is covered by fanglomerate and rhyolite dikes which outcrops are disconnected, or intermittent. The rhyolite is severly sheared parallel to the strike (N 10° W) and the shears have been mineralized by chrysocolla, chalcocite and malachite. The dikes have been cut by minor transverse faults of relatively minor throws. The ore seems to be isolated and contacts between the dike shears with the fanglomerate hangingwall and footwall of the rhyolite dike are mineralized in narrow widths, for at least 650 feet along the dike strike. The ore tends to be in lenses which sometimes are of excellent grade. The ore minerals consist of chrysocolla, malachite and chalcocite. No large bodies have been found to date in any of the workings. Much of the 650 feet of length and 50-100 feet of width in the mineralization zone carries some good mineralization in some fractures. Prospecting of such occurrences might prove costly, however.

CONTINENTAL MATERIALS CORPORATION

820 SOUTH NINTH STREET P. O. BOX 1550
GRAND JUNCTION, COLORADO

December 29, 1959

Mr. H. E. Steele
933 W. Latham
Phoenix, Arizona

Dear Mr. Steele:

Mr. Charles Traylor has forwarded your letter of December 10, 1959 to this office.

Mr. George C. Heikes is now Manager of Mineral Resources for Continental Materials Corporation.

I am forwarding to him our file containing all the information we have in this office concerning the mining property near Ajo, Arizona in which you and your brother have an interest.

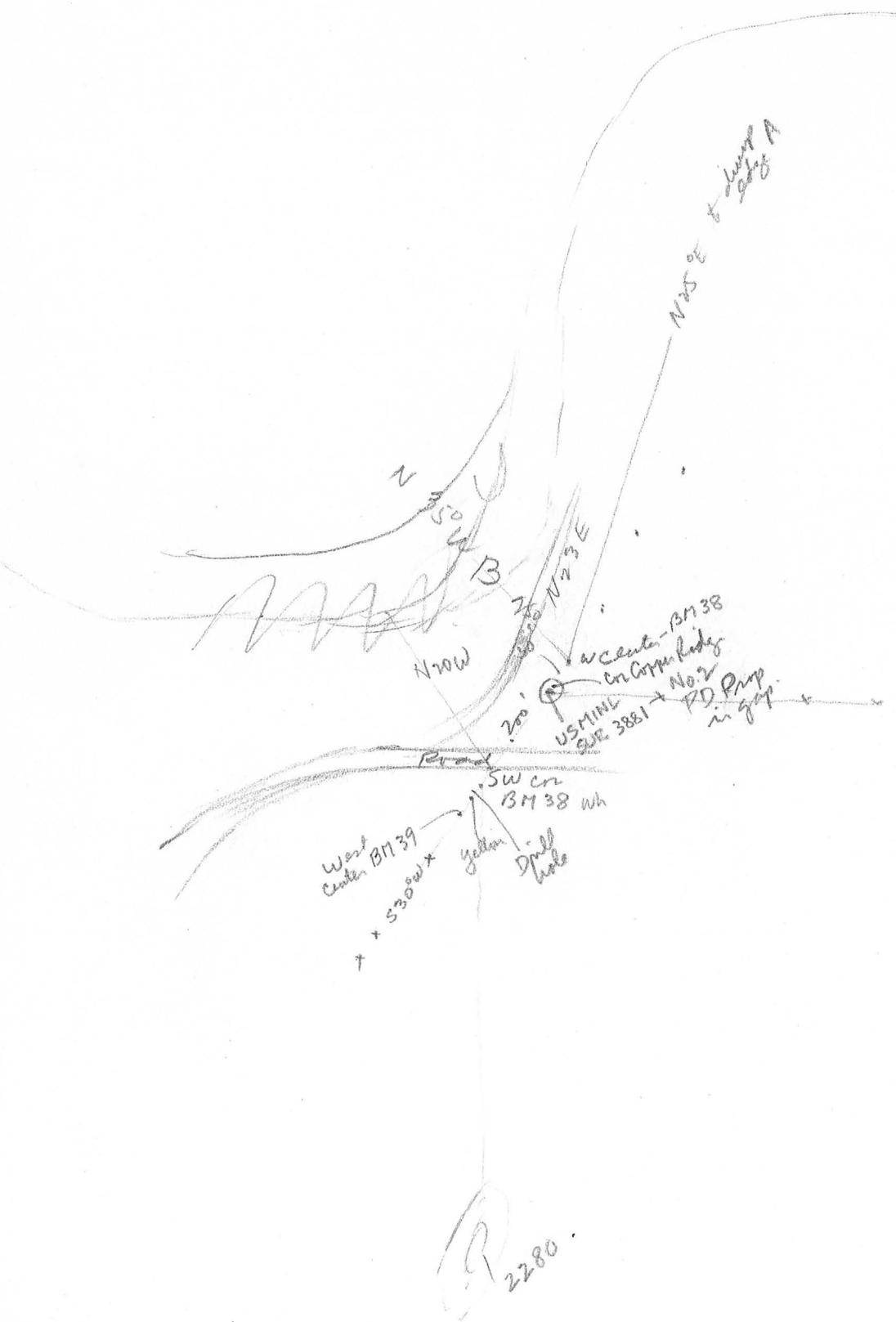
You may expect to hear further from Mr. Heikes if our company has any further interest in the property.

Thank you for contacting us again.

Very truly yours,

C. H. Reynolds
General Superintendent

CHR/ds
bc: G. Heikes (with property data)



2

50

B

N10W

N123E

20

West Center - BM 38
on Corn bridge

USMINE
G.R. 3881

No. 2
RD Prop.
in gap

200

SW cr
BM 38 wh

West
Center BM 39

+ x 530W x

yellow

Drill
hole

P 2280

N150E to
Jury
200

N150E

Phoenix Ariz -
Dec. 10. 59

Charles J. Traylor
Grand Junction Colo -

Dear Mr. Traylor -
Could you please send the
address of Mr. Gertwitz don't
remember if that's the ~~name~~
Correct spelling, he is or was
head of the Continental
Granite Co in Chicago, or
the man who took Mr. Pures'
job. of Grand Junction. Mr. Pures
before that terrible plane accident
made an exploration of some
mining property my brother and
I have sat at Aztec Ariz, and
thought it was a good prospect
for a good mine, the lease
was drawn but my brother
wouldn't sign it that that.

time, but now is willing
to go along on my fair
deal as his health is failing
fast. I am Ruth Brown's father
she was killed in that plane
accident with Mr. Phis-
Donald, Ruth's oldest son who
at came of age in 1957 got all
his inheritance money spent
the first year, David is only
19 and has been in the navy
two years and I long down some-
we hardly ever hear from Johnnie
but he's too young to write and
no one to make him.

Hope you & family are well and
enjoying life, and will thank you
for this information.

Yours Truly

H.E. Steele

933 W. Latham Pl. Minn.

RECEIVED

DEC 15 1959

Adams, Nech

& Ele

June 11, 1956

Mr. Gerald Gidwitz
4401 West North Avenue
Chicago 39, Illinois

Progress Report No. I
Copper Ridge Mining Company Group
Ajo area, Arizona

Dear Gerald:

This is a brief recap of one of the copper prospects we intend to drill which adjoins the Phelps Dodge New Cornelia operation at Ajo, Arizona.

The claim group consists of ten patented claims and seven unpatented claims. Some work has been done to date on surface pitting and one shaft has been sunk, which did not follow the vein, approximately 100 feet deep. The vein has been exposed at the deepest point downdip approximately 25 feet. This is the main structure which occurs on Copper Ridge No. 5, patented claim. To date nothing has been seen which would appear to make this a large, open pit operation. However, this cannot be determined until the present structures are explored at some depth since the present New Cornelia pit workings are some 200 feet below the surface, approximately, as an average.

The structure was very crudely paced and Bruntoned and on the surface is quite continuous and traceable for approximately 200 feet in length and, as mentioned before, downdip about 25 feet. The holes to intercept this are easily accessed, no money need be spent on roads and if we intersect the structure downdip 150 feet, this can be done with about a 200 or 250 foot hole. This main structure would be our first attack since the shaft would appear to be workable with a very small expenditure for capital equipment and cleanout. Short crosscuts would be needed to be driven to the vein. The economics are not too bad. Although New Cornelia appears reticent to accept custom ore, we believe custom milling can be set up with mills somewhere in the area. If decent ore is intersected in the drill holes, further drilling, of course, would be done and although this would involve considerable expense, it would not be large compared to the possible net return from a small mill after positive ore reserves were developed.

Progress Report No. I
Copper Ridge

- 2 -

June 11, 1956

Further to the north on the Mayflower No. 5 claim fairly extensive carbonate and oxide shears were noted. It is planned to do shallower drilling in these to attempt to develop immediate ore reserves for which a small leach plant could be set up. Immediate plans are the following:

To have our Gerry Weathers go down and map on a 50 scale map with Brunton control the shear zones on the Mayflower No. 5 preparatory to making cross sections for a drill hole pattern layout. Also, to cross section the area on Copper Ridge No. 5 which appears to be several possible parallel shear zones. We would attempt to drill so as to intersect the main shear and parallel shears if possible. Three holes are planned for the Copper Ridge No. 5 sulphide area and several for the shallower carbonate oxide area.

My trip was rather hurried so the further slower study by Weathers will either corroborate these first impressions or develop a different approach. I intend to talk this over with him after he has had some time on the ground. Presently we are making a literature study of the New Cornelia operation and the area geology. We also have another property near here which also adjoins New Cornelia which Weathers is working up.

Sincerely,

Bob Pruess

RCP:ro
cc: OW

CONTINENTAL MATERIALS CORPORATION

820 SOUTH NINTH STREET P. O. BOX 155J
GRAND JUNCTION, COLORADO

18335 Lexington Drive,
Los Gatos, California,
January 22, 1960.

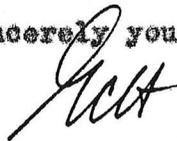
Mr. H.E. Steele,
933 West Latham,
Phoenix, Arizona.

Dear Mr. Steele:

This is to acknowledge and thank you for your letter of Dec. 10th addressed to Mr. Charles J. Traylor in Grand Junction. Mr. Traylor turned over the letter to Mr. C.H. Reynolds, General Superintendent for Continental Materials Corporation who forwarded it to my California address shown above. At the same time, Mr. Reynolds sent along the office file pertaining to your Copper Ledge Mining Co. group of 17 claims, in order to bring me up to date.

We are giving this matter our thoughtful consideration and will let you know at an early date whether or not we can fit some kind of an exploration project on your property in with our general program. If we can, we will then make a proposal to you and your associates.

Sincerely yours,



George C. Heikes
Manager, Mineral Resources

Copies to
GSG, SMC, CHR, HMS

ADAMS, HECKMAN, TRAYLOR & ELA

ATTORNEYS AT LAW

P. O. BOX 266

201 ELECTRIC BUILDING

GRAND JUNCTION, COLO.

16 December 1959

TELEPHONE
CHAPEL 2-2636

E. B. ADAMS
SCOTT W. HECKMAN
CHARLES J. TRAYLOR
WM. M. ELA
IVAN P. KLADDER
T. J. HARSHMAN

Mr. Claude H. Reynolds
Continental Materials Corp.
820 South 9th
Grand Junction, Colorado

Dear Mr. Reynolds:

Enclosed find letter which we have just received from
Mr. H. E. Steele.

Will you be kind enough to reply to Mr. Steele's letter
at your earliest convenience?

Very truly yours,

ADAMS, HECKMAN, TRAYLOR & ELA

Charles J. Traylor
Charles J. Traylor

CJT:ds
encl: (1)

Mr. Steele's letter dated December 10, 1959.

cc: Mr. H. E. Steele
933 W. Latham
Phoenix, Arizona

CONTINENTAL URANIUM INC.
P. O. BOX 1550
GRAND JUNCTION, COLORADO

July 23, 1956

Mr. H. E. Steele
24 South 13th Avenue
Phoenix, Arizona

Dear Earl:

I just found out that the Copper Ridge-Copper Ledge appears to be on the rocks again. I guess there isn't much we can do at this time so I am going to consider the deal closed because I have to make my plans in advance for a proposition like that.

I will see you the next trip down and thanks a lot for your efforts on this proposition.

Most sincerely,

CONTINENTAL URANIUM, INC.

Bob Pruess

RCP:ro
cc: Hill

LAW OFFICES
SHIMMEL, HILL & CAVANAGH
TITLE & TRUST BUILDING
PHOENIX, ARIZONA

BLAINE B. SHIMMEL
ROULAND W. HILL
GEORGE M. HILL
HARRY J. CAVANAGH
JOHN E. SAVOY
FERRIS W. BELLAMAK

July 18, 1956

Mr. Robert C. Pruess
Continental Uranium, Inc.
P.O. Box 1550
Grand Junction, Colorado

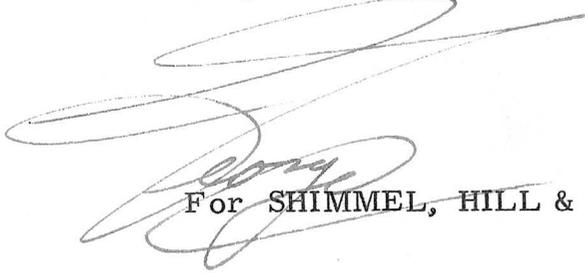
Dear Bob:

I have had additional negotiations with the Steeles, and Earl Steele figured the only way the deal could be consummated would be for them to get an attorney of their own.

I have negotiated with him, and he is trying to sell Albert Steele on the transaction, but we are both becoming convinced that Albert Steele is neurotic in some respects, and we don't know whether the deal can be consummated or not.

I will do my best to close it, and will keep you advised.

Very truly yours,



For SHIMMEL, HILL & CAVANAGH

George M. Hill/LL
AIR MAIL

LAW OFFICES
SHIMMEL, HILL & CAVANAGH

TITLE & TRUST BUILDING
PHOENIX, ARIZONA

BLAINE B. SHIMMEL
ROULAND W. HILL
GEORGE M. HILL
HARRY J. CAVANAGH

JOHN E. SAVOY
FERRIS W. BELLAMAK

July 18, 1956

C
O
P
Y

Mr. Neil C. Clark
Attorney at Law
Mayer-Heard Building
Phoenix, Arizona

Dear Neil:

Pursuant to our conversation, I am herewith sending you a copy of the proposed form of lease with relation to the mining claims at Ajo, in which Messrs. Steele have an interest.

From what information I have the lessors would be the Copper Ledge Mining Company, an Arizona corporation, and Earl Steele, Albert Steele and Lem Mathews as trustees of the Copper Ridge Mining Company. They have never delivered to me copies of the mining claims, so that description is left blank.

The lessee would agree to expend not less than \$2,500 in exploration, development and mining on the property each six months on a cumulative basis. The lessee would agree, beginning July 1, 1958, to pay \$1,000 a month and continue such payments until \$75,000 has been paid. In the event the royalty payments, in accordance with Schedule A, exceeded the minimum payment of \$1,000 a month, any such excess may be applied toward the subsequent monthly minimum requirements.

Messrs. Steele have heretofore delivered to you a copy of the royalty schedule.

The form of this lease was drawn by the company's attorneys in Chicago, and we have little jurisdiction, if any, or authority to make any modification in either the form or the terms of the proposal. I am satisfied that Messrs. Steele understand the company is immediately going to proceed with one deep drill hole, which I understand will be approximately 800 feet, which would probably provide the information with which the company would go ahead with the development of the claims or turn them back to the lessors.

Mr. Neil C. Clark
July 18, 1956

-Page 2-

If the company is going to go ahead with the transaction at all they are anxious to make the deal and do it promptly, or they are desirous of withdrawing from negotiations.

I would appreciate anything you may be able to do to expedite the matter.

Very truly yours,

For SHIMMEL, HILL & CAVANAGH

George M. Hill/LL
Enclosure

cc: ✓ Mr. Robert C. Pruess
Continental Uranium, Inc.
P.O. Box 1550
Grand Junction, Colorado

LAW OFFICES
SHIMMEL, HILL & CAVANAGH
TITLE & TRUST BUILDING
PHOENIX, ARIZONA

FR 8-17061

BLAINE B. SHIMMEL
ROULAND W. HILL
GEORGE M. HILL
HARRY J. CAVANAGH
JOHN E. SAVOY
FERRIS W. BELLAMAK

July 9, 1956.

Mr. Robert C. Pruess, Manager,
Continental Uranium, Inc.,
P.O. Box 1550,
Grand Junction, Colorado.

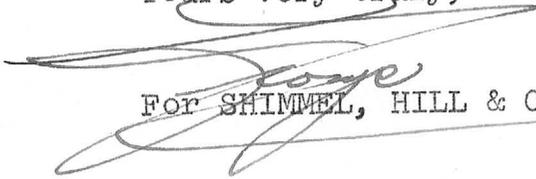
Dear Bob:

Enclosed herewith I am sending you a copy of the proposed lease with the Copper Ridge-Copper Ledge Mining Group, and of course up to the present time Messrs. Steele have given me no information and no papers of any kind from which we can try and ascertain exactly whom we will be dealing with on these claims.

You will note from the enclosure that we have used your standard form in all respects, with the exception of an addition we made to Paragraph 8 and changed the paragraphs therein to 8a and 8b, adding 8b to cover the authorization for DMEA loan. We have also added Paragraph 13, which is a peculiar provision having to do with the Arizona lien law protecting the lessors.

I would appreciate your suggestions with relation to the proposed form prior to the time they will come in, because I am hopeful that we will have an entity we can deal with, but there is some question in my mind even though I realize that the Messrs. Steele are honest and conscientious and believe they have the property in shape for a deal.

Yours very truly,


For SHIMMEL, HILL & CAVANAGH

George M. Hill:g
Enc.

0+200 mafic dike cuts in S20°E
bleaching apparent but no
Cut stain 700' to on -
terrific landslide (!) type
bleached zone comes in
No more apparent Cut or
bleached zone at 900
Hard ridge also turns at 0+800
& runs N90W.

Pit rock is redstoned congl.
cutting across S end of cut.

Lower pits on E end show soft
gougy Cut rock - could be leached
easily. Shallow drilling would
prove or disprove extent, could
cut 2 streaks. Rite near the
strip fall (did R.D. drill?)

Water well area - porphyry.
" at 600' (to pump)

Ore disposal - CO₂ ores - leach

Location Copper Ridge
Mining Co.

Date..... Page.....

Engineer.....

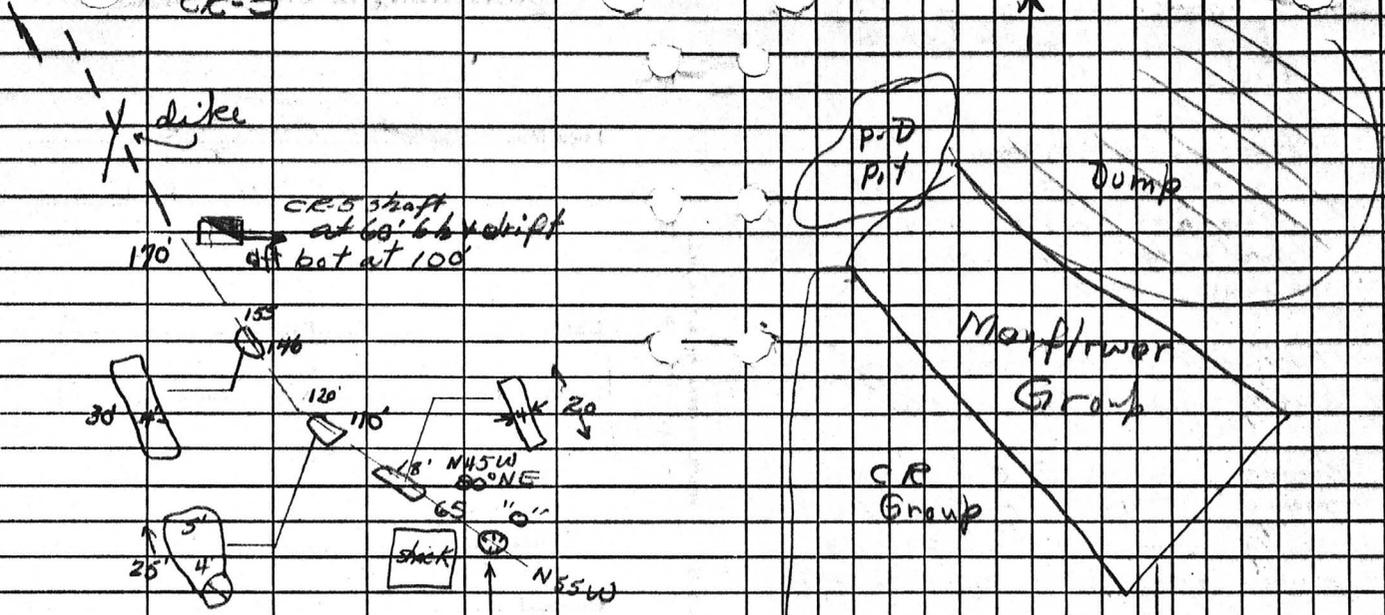
Calculated.....

Checked.....

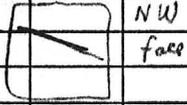
Plotted.....

PRINTED BY LEFAX, PHILA. 7, PA., U.S.A.
SPEC. FORM L-1511.

CR-5



"0" to 65 - cover
 65 to 146 continue Cut
 shear zone
 176 on buried or shear 20° NE
 may cut out or off? 12" Cut



0+500 - Knoll on strike - series of pits: walls appear more mafic
 Cut + shear is more capricious
 N55W - 30° NE

0+700 - series of oriented pits showing same shear + Cut

October 13, 1942

W. B. Gohring
325 Heard Building
Phoenix, Arizona

Subject: CN-D-Phoenix 64
CN-D-Phoenix 65

Dear Mr. Gohring:

We are returning herewith the two above mentioned docketts. The Ramsgate Mine lease is, with the exception of a shallow winze, accessible for investigation and the Copper Ledge Mining Corporation property is entirely accessible.

We believe therefore that these docketts should be reviewed as Development Loans rather than as Preliminary Loans.

Very Truly yours,

Earl F. Hastings
Assistant Director
& Projects Engineer

EFH:BA

REFERENCES.

- (1) The most recent publication, which is also the most comprehensive treatise on the general geology of the Ajo district is "Geology and Ore Deposits of the Ajo Quadrangle, Arizona" by James Gilluly of the U. S. Geol. Survey, Arizona Bureau of Mines Bul. 141. Frequent reference is made to this bulletin on this report.
- (2) Bul. 141 Arizona Bureau of Mines p 40.
- (3) Leached Outcrops as Guides to Copper Ores
(Locke) p 167.
- (4) Bul. 141 Arizona Bureau of Mines p 82.
- (5) Bul. 141 Arizona Bureau of Mines p 82.
- (6) Bul. 141 Arizona Bureau of Mines p 78.
- (7) Leached Outcrops as Guides to Copper Ores
(Locke) p 167.

The Ajo Copper Mining District. I. B. Joralemon
Trans. A. I. M. E. XLIX (1914) p 539-610

Mining Methods and Costs at New Cornelia Branch of
Phelps Dodge Corp., Ajo, Arizona.
U. S. B. M. Inf. Cir. 6666

Resume of Arizona Geology
Arizona Bureau of Mines Bul. 119 (1925)

CARTER GLASS, VA., CHAIRMAN

KENNETH MC KELLAR, TENN.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
MILLARD E. TYDINGS, MD.
RICHARD B. RUSSELL, GA.
PAT MCCARRAN, NEV.
JOHN H. OVERTON, LA.
JOHN H. BANKHEAD, ALA.
JOSEPH C. O'MAHONEY, WYO.
HARRY S. TRUMAN, MO.
THEODORE FRANCIS GREEN, R. I.
FRANCIS MALONEY, CONN.
DENNIS CHAVEZ, N. MEX.
JAMES M. MEAD, N. Y.
WALL DOXEY, MISS.
BURNET R. MAYBANK, S. C.

GERALD P. NYE, N. DAK.
STYLES BRIDGES, N. H.
HENRY CABOT LODGE, JR., MASS.
RUFUS C. HOLMAN, OREG.
WALLACE H. WHITE, JR., MAINE
CHAN GURNEY, S. DAK.
C. WAYLAND BROOKS, ILL.

United States Senate

COMMITTEE ON APPROPRIATIONS

December 14, 1942

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

Mr. Albert Steele
Mr. Fred Z. Steele
P. O. Box 529
Phoenix, Arizona

My dear Friends:

Referring to my letter of November 27th, I am sorry to have to send you the enclosed adverse report from Honorable Charles E. Henderson, Chairman of the Board of Directors of the Reconstruction Finance Corporation.

It will be observed thereby that the supplemental investigation made by the Supervising Engineer for the RFC has resulted in a report to the effect that insufficient amounts of ore are obtainable at the present time to justify the approval of the loan you have requested.

Regretting that our efforts have not been more successful, I am, with every good wish,

Yours very sincerely,



Don A. Gustin,
Secretary to Senator Hayden

COPY

For Your Information:

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON

DEC 11 1942

Honorable Carl Hayden,
Senate Office Building,
Washington, D. C.

My dear Senator Hayden:

Reference is made to my letter to you of November 4, 1942, in which you were informed that the Mining Section had reopened the Copper Ledge Mining Co.'s application for a development loan.

The property has been examined in the field; and, based on consideration of all data now available, we find no reason to recommend any change in the previous decision of the Directors of this Corporation. Our Supervising Engineer reports there is no ore presently exposed on the property which could be successfully mined and that there is little reason to believe that development in depth would yield more promising results.

It is not believed that labor and materials should be expended on this project. I am indeed sorry that we cannot consider this property as a potential source of strategic and critical materials.

We have written Mr. Matthews, advising him of our conclusions. A copy of our letter is enclosed for your files.

With kind personal regards,

Sincerely yours,

(signed) Charles B. Henderson

Enclosure

COPY

For Your Information

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON

December 10, 1942

Mr. Lemuel P. Matthews
P. O. Box 529
Phoenix, Arizona

Re: Copper Ledge Mining Corp.
Docket No. B-ND-4252

Dear Mr. Matthews:

We have received the report of our Supervising Engineer covering his recent visit to your property. His examination did not disclose ore exposures which, in our opinion, deserve further development or indicate that the proposed work would be likely to result in a successful mining operation. A study of all the data now available does not allow us to recommend a loan on this property.

I regret that the circumstances do not justify a favorable recommendation.

Very truly yours,

D. M. RAIT
Chief, Mining Section

November 11, 1942

Mr. Fred Z. Steele
P. O. Box 529
Phoenix, Arizona

Dear Mr. Steele:

I have just received advice from Senator Hayden stating that the Reconstruction Finance Corporation office, Mr. Charles B. Henderson, has advised the Senator that your application for a loan on the Copper Ledge has been reopened for renewed consideration.

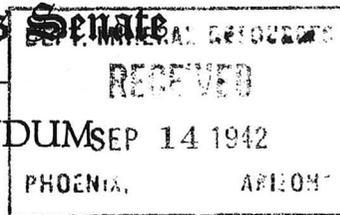
I hope you are successful in getting this loan.

Very truly yours,

J. S. Coupal
Director

JSC:kk

United States Senate



MEMORANDUM

CONFIDENTIAL

Sept. 11

FOOTNOTE TO COPPER LEDGE CASE:

As you perhaps know, it is strictly against the policy of the RFC to give out detailed reasons for turndowns, as they feel that they would just enter into interminable arguments on matters of opinion.

I discovered a long time ago that even the Senators cannot get more of an answer than that the "application was considered and favorable action was not taken" regrets, etc.

But a little bird whispered to me in this case that the field engineer's examination disclosed that the little streak of copper ore on the foot-wall did not warrant further development as it could not be economically mined.

"THIS INFORMATION MUST NOT BE GIVEN TO STEELE"

it is for our information only.

Bill

RECONSTRUCTION FINANCE CORPORATION
WASHINGTON

November 6, 1942

Honorable Carl Hayden,
Senate Office Building,
Washington, D. C.

My dear Senator Hayden:

I am in receipt of your letter of October 31st in behalf of the Copper Ledge Mining Corporation, Inc., Phoenix, Arizona, mining loan application.

You note that a supplemental engineering report, by Mr. George M. Colvocoresses, has recently been forwarded.

The unfavorable action taken by the Directors on October 30th was due to the fact that the mine was open and accessible and, therefore, not eligible for a so-called Class "C" loan. This is borne out by Mr. Colvocoresses' report, but the report does give additional information.

On the showings in Mr. Colvocoresses' report, the Mining Section has re-opened the application on the basis of a development loan and will order a re-examination of the property to be made as soon as possible.

With kind personal regards,

Sincerely yours,

(signed)

Charles B. Henderson

RECONSTRUCTION FINANCE CORPORATION
WASHINGTON

Phoenix, Arizona
October 7, 1942

H

Memorandum to Mr. Hastings:

Re: Copper Ledge Mining Corp.
Phoenix No. 66

Dear Earl:

I do not understand why these people should send this in as a Preliminary Loan application. To me it is purely a development loan and I wish you would check me up and point out to me what else it could be, if you can find it.

They state that they made an application for a Class B loan - see note on first page of the application. We have no record whatsoever of this so presumably it was turned down in Washington.

Yours very truly,

W. E. Couring
W. E. COURING
Supervising Engineer

September 23, 1942

MEMORANDUM

COPPER LEDGE MINING CO.

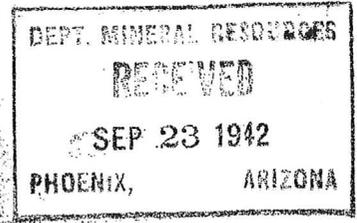
TO: W. C. Broadgate

FROM: Earl F. Hastings

The Steel Brothers are not going to be content with the present status of their R.F.C. application and this is going to develop into quite a little controversy. We have side-stepped any entanglements so far and I believe have guided them on a path which will keep us out of the picture.

Colvocoresses is going to re-examine the property on their account and make a more detailed report. Following that, Steel Brothers will petition reopening of their docket on the grounds of additional information substantiating their claims.

Washington, D.C.
Sept. 21, 1942



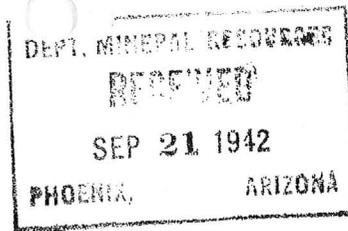
SUBJECT: Mine Loans
Class B
Copper Ledge Mining Co
Steel Bros.

I have a copy of the letter of Sept. 18 written to the Steel Bros.

Am I to understand that this matter is closed and that the Department will not examine the property to furnish them with evidence for reopening the case at the RFC?

I just wish to know if we are to close the files in this case and what to advise Senator Hayden.

Bill
Bill Broadgate



Washington, D.C.
September 18, 1942

SUBJECT: Mine Loans
Class B
Copper Ledge Mining Co

I checked back on this again and Gohring is right... no field examination was made or recommended by the examiner.

Whoever informed the Senator that an examination was made got his file cards crossed.

This state of affairs, of course, indicates either a poorly prepared application or bad supporting data and reports.

I doubt that more than one in 8 Arizona applications have been rejected without field examination, although the proportion is higher elsewhere. It is interesting to note also that the rejections to approvals are lower ~~in~~ in the Arizona group than elsewhere, according to a remark made by Macartney this afternoon.

It always strikes me, when an application is rejected without recommendation to examine; especially a copper, that the paper showing must have been pretty bad.

The obvious conclusion is that new material and reports should be filed with the request that the examiner review the case. I wonder if our office had a chance to review this application before it was filed. The chances are we did not or it would have been in better shape.

Bill
Bill Broadgate

{ 1 rejection
3 approvals

September 18, 1942

Messrs. Fred Z. and H. E. Steele
Box 529
Phoenix, Arizona

Gentlemen:

As requested, the Department through Mr. W. C. Broadgate, Assistant Director, attempted to determine the reason for the rejection of your application for an R.F.C. Class "B" loan on your Copper Ledge Mining property.

Mr. Broadgate advises us that the R.F.C. has made it a policy of refraining from any discussion or correspondence in connection with applications on which an unfavorable review has been made. Obviously there is a reason for this in that considerable time would be taken through such discussion or correspondence with dissatisfied applicants and this time can be ill-afforded in the light of the limited personnel of the Department and the volume of applications being received. At any rate, we are unable to advise you in this respect.

In the event that you intend to pursue the matter further it is possible to obtain reconsideration of your application if you have new and conclusive evidence to support your belief in the merit of your property. Without this supporting evidence it would be unlikely that the R.F.C. would consent to review your application.

While there are some technicalities in your application which might have caused delay in consideration, it is doubtful that these technicalities would have been responsible for the rejection, as matters of this kind are usually subject to further inquiry by the R.F.C. before a final decision is reached.

If we may be of further service to you, please do not hesitate to call on us.

Very truly yours,

Earl F. Hastings, Assistant Director
and Projects Engineer

EFH:LP

CC: Mr. W. C. Broadgate
Hon. Carl Hayden

September 16, 1942

MEMORANDUM

COPPER LEDGE MINING CO.

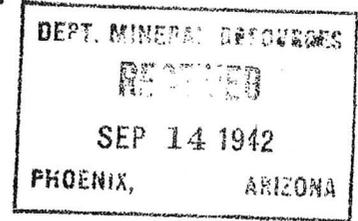
TO: W. C. Broadgate

FROM: Earl F. Hastings

This file was referred back to you through some confusion as to the exact action taken in respect to this loan. Gohring definitely states that the property was not examined, at least not by any of his engineers. Steele claims the property was never examined, at least not to his knowledge. Therefore, we were at a loss to understand why the application was turned down, particularly in light of a very favorable report by Colvocoresses. We thought this Colvocoresses report would at least warrant an examination.

However, if the property has actually been examined by the R.F.C. engineers, then the entire matter should be dropped by all of us.

Washington, D.C.
Sept. 11, 1942



SUBJECT: Class B Loan
Copper Ledge Mining Company,
Steele Bros.

I was a little amused at this landing in my lap. I have been familiar with this file for some time..... and at least an inch thick of correspondence that you don't have.

I recommended that the Senator refer this to our office, as there was simply nothing further he could do on it.

I am afraid that his letter was not as clear as it might have been.

The situation is this;

The property was turned down on the report of the field engineer in whose opinion the ore bodies would not develop into a satisfactory mine.

Under those conditions, the Senator does not feel that he ~~would~~ should press for reopening and re-examination without very good reason indeed, as it is just this sort of thing which is cluttering up the RFC mine loan section with extra work and causing delays on other applications.

~~Unless~~ ^{Unless} the Department, after an examination by our engineer, thinks and so states in a report, that the property is worthy, the Senator would not wish to go further. I have kept out of this because the file pre-dates me and they have had a lot of correspondence.

Bluntly, if the RFC examiner's opinion, in our opinion, is wrong, ~~we~~ ^{Hayden} will press for re-examination by RFC.

Bill

Bill Broadgate

September 9, 1942

MEMORANDUM

COPPER LEDGE MINING COMPANY

TO: W. C. Broadgate

FROM: Earl F. Hastings

Enclosed is miscellaneous correspondence relative to the unfavorable action on the R.F.C. loan application.

No reason is given for turning the property down other than a very general statement "that the circumstances do not warrant more favorable action". Without getting your foot into it do you think you can find out any of the circumstances connected with this action.

The Steeles have been in the office and talked it over and they have quite a favorable report by Calvocoresses. It may be that they can re-apply and get a loan under the more lenient interpretations now being placed on the applications.

Please let me have any comments in this connection and return the correspondence.

P.S. Application was made in the amount of \$30,000, even though this was a Class "B" application form. It might be that that is a technicality which caused the adverse decision. The form was drawn up by an attorney rather than an engineer which might also have an adverse effect. Mr. Calvocoresses just telephoned me and states that in his opinion the property is one that certainly warrants consideration at this time, as it has prospects of maintaining a good shipping rate of ore.

September 3, 1942

Messrs. Fred Z and H. E. Steele
Box 529
Phoenix, Arizona

Gentlemen:

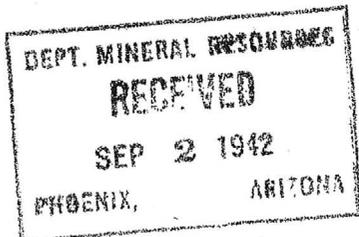
We have received inquiries from Washington
relative to your R.F.C. loan application on the
Copper Ledge Mining Company.

At your convenience would you drop into
the office and discuss this matter.

Yours very truly,

Earl F. Hastings, Assistant Director
and Projects Engineer

EFH:LP



P. O. Box 529
Phoenix, Arizona
June 18, 1942

Honorable Senator Carl S. Hayden
United States Senate
Washington, D. C.

Dear Sir:

Your promptness in answering our letter was greatly appreciated and your interest in suggesting the procedure to interest people in our property is very much appreciated also. We went up to the R. F. C. office in Phoenix and Mr. Goering was not in but we were advised by the head of the office force in regard to making out formal application to R. F. C.

His understanding of the operation of the local office is that they simply pass out application blanks, together with instructions on how to properly fill them out as directed by the Washington Office in all such matters after they are passed upon there. He advised us that ore had to be in sight with which to repay the loan before it could be made. It seems that they operate along the same lines as the banks.

If we have ore developed and need a compressor or ore bucket or hoisting equipment to take it out, they would loan us the amount necessary, but they make no loans for development. It is quite a difference picture to the one which filters through the press. Anyone who has a mining property and wants to go about the work of developing it first secures the advice of Mining Engineers, and this we have already done and already have the reports to submit. Had they been unfavorable, we could have ceased spending money on the property. However, to be absolutely certain that we have a property of value we hired two engineers and have favorable reports from both.

Now, of course, money with which to follow out their advice is necessary. One recommended an expenditure \$103,000 and the other one was of the opinion that \$30,000 would be sufficient to prove or disprove that this was a paying mine. We are advised by the gentleman in the R. F. C. office that smelter returns on ore shipped is of very little value and that ore in place is what counts. The man that works shallow surface pits seldom leaves anything like

ledges of good ore three or four foot thick for the next fellow to start working on, so consequently there is nothing that the R. F. C. will bank on.

Our property may not develop into a paying mine. We have heard of few, if any, mining men who have actually had a "sure thing" in a mining property. Most properties of this kind have their lean streaks, and it is only upon lean stomachs and the perseverance of "hard headed" prospectors that they ever become big producers. Many times in the face of unfavorable reports by engineers, this has been the case. You know all this without our telling you, and we know that you are ready and willing to do all that you can to aid the right kind of expenditure of government money in the interest of greater production of copper and other needed metals.

We don't have a sure thing. We have nothing but a property and the advice of engineers that the expenditure of certain sums are fully justified by the geology - and we have known ore occurrences.

We have spent our money for years without any certain return upon the advice of those educated on mining subjects who have examined the property. Because of financial conditions, methods formerly used to get money in sufficient quantity to develop this property, is out.

Now, Senator, in the face of the view taken by the R. F. C. here we are not too optimistic, but we are making application as you thought we should, and wish to thank you again for your interest and promptness.

With sincere wishes for your good health and success, we are

Yours sincerely,

(signed)

Fred Z and H. E. Steele
Address: P. O. Box 529
Phoenix, Arizona

CARTER GLASS, VA., CHAIRMAN

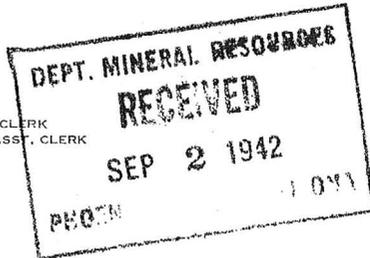
KENNETH MC KELLAR, TENN.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
MILLARD E. TYDINGS, MD.
RICHARD B. RUSSELL, GA.
PAT MCCARRAN, NEV.
JOHN H. OVERTON, LA.
JOHN H. BANKHEAD, ALA.
JOSEPH C. O'MAHONEY, WYO.
HARRY S. TRUMAN, MO.
THEODORE FRANCIS GREEN, R. I.
FRANCIS MALONEY, CONN.
DENNIS CHAVEZ, N. MEX.
JAMES M. MEAD, N. Y.
WALL DOXEY, MISS.
BURNET R. MAYBANK, S. C.

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

GERALD P. NYE, N. DAK.
STYLES BRIDGES, N. H.
HENRY CABOT LODGE, JR., MASS.
RUFUS C. HOLMAN, OREG.
WALLACE H. WHITE, JR., MAINE
CHAN GURNEY, S. DAK.
C. WAYLAND BROOKS, ILL.

United States Senate

COMMITTEE ON APPROPRIATIONS



June 23, 1942

Honorable Charles B. Henderson
Chairman of the Board of Directors
Reconstruction Finance Corporation
Washington, D. C.

My dear Senator Henderson:

I am enclosing a copy of a letter addressed to me on June 11, and a copy of one addressed to me on June 18, by Messrs. Fred Z. Steele and H. E. Steele, Post Office Box 529, Phoenix, Arizona, with regard to their desire to secure financial assistance from the Federal Government in order to aid them in the development of certain mining claims immediately adjacent to the copper property operated by the Phelps-Dodge Corporation at Ajo, Arizona.

I observe by the second letter of June 18, that they have now submitted a formal application for a development loan, although they were told by a representative of the Reconstruction Finance Corporation at Phoenix that no such loans were made.

I shall appreciate your consideration of the statements of these gentlemen, and your sending me any comments that will be helpful to me in formulating an adequate reply to them. Will you please also be good enough to indicate whether your office has received their formal loan application?

Yours very sincerely,

Carl Hayden

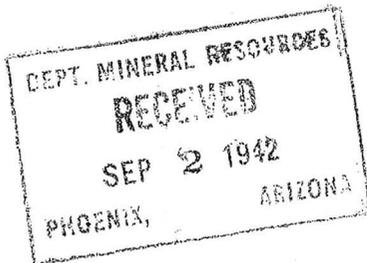
U. S. S.

COPY

RECONSTRUCTION FINANCE CORPORATION

For Your Information

WASHINGTON



June 27, 1942

Honorable Carl Hayden,
Senate Office Building,
Washington, D. C.

Dear Senator Hayden:

I have your letter of June 23 transmitting copies of letters dated June 11 and June 18 addressed to you by Messrs. Fred Z. Steele and H. E. Steele, Phoenix, Arizona, with respect to their desire to obtain financial assistance for the development of their mining property located at Ajo, Arizona.

We do not understand the statement attributed to our Phoenix representative to the effect that the Corporation did not make development loans. Our engineers in the Phoenix office are fully conversant with loan requirements, and there evidently was some misunderstanding.

Please be advised that as of this date we have not received the application referred to. However, you may be assured that upon its receipt it will be given our careful consideration.

With kindest regards,

Sincerely yours,

(SIGNED)

Charles E. Henderson

CARTER GLASS, VA., CHAIRMAN

KENNETH MCKELLAR, TENN.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
MILLARD E. TYDINGS, MD.
RICHARD B. RUSSELL, GA.
PAT MCCARRAN, NEV.
JOHN H. OVERTON, LA.
JOHN H. BANKHEAD, ALA.
JOSEPH C. O'MAHONEY, WYO.
HARRY S. TRUMAN, MO.
THEODORE FRANCIS GREEN, R. I.
FRANCIS MALONEY, CONN.
DENNIS CHAVEZ, N. MEX.
JAMES M. MEAD, N. Y.
WALL DOXEY, MISS.
BURNET R. MAYBANK, S. C.

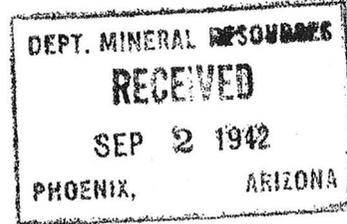
EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

GERALD P. NYE, N. DAK.
STYLES BRIDGES, N. H.
HENRY CABOT LODGE, JR., MASS.
RUFUS C. HOLMAN, OREG.
WALLACE H. WHITE, JR., MAINE
CHAN GURNEY, S. DAK.
C. WAYLAND BROOKS, ILL.

United States Senate

COMMITTEE ON APPROPRIATIONS

July 2, 1942



Mr. Fred Z. Steele
P. O. Box 529
Phoenix, Arizona

My dear Mr. Steele:

I have just received your letter of June 29, together with the application executed in duplicate for a development loan from the Reconstruction Finance Corporation submitted by the Copper Ledge Mining Corporation. I am immediately transmitting this application to Honorable Charles B. Henderson, Chairman of the Board of Directors of the RFC, asking that favorable consideration be given thereto.

As of possible interest to you, I am enclosing a reply sent to me on June 27 by Mr. Henderson, in which he indicates that you received misinformation from the Phoenix Office of the RFC.

I shall not fail to let you know what I learn just as soon as I have a report from the Reconstruction Finance Corporation regarding your application.

With every good wish, I am,

Yours very sincerely,

Carl Hayden

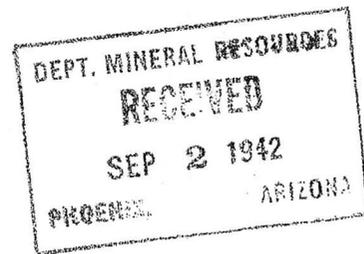
COPY

For Your Information

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON

August 14, 1942.



Honorable Carl Hayden
Senate Office Building
Washington, D. C.

Dear Senator Hayden:

This is to comply with your request that you be notified when official action is taken on Copper Ledge Mining Corporation, Inc., Phoenix, Arizona.

We wish to inform you that the application of this Company was carefully considered by the Directors of the Reconstruction Finance Corporation on August 12, 1942, but favorable action was not taken. The applicant is being notified as of this date.

It is regretted that the circumstances do not warrant more favorable action.

Very truly yours,

D. M. PAIT
Chief, Mining Section

CARTER GLASS, VA., CHAIRMAN

KENNETH MC KELLAR, TENN.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
MILLARD E. TYDINGS, MD.
RICHARD B. RUSSELL, GA.
PAT MC CARRAN, NEV.
JOHN H. OVERTON, LA.
JOHN H. BANKHEAD, ALA.
JOSEPH C. O'MAHOONEY, WYO.
HARRY S. TRUMAN, MO.
THEODORE FRANCIS GREEN, R. I.
FRANCIS MALONEY, CONN.
DENNIS CHAVEZ, N. MEX.
JAMES M. MEAD, N. Y.
WALL DOXEY, MISS.
BURNET R. MAYBANK, S. C.

GERALD P. NYE, N. DAK.
STYLES BRIDGES, N. H.
HENRY CABOT LODGE, JR., MASS.
RUFUS C. HOLMAN, OREG.
WALLACE H. WHITE, JR., MAINE
CHAN GURNEY, S. DAK.
C. WAYLAND BROOKS, ILL.

United States Senate

COMMITTEE ON APPROPRIATIONS

August 15, 1942

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

Mr. Fred Z. Steele
P. O. Box 529
Phoenix, Arizona

My dear Mr. Steele:

Referring to my letter of July 23, I wrote again to the Chairman of the Board of Directors of the Reconstruction Finance Corporation on August 8 restating my interest in the loan application filed by the Copper Ledge Mining Corporation.

I am sending you herewith a reply from Mr. D. M. Rait, Chief of the Mining Section of the RFC, by which I am certainly sorry to learn that this application has been refused.

The only suggestion I can make to you now is that you get in touch with Mr. J. S. Coupal, Director of the Arizona State Department of Mineral Resources, 413 Home Builders Building, Phoenix, and ask his advice as to whether he believes that there is anything you may be able to do to bring about more favorable consideration of your application for a development loan.

Regretting that I cannot send you a more encouraging report in this matter, I am, with every good wish,

Yours very sincerely,

Carl Hayden

23 October 1940

Mr. Fred Z. Steele,
Box 529,
Phoenix, Arizona.

My dear Mr. Steele:

Complying with your request, I am returning
herewith Report of George M. Colvocoresses on the
RIDGE GROUP OF MINING CLAIMS, which you left with me
a few days ago.

Copy of this report has been made and is
being held in our files.

With best wishes, I am

Yours very truly,

J. S. Coupal
Director

JSC-jrf
encl.

REGISTERED MAIL
RETURN RECEIPT REQUESTED

BOARD OF GOVERNORS:
CHARLES F. WILLIS, PHOENIX
CHAIRMAN
DR. N. H. MORRISON, PHOENIX
VICE-CHAIRMAN

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
CAPITOL BUILDING
PHOENIX, ARIZONA

J. S. COUPAL, PHOENIX
DIRECTOR
W. J. GRAHAM, PHOENIX
ASSISTANT TO THE DIRECTOR
AND SECRETARY TO THE
BOARD OF GOVERNORS

SHELTON G. DOWELL, DOUGLAS
J. HUBERT SMITH, KINGMAN
LLOYD C. EDMONSON, GLOBE

FIELD OFFICES AT
GLOBE - KINGMAN
PRESCOTT - TUCSON



REPLY TO

August 24, 1940

Mr. Fred Z. Steele,
P. O. Box 529
Phoenix, Arizona.

Dear Mr. Steele:

I am enclosing herewith for your records a copy of Mine Owners Report which you have filed with the Department of Mineral Resources covering your property.

If you have any additional information on this property, I should suggest that you forward it to this office for our records.

Assuring you of my desire to be helpful, and with best wishes, I am

Yours very truly,

J. S. Coupal
J. S. Coupal
Director

JSC- aam

Thanks for this reminder to send Report & map for filing, which we hereby send.
Yours Truly -
Fred Z. Steele

From Same desk June - 1941

Copper Ridge
file

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



PRELIMINARY PROPERTY EXAMINATION REPORT NO. 125

Copper Prospect

Date of Examination: 6/19-6/21/56

Date of Report : 7/3/56

Gerald Weathers

I. PROPERTY NAME: Copper Ledge group of 10 patented and 7 unpatented contiguous mining lode claims.

II. OWNER: The Copper Ledge Mining Co.; Mr. Alfred Steele and Mr. H. E. Steele, 24 S. 13th Ave., Phoenix, Arizona, are two of five trustees for the Copper Ledge Mining Co. The Copper Ridge Mining Co., now defunct, was the original owner of the claims.

III. CONCLUSIONS: The Copper Ledge property adjoins the Ajo open pit dump on the south. Copper ore in the pit occurs in a quartz monzonite pitching steeply toward the southeast and the Copper Ledge property. The monzonite is overlain by fanglomerate of apparently increasing thickness toward the southeast. A projection of the quartz monzonite erosion surface indicates depths to the monzonite from the surface in excess of 1500 ft. on the Copper Ledge property; however, no definite data is available to prove or disprove this projection. None of the exposed mineralized shears on the submitted property are of mineable width.

The property is of value because it hinders the expansion of the Ajo pit to the southeast, halts the southeastward progression of the pit waste dump and possibly contains a southeastward continuation of the ore body at an unknown depth, but probably in excess of 800 ft. below the surface.

IV. RECOMMENDATIONS: It is recommended that the property be acquired in accordance with the proposed terms and at least one drill hole be drilled to the fanglomerate-quartz monzonite contact through the eastward dipping mineralized shears and brecciated rhyolite dike exposed on Copper Ridge #5 claim. The location of the proposed hole is shown on the attached maps. It is suggested that other holes be drilled from northwest to southeast adjacent to the northern end line of the claims. The results obtained from the initial hole can be used as a guide for drilling depths and a drilling pattern, designed to delineate a copper ore body.

V. LOCATION & ACCESSIBILITY: The claims are located in Secs. 25, 26, 35 & 36, T12S, R6W, Ajo Mining District, Pima County, Arizona, or immediately south of the Ajo Copper pit. They can be reached by travelling southeast of Ajo on Highway 85, for two miles; thence southwest on the black topped Darby Well Road for 1 mile to the claims located to the north and south of the road. Over 85% of the ground covered by the claims is easily accessible since there is little relief in the area.

VI. DEVELOPMENT: Development consists of two vertical shafts on Copper Ridge #5. One, which is timbered, is reported to be 103' deep, but is bulkheaded off at 66', and another is 65' deep. Numerous shallow prospect pits are found at random over the rest of the claims. One diamond drill hole was drilled to a reported depth of 800' in unmineralized ground on Copper Ridge #5, actual drill depths and results are unknown. The Steele Bros. drilled two churn drill holes to about 100' in depth, each, in search of water. The location of the major development and geology was mapped (Brunton & pace) locations are shown on the attached maps.

VII. GEOLOGY: The geology of the district is outlined in U.S.G.S. Professional Paper 209, by James Gilluly, published in 1946. In this paper he states that the ore in the pit was deposited in the Tertiary quartz monzonite which was subsequently eroded and covered by the locomotive fanglomerate. Later, the area was subjected to diastrophism and more recently volcanism resulting in andesitic flows and shallow intrusive dikes sporadically distributed around the area. Major faults trend N60°W and are frequently mineralized near the surface with malachite, azurite, chrysocolla, chalcocite and specularite.

Water for the New Cornelia or Ajo pit operated by the Phelps Dodge Corp., was developed by drilling wells near Childs, 6 miles north, to a depth of 664' and by sinking a shaft for the reservoir. No other source of abundant water is developed in the area.

Local Geology: Most of the claims are covered by locomotive fanglomerate trending west and dipping south, and alluvium. The fanglomerate is composed of angular boulders ranging in composition from limestone on the east to quartz monzonite on the western claims cemented by hematite stained silt and sandstone. A brecciated rhyolite dike trending N60°W and outcropping over a 300' width extends along the centerline of Copper Ridge claims #4 and 5 toward the Ajo pit. Another brecciated rhyolite dike containing some pegmatitic quartz and feldspar extends along the southwest edge of the property. Andesite covers portions of the southeastern most claims and andesite dikes cut the fanglomerate. Parallel shears trending N60°W and dipping steeply to the NE are abundantly exposed on the claims. These are invariably mineralized with copper and iron oxides over an average of 3" width. A vertical shaft reported to be 103' deep was sunk through one of these shears starting in the brecciated rhyolite dike exposed on Copper Ridge #5 claim. The shaft is timbered and open to a depth of 66' where a 30' cross drift extends from it. A mineralized shear cuts across the shaft 23' below its collar and a contact with the fanglomerate, also mineralized, is exposed 30' below the collar. No mineralization was noted in the shears encountered in the locomotive fanglomerate in the drift. The mineralized shear in the shaft appears to continue

northward parallel to the strike of the rhyolite where it is exposed in several shallow pits. The Steele Bros. drilled two holes on the property in search of water. A gasoline operated pump on the hole on Copper Ridge #8 was estimated to be pumping from 2 to 5 GPM (its capacity is unknown). The other hole drilled on Copper Ridge #9 is dry, but it is reported to have hit a streak of 4% Cu at 67'. (not verified)

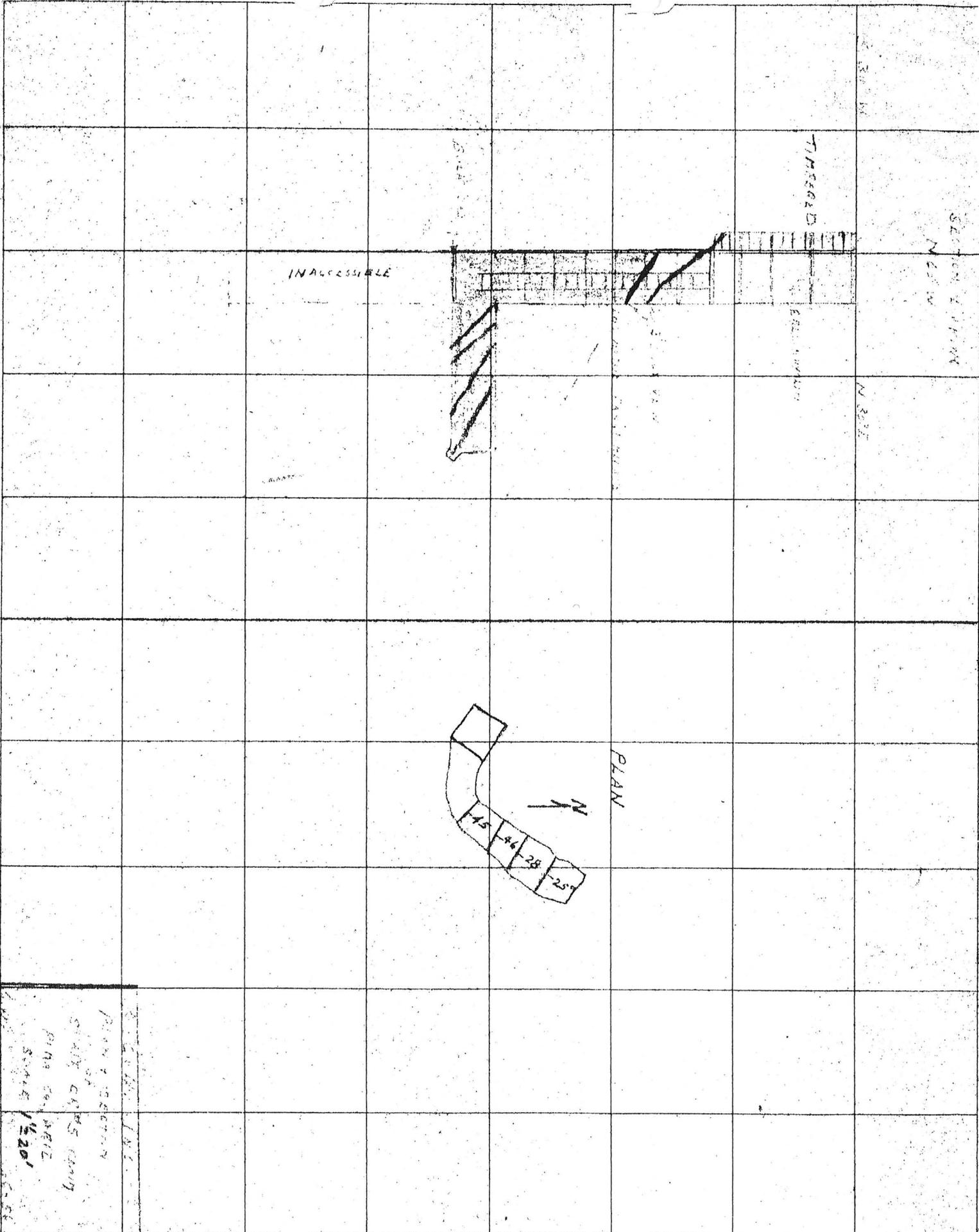
Cross sections of the area taken from Gilluly's report, based on Phelps Dodge drill hole records, show the underlying eroded quartz monzonite to be closest to the surface to the northwest from where it dips steeply to the southeast. All ore bodies have been found in the quartz monzonite and although much ganglomerate is removed from the pit as waste, no ore has been found in it. A section D-D' projected from the pit to the north through Copper Ridge #6, 10 & 11 to the south, indicates that the quartz monzonite contact may be in excess of 1500' below the surface; however, this is a projection of an erosion surface from drill hole records to the north and contact depth can change radically, especially when it is realized that more recent faulting has uplifted and down-dropped some blocks in the district.

Production from Ajo Open Pit: The New Cornelia ore body is mined from an elliptical open pit approximately 4600' long x 3400' wide x 442' below the average elevation of the pit rim at 1800'. The ore averages about 1% and the waste to ore ratio is about 1 to 1. The crushing plant and concentrator has a capacity of about 25,000 tons of ore per 24 hours. Their smelter has been in operation since 1950.

VIII. TERMS: The Steele Bros. believe they can submit the property in compliance with Continental's standard lease stipulating a Utah sliding scale royalty basis with a guarantee of minimum work performance. However, since they are two of five appointed trustees for the Copper Ledge Mining Company, the proposal will have to be submitted and acted upon in a special meeting. Mr. George Hill, Arizona Continental's attorney, will determine if the Copper Ledge Co. has clear title to the property, or if there are any liens against it if they accept this proposal.

IX. COST OF EXPLORATION: Local drilling contractors submitted bids for diamond drilling in close agreement, as follows:

\$5.50/ft. from 0-250' with .50¢/ft. added for each 250' thereafter. Extra charges include water haulage, reaming, cementing and down time not the fault of the contractor. (Water is available at Ajo @ \$1/1000 gal.) These charges could easily run the overall cost up to \$10/ft. for AX size core, or \$10,000/1000' hole (regarded as a minimum depth at present). It is possible that drilling contractors from the Plateau can drill cheaper by using air instead of water, eliminating some of the extra charges.



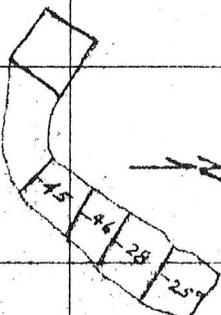
INACCESSIBLE

TINSGOLD

SECTION 7
N 33° W

N 30° E

PLAN



PLAN & SECTION
OF
SALT CREEK CANAL
FROM SALT LAKE
TO SALT LAKE CITY

Arizona Continental Uranium, Inc.

205 EAST CAMELBACK ROAD

CR 4-0375

PHOENIX, ARIZONA

Ar Ridge

June 19, 1956

Mr. R. C. Pruess
P. O. Box 1550
Grand Junction, Colorado

Dear Bob:

I have contacted the larger drilling companies in this area and have obtained the following verbal bids for the exploration planned in the Ajo district. Of course, all drillers desire to see the drill site but state that the quoted drilling prices will be within .25¢ of the corrected figure.

McClintock Drilling Co., Globe, Arizona:

1. \$5.25/ft. NX hole through alluvium, BX in bedrock
 2. 0-250' BX \$5.50/ft. AX \$5.10/ft.
 3. 250'-500' BX \$6.00/ft. AX \$5.60/ft.
- Plus water truck @ \$250.00/month and .12¢/mile. Rig available.

Boyle Bros., Phoenix, Arizona

Quoted \$5.00 - \$6.00/ft; no breakdown until they bid the job after seeing the area. Rig available.

Junction Tool and Bit - Globe; referred this to their drilling division - no answer as yet. Rig available.

Information given drill contractors as basis for above bids:

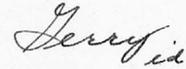
1. Located in Gila Bend - Ajo district
2. Collar holes in alluvium or brecciated granitic rock
3. Holes average 100' in depth, maximum 500', drilled vertically to 70° from horizontal, subject to modification.
4. Start as BX in bedrock
5. Easily accessible, 3 miles from housing
6. 3 mile water haul, water available at \$1.00/1000 gal.
7. \$2000 preliminary exploration contract, continuation dependent upon results
8. Move in June 27th

-2-

I intend to map and sample the most promising claims during the remainder of the week.

Hope to see you by the week-end.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gerry id".

Gerald Weathers
Manager

GW:id

cc: G. Gidwitz

Continental
RSE

MINING LEASE

THIS LEASE INDENTURE, Made and entered into this _____ day of July 1956, by and between _____, collectively in care of _____, whose address is _____, hereinafter referred to as Lessors, and CONTINENTAL URANIUM, INC., a Delaware corporation, P. O. Box 1550 Grand Junction, Colorado, hereinafter referred to as Lessee, WITNESSETH:

WHEREAS, the Lessors are the owners and in possession of the following described unpatented lode mining claims located in _____

_____,
~~in the proportions hereinafter set out:~~

Claim Name	Book	Page
------------	------	------

which the Lessors are desirous of leasing and the Lessee is desirous of operating under lease in accordance with the covenants hereafter set out.

IN CONSIDERATION of the rentals to be paid to the Lessors and of all the covenants to be performed and kept by the Lessee, as hereinafter provided for, the Lessors do hereby LEASE and LET all of the above described claims unto the Lessee, and Lessors agree that any claims acquired hereafter by Lessors which are adjoining, adjacent to or in reasonable proximity to the above described claims shall be included in this agreement.

TO HAVE AND TO HOLD the said leased premises unto the Lessee for a primary term of one year from the date hereof and so long thereafter as uranium or other ores or products may be mined and sold from said claims at a profit or so long as the Lessee shall keep and perform the covenants required to be kept and performed by it, whichever term is lesser in duration.

1. Throughout the term of this lease the Lessee agrees to work with reasonable diligence in what it in its own sole discretion, determines to be the best method of exploration and operation of the above described claims and within each six months period beginning with the date of this lease, the Lessee agrees to expend a minimum of _____
\$2500.00 (Twenty-Five Hundred Dollars)
in the exploration, development and mining of such property, provided that this lease shall not have been terminated prior to said period, as provided hereinafter. Any amount in excess of such minimum that is expended by the Lessee in one period may be applied towards the minimum requirement of subsequent periods.

2. Throughout the term of this lease the Lessee agrees to furnish to the Lessors, upon request, copies of all drill logs, maps and factual data obtained by the Lessee from its exploration and operations upon said properties. Lessee agrees that the Lessors may have the right of inspection and sampling at all reasonable times as to all of the surface area and underground workings of the above described claims and that further all of the records of factual data with reference to these claims shall be open to inspection of the Lessors at all reasonable times; Provided however, that any such inspections, sampling or investigations shall be solely at the risk of the Lessors or their agents and shall be done only at reasonable times in such manner as to interfere in the least possible manner with the Lessee's operations and that such activities shall be at the sole expense of the Lessors.

3. The Lessee shall have the right, on its own behalf, and on the behalf of the Lessors, to take whatever measures may be required to protect, perfect and hold such mining claims against third persons not in privity with the Lessors. Throughout the term of this lease should any litigation need be defended, or any litigation need be commenced concerning the Lessors' title to the claims above described, then the Lessors and Lessee agree to join in such suits for their common benefit and the entire costs thereof shall be evenly divided between the parties. During the period of any litigation as above contemplated, the Lessee shall not be held to be in default under any of the work or expenditure requirements herein provided for and same shall be suspended for the period of such litigation and the time lost shall be added to the term of this lease without further notice or written extension.

4. The Lessee may surrender and terminate this lease as to any or all of the above described claims upon giving the Lessors thirty days' (30) prior written notice of the Lessee's intention so to surrender whereupon this agreement shall terminate at the time so designated and the parties shall be released of any further obligations hereunder, provided that the Lessee shall not have the right of surrender upon any of the above described claims on which the Lessee shall not have performed the required assessment work for the current mining year if such surrender is to be effective at any time after May 1st of such mining year. Lessee will, unless this lease has been terminated as provided above, perform the required assessment work and prepare and file affidavits of labor in the proper county and furnish copies of same to the Lessors. The only right remaining after such surrender or termination shall be the Lessee's right within sixty days (60) after such surrender or termination for any cause within which to remove its equipment and any broken ores. As to any claim not surrendered hereunder, the lease shall remain in full force and effect.

5. The Lessee agrees to pay to the Lessors a royalty based upon all ores and materials shipped and sold from the leased premises. Said royalty shall be on a sliding scale basis in accordance with the schedule of royalty attached hereto and incorporated herein by this reference as Exhibit "A".

It is understood and agreed that the payment of such royalties if made to the Lessors at the address herein given in care of _____ shall relieve the Lessee of all further obligation and that the division of said royalties among the various lessors shall be the obligation of themselves by separate agreement.

6. The parties agree to pay proportionately in the same proportions as the proceeds of the ores and materials sold are received; the State of _____ ad valorem property tax commonly referred to as the production tax, and any other production or severance tax which might be assessed.

7. The Lessee agrees to carry on all exploration and mining operations on the property in conformity with all applicable Federal, State and local laws and regulations and specifically agrees to carry workmen's compensation insurance and specifically agrees to indemnify and save harmless the Lessors from any and all liability of any kind and character arising out of its exploration or mining operations on the leased premises.

8. The Lessors specifically represent that they are the owners of the above described claims, and that they have fully complied with all mining laws in order to perfect their rights to good, possessory title to said claims as of the date of this lease, Lessors further represent that there are no D.M.E.A. loans, undisclosed royalties or other liens or encumbrances of any kind against said property.

9. Time is of the essence of this agreement. Upon violation by Lessee of any of the covenants herein to be kept and performed by it,

Addition to pg. 5, Page 4

Commencing July 1, 1958, provided this lease has not been terminated prior thereto and monthly thereafter so long as this lease is in full force and effect, Lessee agrees to pay to Lessors a minimum royalty of One Thousand Dollars (\$1,000.00) per month until such payments total Seventy-five Thousand Dollars (\$75,000.00). In the event royalty payments in accordance with Schedule "A" exceed said minimum payment of One Thousand Dollars (\$1,000.00) per month, any such excess may be applied toward subsequent monthly minimum requirements.

this lease may be terminated by the Lessors giving the Lessee notice in writing by registered mail addressed to Lessee's address herein stated and which written notice shall set out specifically the defaults complained of by the Lessors, and upon failure or refusal of the Lessee to cure such defaults within thirty days (30) from the receipt of such notice the Lessee shall be deemed to have surrendered all its rights under this lease and shall deliver up the possession of said mining properties immediately and this lease shall come to an end, subject only to the right of removal of equipment and ores as hereinabove provided for.

10. Any notices or requests desired to be submitted to the other party under this lease shall be made in writing and shall not be deemed to have been made until made in writing and delivered by registered mail, return receipt requested, to the other party at the address herein stated or such further address as shall be designated by appropriate notice in writing at a time subsequent to the date of this agreement.

11. Immediately upon the execution of this lease, the Lessors agree to make available to the Lessee's attorneys complete copies of any and all location certificates and any amendments or other instruments which may have been recorded at any time with reference to the title of any of the above described claims so that a complete title check can be made by the Lessee at its convenience. All of which instruments shall be returned to the Lessors after a reasonable time or in any event upon any termination of this lease.

12. Lessee shall have the right so long as this lease is in effect to sub-lease, assign or otherwise transfer all or any part of its interests under this agreement.

13. This agreement shall be binding upon the heirs, successors, legal representatives and assigns of the parties hereto and the parties represent that this agreement is complete in itself and that there are no representations or additional provisions or covenants verbal or written by and between the parties hereto.

IN WITNESS WHEREOF this agreement has been executed and
delivered between the parties.

CONTINENTAL URANIUM, INC.

by _____
Its agent thereunto duly
authorized, Lessee

Exhibit "A"
Value per Ton
(Based on Net Smelter Return)

ROYALTY

Value per Ton	value per dry ton	ROYALTY
\$0.00 to \$3.99		3.9%
4.00 to 4.99		4.2%
5.00 to 5.99		4.5%
6.00 to 6.99		4.8%
7.00 to 7.99		5.1%
8.00 to 8.99		5.4%
9.00 to 9.99		5.7%
10.00 to 10.99		6.0%
11.00 to 11.99		6.3%
12.00 to 12.99		6.6%
13.00 to 13.99		6.9%
14.00 to 14.99		7.2%
15.00 to 15.99		7.5%
16.00 to 16.99		7.8%
17.00 to 17.99		8.1%
18.00 to 18.99		8.4%
19.00 to 19.99		8.7%
20.00 to 20.99		9.0%
21.00 to 21.99		9.3%
22.00 to 22.99		9.6%
23.00 to 23.99		9.9%
24.00 to 24.99		10.2%
25.00 to 25.99		10.5%
26.00 to 26.99		10.8%
27.00 to 27.99		11.1%
28.00 to 28.99		11.4%
29.00 to 29.99		11.7%
30.00 to 30.99		12.0%
31.00 to 31.99		12.3%
32.00 to 32.99		12.6%
33.00 to 33.99		12.9%
34.00 to 34.99		13.2%
35.00 to 35.99		13.5%
36.00 to 36.99		13.8%
37.00 to 37.99		14.1%
38.00 to 38.99		14.4%
39.00 to 39.99		14.7%
40.00 to 40.99		15.0%
41.00 to 41.99		15.3%
42.00 to 42.99		15.6%
43.00 to 43.99		15.9%
44.00 to 44.99		16.2%
45.00 to 45.99		16.5%
46.00 to 46.99		16.8%
47.00 to 47.99		17.1%
48.00 and over		17.4%

GEOLOGICAL REPORT

COPPER RIDGE GROUP

Ajo District, Pima County,

Arizona.

Phoenix, Arizona,
May 10th, 1938.

C O N T E N T S.

1. Report,
2. Description field specimens,
3. Ore shipments,
4. Estimates,
5. References,
6. Plate I : Claim Map,
7. Plate II: Geologic Map,
8. Plate III: Geologic Map.

GEOLOGICAL REPORT
COPPER RIDGE GROUP
Ajo District, Pima County,
Arizona.

A. L. Flagg, Cons. Engineer.

The Copper Ridge Group of mining claims is situated in the Ajo mining district, Pima County, Arizona. (1) By road it is about three miles from the "company town" of Ajo to the property. Several roads cross these claims and the nature of the ground is such that a truck can be driven almost anywhere on the property at the present time. Ajo is served by a branch railroad connecting with the Southern Pacific at Gila Bend, has telephone and telegraph facilities, and a large store operated by the Phelps Dodge Corporation.

There are fifteen full sized lode claims and two fractions. Ten of the regular claims are patented, U. S. Mineral Survey, 3881 and 3881 $\frac{1}{2}$, 1933. The rest of the claims are held by right of location. No investigation was made of the titles by the writer. The claims, except fractions are shown on Plate I of this report.

There are no buildings or equipment on the property. No water is developed but it is possible that sufficient water for camp and mining purposes during a prospecting period, might be obtained from Darby Well to the south. This is a dug well, 100-ft deep. Possibly water might be developed along the Darby Wash, which flows across the end of Copper Ridge No. 3 and 8.

The sum total of the development work amounts to several hundred feet but it is composed of a great number of shallow pits, open cuts or similar surface workings. The deepest shaft is 103-ft. deep. This is on the Copper Ridge No. 5. The next deepest work is a shaft about 65-ft. deep on the Mayflower No. 5 claim.

The mean elevation at the property is approximately 1750 feet above sea level. The local relief is slight, as the claims lie in a low pass in the Little Ajo Mountains which separates Black Mountain from the main body of the range. Darby Wash flows northeasterly through this pass and is the main drainage channel of the area.

The surface of the Copper Ridge Group is covered with either alluvium or (2) fanglomerate. The fanglomerate outcrops might constitute as much as 25% of the total area. The alluvium mantle increases the difficulty in tracing the boundaries of geological formations. On this account it is impossible to say definitely whether certain observed formations (Spec. 2671-3) are dikes or mass inclusions in the fanglomerate.

The east end of the Eagle claim falls along the base of a small, rounded hillock of "malapais" which is an outlier of Black Mountain. In like manner the eastern extremities of Copper Ridge Nos. 3, 8 and 9 lie along the fringe on the northwestern pediments of Black Mountain.

The areas of largest outcrops of fanglomerate is on Copper Ridge Nos. 4 and 5, with subordinate amounts on Copper Ridge Nos. 1, 2 and 7 (Plate II) and on Mayflower No. 5, (Plate III.)

In making the investigations on which this report is based the greater part of the time was spent on Copper Ridge Nos. 1, 2, 4, 5 (Plate II) and the southern part of Mayflower No. 5 (Plate III.) In these areas are the most extensive outcrops and the greater part of the limited exploratory work.

On the Copper Ridge No. 5 claim a ragged ridge with its axis approximately parallel to the center line of the claim rises from the west side of the road (See Plate II) and extends northwesterly beyond the limits of this property into the N. C. C. Co. ground. The north slope of this ridge at its crossing of the west end line of the Copper Ridge No. 5 is rhyolite (Spec. 2676.) This formation can be traced the full length of the Copper Ridge No. 5 claim, across the end line onto the Copper Ridge No. 4 for a distance of about four hundred feet. Beyond that point it is covered by alluvium. The width of the rhyolite is from two hundred to three hundred feet, while its known length on this property is about two thousand feet, with a reasonable expectation that it extends south easterly for some hundreds of feet beyond where it disappears under the alluvium.

This rhyolite is cut by a fault (Plate II) which strikes North 60 West, and dips North at from 60 to 72 degrees. Along the fault, more particularly on the foot-wall side, both the fault breccia and the firm rhyolite have been more or less silicified. The cementing material of the breccia is generally silica, though in some places (Spec. 2679) there is an abundance of specularite. Chalcocite occurs as grains 2 mm or larger and in narrow veinlets. Larger masses, up to half a pound in weight, are reported but none were seen by the writer. Chrysocolla is abundant in small blotches and as a thin coating on the larger old fracture planes. On the fault plane proper there is a large quantity chrysocolla and specularite and some chalcocite.

In some of the coarse breccia (Spec. 2677) fracture planes are coated with (1) chrysocolla (2) "limonite" and chrysocolla with

"limonite", the former predominating. The finer (Spec. 2679) breccia may be cemented by (a) quartz, (b) specularite or (c) chrysocolla or a combination of all of these three. Limonite (7) is less abundant in this type of breccia, except on the larger fractures.

At a distance of four feet or more from the fault plane, in the foot-wall side, the rhyolite breccia (Spec. 2678) is grey with a slightly pinkish tinge, due to grains of brick-red pulverent "limonite". This brecciated material has been more or less silicified and there are conspicuous veinlets of later quartz. Small flakes of specularite are abundant. Rare chalcopyrite and bornite (?) were noted but copper carbonates and the copper silicates are lacking.

At about the center of Copper Ridge No. 5 there is a dike of more basic composition (Spec. 2675) cutting across the rhyolite in a NW - SE direction. It is exposed for a length of only about 125-ft. This dike does not seem to bear any relation to mineralization, so it can be dismissed.

Proceeding southeasterly along the strike of the fault to the common end line between Copper Ridge No. 5 and Copper Ridge No. 4 all bedrock is covered by alluvium. On the opposite side of a diminutive wash bedrock appears abruptly again, suggesting the possibility of a concealed fault. Boundaries between fanglomerate and rhyolite are not entirely clear but can be exposed with a very little work.

Immediately above this wash, to the north of the fault, a perpendicular shaft was begun in the rhyolite. It was proposed to explore, through this shaft, both the fault and the fanglomerate-rhyolite contact or any other contact to be discovered, which might be a logical place in which to expect to find ore. The work was not prosecuted for any length of time and there seems to be no very definite knowledge as to just what conditions were encountered. The shaft was discontinued at a depth of 103-ft. and is badly caved around the collar now.

Again following the strike of the fault southeasterly we find other shallow workings (Plate II) on the fault. These are sunk in the fault proper from which the heavily impregnated breccia was taken out and shipped. From these openings it is possible to get some idea of the occurrence of copper along the fault plane and in the adjacent breccia, yet there is not enough evidence to make a definite statement as to the origin of this mineralization. There is unmistakable evidence of extensive silicification of the rhyolite and the introduction of ore minerals.

The indications of a fanglomerate "horse", an apparent change in the kind of alteration in the rhyolite and the disappearance of

the rhyolite under the alluvium to the southeast and these openings, last observed, on the fault are problems to be investigated early in any exploratory program.

On the Copper Ridge No. 4 claim the first definite occurrence of copper minerals of any consequence in the fanglomerate was noted. In a shallow opening, N 70 E from the discovery on this claim (Plate II) there is a well-defined copper-stained fracture in the fanglomerate. This strikes S 75 E and dips N at 70 degrees. Chrysocolla and subordinate specularite were observed here. However, at opening No. 5 (Plate I) there is another copper-stained fracture striking N 80 E with a surface dip of 45 degrees to the north in which chalcocite and native copper were identified. Also in the No. 6 opening (Plate I), which is an open cut in the fanglomerate there is a considerable amount of copper stain.

The first outcrop of quartz monzonite was seen on the Copper Ridge No 4 claim about 75-ft. N 30 W from the Section Corner between sections twenty-five and twenty-six and thirty-five and thirty-six (Plate II). From a small outcrop specimen No. 2680 was taken. This is a dark grey rock having medium grained granitic structure. Exposed surfaces are oxidized to a light brown or tan on which the resistant phenocrysts of quartz and feldspar stand out in marked contrast. Old fractures of the rock are found to be thinly coated with chrysocolla and calcite. Fresh fractures show a considerable alteration of the normal rock. Some specularite is present in minute flakes. There are abundant spots of chrysocolla 0.5 to 1.5 mm with a brown fringe of hematite. Alteration of feldspars is indicated. No sulphides were found in this material.

Near the common corner No. 1 of Copper Ridge Nos. 1, 2, 4 and 5 (Plate II) there is an outcrop of an andesite dike which strikes N 50 E and dips S 45 degrees. This cannot be traced for any considerable distance. There is some copper-stained material in the vicinity of the dike but the most interesting feature is the occurrence of quartz and calcite with prominent radiating clusters of epidote crystals and native copper. The relationships of this outcrop cannot be determined without some further prospecting.

Northeast of this same claim corner (Corner 1 of Copper Ridge Nos. 1, 2, 4 and 5) about seventy-five feet is another occurrence of quartz monzonite, represented by specimen No. 2681. This material is light gray and of fine granitic texture. The old fractures do not show films of chrysocolla but the fresh breaks show an abundant sprinkling of copper carbonate and silicate as small spots surrounded by iron oxide fringes. There is an abundance of sericite and other evidence of alteration. A few partly oxidized crystals of chalcopyrite were noted but specularite, elsewhere plentiful, seemed lacking.

The structural relation of the occurrence of quartz monzonite on the No. 3 Copper Ridge (Plate II), specimens 2671 and 2672,

cannot be worked out without some prospecting. Further information on this subject is of sufficient importance to warrant a more careful investigation early in any program for the exploration of the property.

Of the northeastern part of the property, Eagle, Gloriana No. 1, Gloriana No. 2 and Mayflower No. 5, the most prospected area is the southern half of the Mayflower No. 5 and the northwestern corner of Gloriana No. 1. The greater part of the Eagle claim is covered by alluvium. Its eastern end skirts the base of a low, rounded "malapais" hill. The greater part of the two Gloriana claims is also covered by alluvium. In the overlap of the Bright Star No. 3 of the N. C. C. Co., (Plate III) there is considerable fanglomerate outcropping. Nothing of special importance is to be seen here.

On the southern half of the Mayflower No. 5 there are a number of old openings, the most pretentious of which is an incline shaft between sixty and seventy feet deep, with some irregular stoping, from which 18.5 tons of ore (See shipment July 1917) carrying 8% copper was shipped. On the dump is a pile of perhaps five or six tons, sorted ore, which is presumably about the same as that shipped. This consists of copper carbonates, chrysocolla, "copper pitch" and rare chalcocite in small grains. Specularite is also present but not abundant.

The deepest shaft is sunk on a fracture in the fanglomerate, striking N 60 W which dips 65 degrees NE. There is an inconspicuous outcrop about 150 feet east along the strike and the break can be identified a short distance westerly. Otherwise there is no surface expression of the break. The width of the crushed zone in which copper minerals occur seems to be about ten inches at the surface. Underground it varies in width from a few inches to nearly two feet.

In the fanglomerate, about fifteen feet northerly from corner 4 of the Mayflower No. 2 is a dense black material, - dike or large included mass, about four feet in width. The attitude of the longest diameter is N 80 W. South of this same corner, about thirty-five feet, is an outcrop, possibly of a dike, of rhyolite represented by specimen 2682. The strike is S 50 E. There seem to be some strong copper indications here, enough to justify some additional prospecting.

In opening No. 8 (Plate I and III) on the Mayflower No. 5, in the fanglomerate there are north dipping slips (60 to 70 degrees) which strike N 60 W and what may be a lense of rhyolite (Spec. 2684) dipping south at about 55 degrees. This rhyolite breccia shows quartz veinlets, much silicification and copper minerals, including some grains of pyrite or chalcopyrite.

Another outcrop of rhyolite (Spec. 2682) shows to the south-east of opening No. 3. At openings Nos. 5 and 6, Mayflower No. 5,

are found copper stained inclusions of this same material. The principal outcrop has the appearance of being too large for an inclusion.

Several openings along or near the west side line of Mayflower No. 5 are not shown on Plate III. In many of these there are definite NW trending north dipping copper stained fractures. Specularite is usually present. None of these openings are extensive enough to afford much information.

In the general appearance of the area covered by these claims there is little to suggest the possibility of a large disseminated deposit of copper ore though it is not wholly without the realm of possibility. The available exposures point more directly to a possible aggregated (3) deposit, of a higher grade, particularly in the fault breccia in the rhyolite on the Copper Ridge Nos. 4 and 5, and to a lesser degree in the fracture which has the same dip and strike, but traverses the fanglomerate in opening No. 3 on the Mayflower No. 5 claim.

In the past a number of limits have been set beyond which it has been said no ore would be found. These limiting boundaries were probably established with an inadequate knowledge of a great many essential facts. Some limits as well as possibly fruitful areas have been set out in the Bureau of Mines Report (4) but these are probably not intended to be interpreted as the "last word" in this connection. It is admitted that (5) there is little to guide one in prospecting in unexplored areas.

Discussing the relation of New Cornelia ores and rock formations, Mr. Gilluly recognizes that (6) "the emplacement of commercially valuable minerals was governed primarily by the penetrability of the rocks to mineralizing solutions rather than by their chemical composition." In this connection it is to be noted that several mineralogical and geological associations observed on these claims are not mentioned in the report.

From the observations made on the property and after a study of the known geology of the closer in areas it becomes very evident that the exploration of the Copper Ridge Group is a problem by itself, in the solution of which no great amount of immediate help can be had by any comparison with the New Cornelia developments. There is enough evidence of an encouraging nature to warrant the expenditure necessary to do additional prospecting on the property. Therefore, the following recommendations are made for such work.

In the beginning work should be concentrated on Copper Ridge Claims Nos. 1, 2, 3, 4 and 5. A small, inclined prospecting shaft should be sunk on the fault in the rhyolite. The best site is not far from the 103-ft. vertical shaft. This should be sunk 200-ft. before any lateral work is done. From that point at least one crosscut should be driven at right angles to the strike of the fault.

If possible the contacts, north and south, should be explored. If shipping ore is reached in any of the sinking operations, and it can be haldled at a profit there is no reason why this should not be sold and the proceeds applied to the exploration costs.

Supplementing the shaft work a considerable amount of relatively inexpensive surface prospecting in the form of trenching and shallow pits should be planned. A number of outcrops have been visited which might yield data of importance and these problems should be worked out.

It would seem advisable to put down at least a few diamond drill holes not for the purpose of locating ore, but to assist in the solution of the structural problems on this property.

On the Mayflower No. 5 a small prospecting shaft might be put down on the break through opening No. 3 (Plate I), the 60-ft incline shaft. If lateral work is indicated as sinking progresses this should be carried out. Some diamond drilling might not be out of place on this claim. However, it would seem advisable to defer starting on the Mayflower until a better understanding is had of the geology in the other section.

It is desirable and important that as the work progresses a very accurate record be kept of all geologic data. The success of the property depends upon an intelligent interpretation of the meager data now available, co-ordinated with that to be obtained in the future exploratory work in shafts, diamond drill holes and similar work.

CONCLUSION:

The sum of the geological evidence obtainable on the property at the present time justifies a reasonable expenditure for proving up the property. The proximity to the developed area of the N. C. C. Co., is of no special importance for the property has enough merit to justify its exploration. Any program should be of a progressive nature and flexible enough to permit adjustment to meet changing conditions. Therefore, the program recommended herein should be looked upon as suggestive rather than final but amply justified.

Respectfully submitted,


Consulting Engineer.

Phoenix, Arizona,
May 10th, 1938.

DESCRIPTION OF FIELD SPECIMENS.

- LS 2670 Basalt (?) Andesite (?)
Dark greenish gray, non-porphyrific rock with very fine grained structure. On weathered surfaces has conspicuous coatings of iron oxide. Lath-shaped sub-hedral crystals of hornblende. Soft, pale green crystals of calcite (?). Neither feldspar nor quartz can be identified. Seems to approximate description of andesite dikes Bul. 141 p 45. Occurs as a dike.
- LS 2671 Quartz Monzonite.
Medium grained, granitic structure, pink to gray on weathered surfaces, gray on fresher surfaces. Light colored minerals in excess. A pink orthoclase, white plagioclase, biotite and quartz identified. Biotite chloritized in a varying degree. Specks of magnetite.
- LS 2672 Breccia.
Silicified breccia, heavily stained by copper carbonates and silicates. Large grains of chalcocite. Groundmass generally soft. Not definitely located in place. Much softer than any other breccia seen on property. Identification as uncertain as are field relations.
- LS 2673 Rhyolite Breccia.
Gray to ochreous yellow brecciated material in irregular and poorly defined outcrop, Copper Ridge No. 8. Badly weathered and for the most part shows few identifiable minerals. Shows some sericite. Tentatively grouped with rhyolite.
- LS 2674 Rhyolite.
Dense gray felsitic rock of high specific gravity. Tough, homogeneous. Impossible to identify component minerals.
- LS 2675 Andesite.
Dark, dense rock; porphyritic. Groundmass fine; brownish. The porphyritic appearance due to fragments of quartz with rounded outlines and softer green material. Dike.

- LS 2683 Rhyolite.
Light gray, fine grained, almost felsitic.
Silicified. Fractures stained by chrysocolla.
Fresh fractures show small grains of chrysocolla
with iron oxide fringe. Specularite rare.
- LS 2684 Rhyolite Breccia.
Light gray but firm brecciated. Faintly stained
throughout by chrysocolla. Same on fractures in
thin films. Some breccia fragments conspicuously
rounded, others angular. Angular fragments more
susceptible to copper stain. Rare unaltered
pyrite and chalcopyrite.
- LS 2685 Rhyolite Breccia.
Conspicuous angular green fragments to 1/4 inch
in brown groundmass. Considerable sericite.
Blebs of clear quartz. Some specularite. Ground-
mass fine rhyolite fragments in a soft brown matrix.
- LS 2686 Rhyolite Breccia.
Very much like LS 2685 in general but lighter colored.
Veinlets of quartz and specularite. Specularite
also in grains. The individuality of coarse breccia
fragments less pronounced than in LS 2685. Fragments
somewhat different material also. Less soft brown
material in groundmass. Fractures coated with
chrysocolla.

(Note: Above specimens studied with hand lense
only. No thin sections prepared, no comparisons
made with type specimens from any source.)

ORE SHIPMENTS.

	July 1917	October 1917	December 1917	
Dry Tons	18.415	22.708	1.156	17.171
Gold, oz per ton	0.045	0.045	0.06	0.035
Silver, per ton	0.48	3.16	17.14	3.07
Copper, %	8.01	8.19	28.14	8.14
Si O ₂	63.1	59.0	33.4	59.2
Al ₂ O ₃	10.1	13.4	4.2	9.1
Fe	6.8	4.0	6.2	3.9
S	0.7			0.3

ESTIMATES.

Hoist house	350.00	
Head-frame	650.00	
Compressor house	800.00	
Warehouse	650.00	
Blacksmith shop	250.00	
Change house	375.00	
Office and laboratory	1200.00	
Watchman's residence	395.00	\$4670.00

Compressor and power	5500.00	
Hoist and power	4000.00	
Fuel tanks etc.	500.00	
Blacksmith outfit	2500.00	
Skip	110.00	
2 mine cars @ 110	220.00	
Track	250.00	
Office and Lab. equipment	300.00	
Misc. small tools	500.00	
Water supply tank	750.00	14630.00

2 drills @ \$195	390.00	
Accessories	375.00	
Extra parts	185.00	
Steel	280.00	1230.00

Shaft on Copper Ridge No. 4		
Two comp. x 4 x and 4 x 2.5		
First 200-ft. @ \$25	5000.00	
2nd 200-ft. @ \$40	8000.00	
3rd 200-ft. @ \$60	12000.00	
Pump equip. (?)	1000.00	26000.00

Drifting, xcuts, etc.	6500.00	6500.00
-----------------------	---------	---------

Diamond drilling		20000.00
------------------	--	----------

Misc. Surface prospecting		15000.00
---------------------------	--	----------

Exploration on Mayflower		15000.00
--------------------------	--	----------

Total		\$103030.00
-------	--	-------------

(In above estimates all equipment is figured new. Substantial savings can be made in buying used equipment in some cases. Working costs are figured with safe margins.)

- LS 2676 Rhyolite.
Dense, fine grained material with locally a pink or greenish tinge. Principally quartz with minute specks of magnetite. Also slender black needles with non-metallic luster. Possibly some pyrite. Silicified.
- LS 2677 Rhyolite Porphyry.
Copper stained, siliceous material, silicified and showing some quartz veinlets and comb structure in "limonite" streaks. Some chalcopyrite. Copper silicate abundant. Some specularite.
- LS 2678 Rhyolite Breccia.
Gray breccia with slight pinkish tinge due to iron oxide films. Silicified. Specularite in quartz veinlets. Chalcopyrite and bornite (✓)
- LS 2679 Rhyolite Breccia.
Copper stained breccia. Heavy specularite, chrysocolla and copper pitch.
- LS 2680 Quartz Monzonite.
Light gray, rather fine grained granitic texture. On fresh fractures thin copper stain. On exposed surfaces iron oxide stain. Specularite in small masses. Chrysocolla in small patches surrounded by iron oxide fringe. Blebs clear quartz.
- LS 2681 Quartz Monzonite.
Light gray, fine granitic texture as LS 2680. No seams with copper stain but on fresh fractures abundantly spattered with copper carbonate. Chrysocolla in small spots with iron oxide rims. Abundant sericite. Some partially altered chalcopyrite. Considerable glassy quartz as blebs and massive. Specularite not abundant.
- LS 2682 Rhyolite.
Light gray, very fine grained, compact. Exposed surfaces show light tan discoloration. Minute grains of specularite and rare pyrite and chalcopyrite unaltered, too small for very positive identification. Surface alteration does not penetrate 1/4 inch. Stringy, brownish-black material not identified.

GEORGE M. COLVOCORESS
Mining and Metallurgical Engineer
1102 Luhrs Tower
Phoenix, Arizona

January 26th, 1939

REPORT ON COPPER RIDGE GROUP OF MINING CLAIMS

The Copper Ridge Mining Company,
Phoenix,
Arizona.

Gentlemen:

This property I have visited in company with your President, Mr. Albert Steele, on December 19th, 1938 and January 18th, 1939, and short letters in reference to my findings were submitted to him on December 20th, 1938 and on January 20th, 1939.

In this report I shall not attempt to give any detailed description of the geology and ore showings on your property since it was not possible for me to give these matters any careful study during the brief inspections of certain portions of your claims and moreover they are fully covered in Mr. Flagg's report dated May 10th, 1938 which appears to contain an accurate account of the geological formations with descriptive mineralogy of various rocks.

My discussion will therefore be largely confined to the more practical questions concerning the best means and methods of so developing, operating or disposing of your claims as to give them some tangible value to the present owners.

PROSPECTS FOR DEVELOPING DISSEMINATED ORE

It is my opinion that you have good reason to believe that the quartz monzonite in which the disseminated ore of the New Cornelia Mine is found does extend across the Phelps Dodge line and through a part of your claims. An exact classification of the various types of volcanics;- monzonite, rhyolite and quartz diorite seems to be a difficult matter and is probably of little practical importance since all of these may be more or less mineralized. The quartz monzonite intrusion appears to extend southward and south-eastward from the New Cornelia pit although largely covered by fanglomerate and alluvium and we were reliably informed that drilling by the Phelps Dodge Company had proved the existence of copper ore down to a depth of 1000 ft. not far from your boundary although I understand that the ore in that section of their property was low in grade and may not be classed as commercial under present conditions, since mining would involve the use of underground methods and be comparatively expensive.

To definitely prove the value of your property as a potential porphyry copper mine would necessitate deep drilling over a large area which involves an expense that would doubtless be prohibitive and even if a large deposit of commercial disseminated copper ore were proved to exist the preparations

required for mining and treating this ore would cost millions of dollars.

As to the value of your claims to the Phelps Dodge Corporation or others, it will be best not to attempt any comment until some further information has been gained in respect to the situation and policy of the Phelps Dodge Company whose local officials seem to be extremely friendly and from whom a great deal of valuable data may be secured by further conferences. But, under any circumstances, it is not likely that they would need to extend their mining operations across your line at any time during the next fifteen or twenty years.

I think that we can definitely ignore the somewhat unfavorable comment of Mr. Gilluly as to the probability of finding an extension of the New Cornelia ore body in your direction but even should such an extension be found and developed, it seems to me that Phelps Dodge are the only people who would ever be likely to be in a position to work it, unless a combination of all or a large portion of the outside owners could be made in such a manner as to control and develop a very large tonnage of proven ore which might serve to attract the capital necessary to equip and operate another porphyry copper mine in this locality.

The surface rights to a portion of your claims may also be of value to the Phelps Dodge Company as providing dumping space for the waste capping from their ore body and this matter should also be investigated as opportunity permits, since the sale or lease of these rights might provide a small fund or revenue even if it should prove impossible for you to develop any commercial ore of your own.

For the time being I can only suggest that friendly contact should be maintained with the Phelps Dodge officials, Hoval Smith and associates (who own a large group of claims to the south of your property) and other claim owners in this vicinity and the question of sale or combination further discussed whenever a favorable opportunity presents itself but I do not think that it would be advisable to make any direct advances along these lines until the price of copper and general business conditions have much improved or your own developments have made substantial progress.

PROSPECTS FOR DEVELOPING SHIPPING ORE

Considered as a possible small scale producer of comparatively high grade copper ore, the situation of your property is entirely different and it is my opinion that the Copper Ridge may properly be called an attractive prospect that fully justifies the installation of a small mining equipment and a certain amount of development which in so far as possible should follow the pay ore and aim to become self-supporting and profitable as quickly as may be possible.

Mr. Flagg has given you an accurate description of the various ore showings found on the surface and in the accessible workings and I shall confine my remarks to the most promising of these where copper silicate (chrysocolla) is found in the filling of a fault fissure on Copper Ridge Claims #4 and #5. This vein occurring in rhyolite, can be traced for close to 1000 ft. on the surface, the strike N. 50°W. and dip about 65° to the northeast. The width of the fissure is from 3 ft. to 6 ft. but the ore is generally confined to a narrow seam along the foot wall from which stringers occasionally work out into the fault breccia.

A considerable amount of development was done at this point before

1918 and a certain amount of ore was sorted and shipped carrying 8.19% copper; 0.045 oz. gold; and 3.16 oz. silver. The gross value of this ore at present metal prices would be over \$20.00 per ton and the net returns from shipment to a smelter would be about \$12.00 per ton but unless the ore seam widens, there would be no profit in mining and shipping this grade of ore.

Most of the underground work is now inaccessible and the present showing does not in itself appear attractive except when it is considered in connection with the geology and past record of the Ajo District which I have obtained mainly from the writings of Joralemon, as quoted below, and from what has been told me concerning the work on the Ajo Consolidated. These lead me to believe that there is a good chance, - but it is only a chance, - that ore of better value and greater width may be found by sinking the 103' shaft near this vein to a depth of about 200' from the surface with a certain amount of drifting along the vein on the 100' and 200' levels. This proposed work will, in my opinion, definitely determine the value of your property as a small producer of comparatively high grade ore and I am inclined to think that your success or failure is likely to depend upon the position of your rhyolite and other volcanics in the geological history of the district. If this rhyolite, which lies north of the prominent fanglomerate out-crop known as the "Copper Ridge", is a part of the old formation that was intruded by the monzonite, then the fault fissure in which the ore occurs was probably mineralized from the same deep seated magmatic solutions that formed the disseminated deposit at the New Cornelia and the high grade veins in its vicinity to which latter Joralemon refers as follows:

"Veins in Rhyolite"

"It was not the low-grade orebody, but the rich veins in the surrounding rhyolite, which first led to the exploitation of the Ajo District. Rich malachite and cuprite ore from 6 in. to 3 ft. wide outcrops in these veins, which follow steep fractures in hard, slightly iron and copper stained rhyolite. High-grade cuprite and copper-glance ore, with a little native copper, was encountered a few feet below the surface. At a depth of about 50 ft., the glance begins to give place to bornite. Usually the center of the vein is very rich bornite and chalcocite ore from one inch to 4 or 5 ft. wide, and on both sides of this high-grade streak the shattered rock contains stringers of bornite and chalcocite, which make it a good concentrating ore. In the early operations in the district, considerable stoping was done in several of the veins to a maximum depth of over 100 ft. The stopes are seldom more than 6 ft. wide, and the large dumps show that much of the material taken from stopes was too low grade to treat with profit. In the Ajo Copper Company property, one rich bornite vein from 1 to 3 ft. wide was developed for nearly 300 ft. down the dip. The high-grade stringer continues to the bottom, but the mineralization of the walls appears to decrease in depth."

"Genesis of Ore and Geologic History"

"The genesis and geologic history of the Ajo ore seem unusually easy to trace. After the monzonite intrusion had uplifted the rhyolite, the slow cooling of the porphyry was accompanied by considerable contraction. This resulted in a thorough jointing and fissuring of the monzonite, especially near the rhyolite contact, and in a less complete fracturing of the rhyolite itself. Near the center of the intrusion, some of the fissures continued to great depth. Probably soon after the solidification of the outer layer of porphyry, hot mineral-bearing solutions rose along these deep fractures. The solutions were heavily charged with iron, sulphur, silica, and later copper.

"Some of the larger fractures, usually accompanied by monzonite dikes, extended for a considerable distance up into the rhyolite. Along these fractures the rich bornite veins in rhyolite were deposited, sometimes extending a long distance from the large disseminated body. The porphyry dikes accompanying the veins were more or less mineralized, and small quantities of chalcopyrite, bornite, and pyrite were deposited in the rhyolite walls of the veins."

Assuming that the Copper Ridge vein is of similar character to those described above, you have every reason to expect that the quantity and grade of ore will improve with depth and that below the rhyolite you may find a disseminated deposit in monzonite, which, even if it cannot at present be mined and treated with profit, will probably give your property an assured value for the future.

If, on the contrary, this rhyolite should prove to be merely an inclusion in the fanglomerate, - which seems most unlikely or a postmineral dyke or flow, it follows that the ore deposition is of recent origin resulting from surface or lateral circulation of mineralized solutions, probably extending for only a short distance downward and of no commercial value.

While I have not found any evidence that throws much light on this important point, it seems to me that the length and breadth of the rhyolite outcrop (2000' by 300', according to Flagg) and the occurrence of monzonite in its vicinity may properly be considered as favorable indications but if the drill-hole a short distance north of these showings actually penetrated through 800' of fanglomerate this is decidedly unfavorable except on the supposition that the location of the hole may have coincided with that of an ancient ravine. Also it must be noted that the ore in the outcrops which Joralemon describes was mostly copper carbonates and oxides while your surface ore is a silicate but may give place to sulphide with depth.

The showings on the Mayflower Claim and elsewhere in the fanglomerate would seem to be only surface deposits and, for the present at least, I think that their development should be postponed.

CONCLUSION

I am unable to agree with Mr. Flagg in recommending a development program which would cost over \$100,000.00. I can see no justification for spending so large an amount of money in an effort to develop small veins of high grade ore and I do not believe that any worthwhile progress toward proving up a disseminated deposit could be made for less than \$300,000.00.

I therefore recommend you to confine your present efforts to the Copper Ridge vein and to arrange, if possible, to raise a minimum of \$15,000, the expenditure of which should either put your property in a position to profitably produce and ship a limited quantity of 6% or better grade copper ore or otherwise furnish conclusive evidence that further developments for this purpose would be very ill-advised.

My suggestion in regard to the proposed developments and estimate of probable cost is as follows, assuming that you erect only such structures as are necessary to protect your equipment (a watchman could sleep in a tent) and purchase serviceable secondhand machinery of which there is now an ample supply available.

<u>Item</u>	<u>Cost</u>
Clean up at collar of 103 ft. shaft, reset timbers and clean out old pits on vein to make them accessible for examination	\$ 300.00
Purchase and install head frame and gasoline hoist to be housed under shed and equip shaft with necessary timbers, bucket & dumping device.	1500.00
Purchase & install compressor with engine to be housed under shed, also receiver, drills, hose, steel, etc.	2500.00
Ore cars, rails, pipe, blacksmith equipment, & shop.	600.00
Clean out shaft and crosscut about 30' to vein on 100' level	400.00
Drift about 100' along vein on 100' level (To be dependent on ore showing at this depth)	1000.00
Sink shaft additional 100' with necessary timbers, pipe, etc.	3000.00
Cross cut about 70' to vein and drift about 150' along vein (unless showing is hopeless at this point)	3200.00
Pick-up truck, tents, water tanks, small tools,	1000.00
Engineering, assaying, bookkeeping, taxes and other overhead and miscellaneous	1500.00
	<hr/>
	TOTAL
	\$15000.00
	<hr/> <hr/>

I believe that the above estimate is liberal and that the contemplated work can probably be completed for a slightly smaller figure but since unforeseen difficulties frequently arise and some additional work may be indicated as the program proceeds, I should advise that the development fund be somewhat increased if it is possible to do so. But a definite maximum can be set at \$20,000.00.

During the course of the development it is to be hoped that pay-ore may be found in sufficient quantity to permit some stoping and shipping of production, but it would not be prudent at present to count on any income from this source.

Yours very truly,

/s/ G. M. COLVOCORESSES

GMC:MF

CONTINENTAL URANIUM INC.
P. O. BOX 1550
GRAND JUNCTION, COLORADO

Copper Ridge, Ariz.

X

July 23, 1956

Mr. H. E. Steele
24 South 13th Avenue
Phoenix, Arizona

Dear Earl:

I just found out that the Copper Ridge-Copper Ledge appears to be on the rocks again. I guess there isn't much we can do at this time so I am going to consider the deal closed because I have to make my plans in advance for a proposition like that.

I will see you the next trip down and thanks a lot for your efforts on this proposition.

Most sincerely,

CONTINENTAL URANIUM, INC.

Bob Pruess

RCP:ro
cc: Hill

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date

1. Mine ~~The~~ Copper Ridge Mining Claims
2. Mining District & County Pima County
3. Former name Has been known as "Ajo Cornelia Mng.Co."
4. Location 3 miles Southeast of Ajo, Ariz.
5. Owner The Copper Ridge Mng. Co. Presently under sale
6. Address (Owner) Fred Z. Steele, President, P.O. Box 529, Phoenix, Arizona.
7. Operator Not being operated at present. Sales agreement Copper Ledge Mng. Corp. Inc.
8. Address (Operator) Fred Z. Steele, Pres.
9. President Fred Z. Steele, P.O. Box 529, Phoenix.
10. Gen. Mgr. No Manager
11. Mine Supt.
12. Mill Supt.
13. Principal Metals Copper, silver and gold
14. Men Employed Property is not being devel.
15. Production Rate
16. Mill: Type & Cap.
17. Power: Amt. & Type
18. Operations: Present Annual assessment work on seven claims is planned to be done in showing up prospects on surface.

19. Operations Planned

20. Number Claims, Title, etc. We have ten Patented and seven Unpatented claims. The Map and Engineers report on this property gives almost every answer to questions on instructions showing how to fill out this report, therefore, we submit the report for the consideration of anyone interested.
The property can be proven by a minimum expenditure because of favorable natural conditions surrounding it, coupled with the fact that modern facilities are available for cheap operation.
21. Description: Topography & Geography It is not developed except stated in the report and anyone interested who are prepared to spend the necessary money to develop this property will get the Lions Share.
Further details may be obtained by addressing the President, at P. O. Box 529, Phoenix, Arizona.

22. Mine Workings: Amt. & Condition

23. Geology & Mineralization

24. Ore: Positive & Probable, Ore Dumps, Tailings

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

25. Mine, Mill Equipment & Flow Sheet

26. Road Conditions, Route

27. Water Supply

28. Brief History

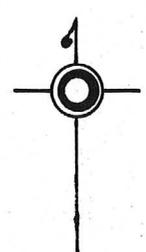
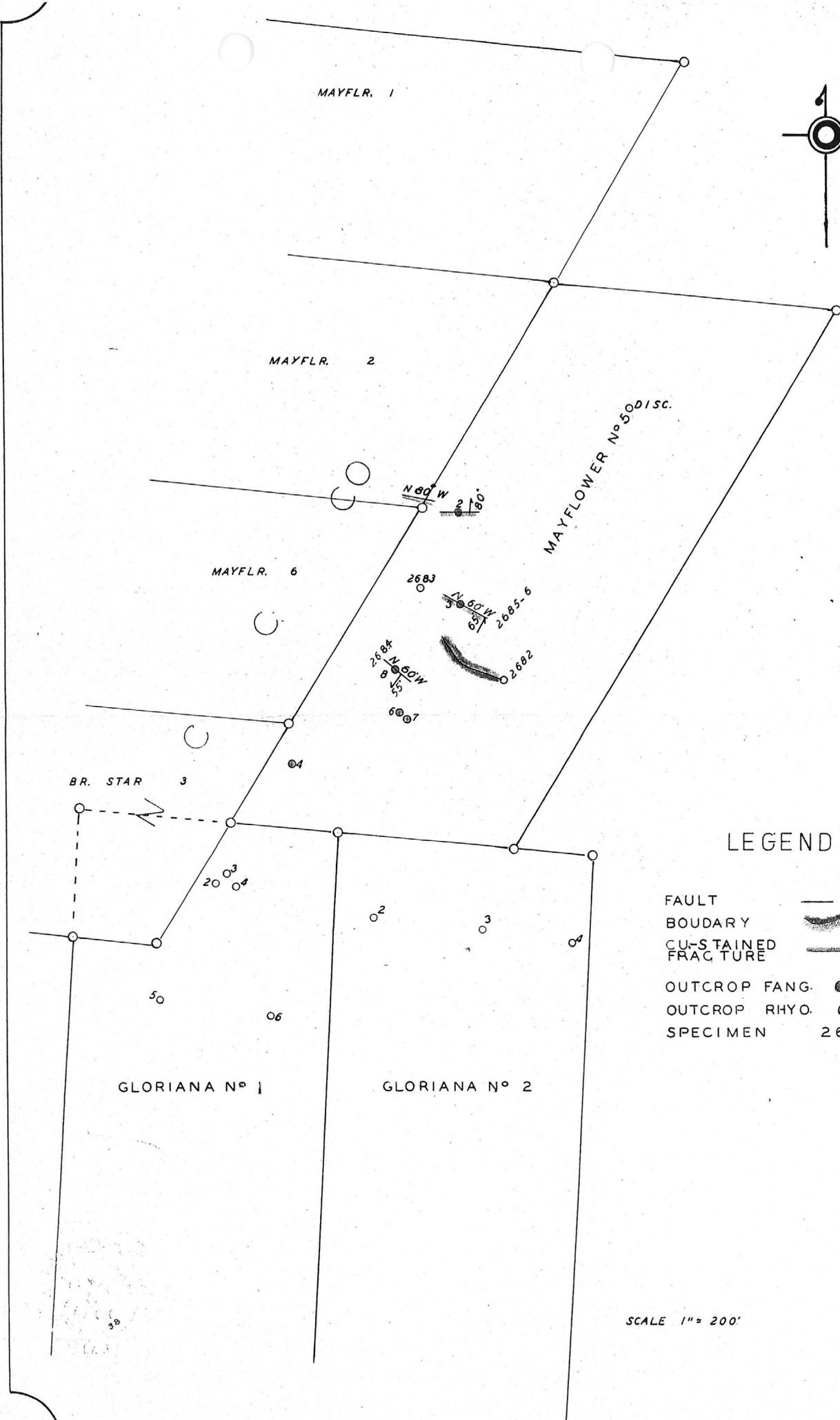
29. Special Problems, Reports Filed

30. Remarks

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

32. Signed.....Fred Z. Steele
P. O. Box 529,
Phoenix, Arizona.

33. Use additional sheets if necessary.



LEGEND

- FAULT
- BOUDARY
- CU-STAINED FRAG TURE
- OUTCROP FANG.
- OUTCROP RHYO.
- SPECIMEN 2682

SCALE 1" = 200'

PLATE

MINING LEASE

THIS LEASE INDENTURE made and entered into this _____
day of _____, 1956, by and between

whose address is _____,
hereinafter referred to as Lessor, and GERALD GIDWITZ, doing
business as Western Mines Development Co., 4401 West North
Avenue, Chicago 39, Illinois, hereinafter referred to as Lessee,

W I T N E S S E T H:

WHEREAS, the Lessor is the owner and in possession of
the following described unpatented lode mining claims located in

which the Lessor is desirous of leasing and the Lessee is desirous
of operating under lease in accordance with the covenants here-
after set out.

In consideration of the rentals to be paid to the Lessor and of all the covenants to be performed and kept by the Lessee, as hereinafter provided for, the Lessor does hereby lease and let all of the above described claims unto the Lessee, and Lessor agrees that any claim acquired hereafter by Lessor which are adjoining, adjacent to, or in reasonable proximity to the above described claims shall be included in this agreement.

TO HAVE AND TO HOLD the said leased premises unto the Lessee for a primary term of one year from the date hereof and so long thereafter as ^{Copper, Uranium} uranium or other ores or products may be mined and sold from said claims at a profit or so long as the Lessee shall keep and perform the covenants required to be kept and performed by it, whichever term is lesser in duration.

1. Throughout the term of this lease the Lessee agrees to work with reasonable diligence in what it in its own sole discretion determines to be the best method of exploration and operation of the above described claims, and within each six months' period, beginning with the date of this lease, the Lessee agrees to expend a minimum of

in the exploration, development and mining of such property, provided that this lease shall not have been terminated prior to said period, as provided hereinafter. Any amount in excess of such minimum that is expended by the Lessee in one period may be applied toward the minimum requirement of subsequent periods.

2. Throughout the term of this lease the Lessee agrees to furnish to the Lessor, upon request, copies of all drill logs, maps and factual data obtained by the Lessee from its exploration and operations upon said properties. Lessee agrees that the

Lessor may have the right of inspection and sampling at all reasonable times as to all of the surface area and underground workings of the above described claims and that, further, all of the records of factual data with reference to these claims shall be open to inspection of the Lessor at all reasonable times; provided, however, that any such inspections, sampling or investigations shall be solely at the risk of the Lessor or its agents and shall be done only at reasonable times in such manner as to interfere in the least possible manner with the Lessee's operations and that such activities shall be at the sole expense of the Lessor.

3. The Lessee shall have the right, on his own behalf, and on the behalf of the Lessor, to take whatever measures may be required to protect, perfect and hold such mining claims against third persons not in privity with the Lessor. Throughout the term of this lease should any litigation need be defended, or any litigation need be commenced concerning the Lessor's title to the claims above described, then the Lessor and Lessee agree to join in such suits for their common benefit, and the entire costs thereof shall be evenly divided between the parties. During the period of any litigation as above contemplated, the Lessee shall not be held to be in default under any of the work or expenditure requirements herein provided for, and same shall be suspended for the period of such litigation, and the time lost shall be added to the term of this lease without further notice or written extension.

4. The Lessee may surrender and terminate this lease as to any or all of the above described claims upon giving the Lessor thirty (30) days' prior written notice of the Lessee's intention so to surrender, whereupon this agreement shall terminate at the time so designated and the parties shall be

released of any further obligations hereunder, provided that the Lessee shall not have the right of surrender upon any of the above described claims on which the Lessee shall not have performed the required assessment work for the current mining year if such surrender is to be effective at any time after May 1st of such mining year. Lessee will, unless this lease has been terminated as provided above, perform the required assessment work and prepare and file affidavits of labor in the proper county and furnish copies of same to the Lessor. The only right remaining after such surrender or termination shall be the Lessee's right within sixty (60) days after such surrender or termination for any cause within which to remove his equipment and any broken ores. As to any claim not surrendered hereunder, the lease shall remain in full force and effect.

5. The Lessee agrees to pay to the Lessor a royalty based upon all ores and materials shipped and sold from the leased premises. Such royalty shall be on a sliding scale basis in accordance with the schedule of royalty attached hereto and incorporated herein by this reference as Exhibit "A".

It is understood and agreed that the payment of such royalties, if made to the Lessor at the address herein given in care of _____ shall relieve the Lessee of all further obligation.

Commencing July 1, 1958, provided this lease has not been terminated prior thereto, and monthly thereafter so long as this lease is in full force and effect, Lessee agrees to pay to Lessor a minimum royalty of One Thousand Dollars (\$1,000.00) per month until such payments total Seventy-five Thousand Dollars (\$75,000.00). In the event royalty payments in accordance with Schedule "A" exceed said minimum payment of \$1,000.00 per month,

shall be carried forward.

6. The parties agree to pay proportionately in the same proportions as the proceeds of the ores and materials sold are received; the State of Arizona ad valorem property tax commonly referred to as the production tax, and any other production or severance tax which might be assessed.

7. The Lessee agrees to carry on all exploration and mining operations on the property in conformity with all applicable Federal, State and local laws and regulations and specifically agrees to carry workmen's compensation insurance and specifically agrees to indemnify and save harmless the Lessor from any and all liability of any kind and character arising out of its exploration or mining operations on the leased premises.

8.(a) The Lessor specifically represents that it is the owner of the above described claims and that it has fully complied with all mining laws in order to perfect its rights to good, possessory title to said claims as of the date of this lease. Lessor further represents that there are no D.M.E.A. loans, undisclosed royalties, or other liens or encumbrances of any kind against said property.

(b) The Lessor covenants and agrees that in the event the Lessee should negotiate a D.M.E.A. loan for the purpose of exploring for or developing ore on the said leased claims, the Lessor will execute any and all consents or other instruments required by the United States Government in conjunction with any such D.M.E.A. loan, and will subordinate the interest of the Lessor to the lien right for ores discovered in the expenditure of the proceeds of any such loan as provided in the D.M.E.A. loan agreements.

9. Time is of the essence of this agreement. Upon violation by Lessee of any of the covenants herein to be kept

and performed by him, this lease may be terminated by the Lessor giving the Lessee notice in writing by registered mail addressed to Lessee's address herein stated, and which written notice shall set out specifically the defaults complained of by the Lessor, and upon failure or refusal of the Lessee to cure such defaults within thirty (30) days from the receipt of such notice the Lessee shall be deemed to have surrendered all his rights under this lease and shall deliver up the possession of said mining properties immediately and this lease shall come to an end, subject only to the right of removal of equipment and ores as hereinabove provided for.

10. Any notices or requests desired to be submitted to the other party under this lease shall be made in writing and shall not be deemed to have been made until made in writing and delivered by registered mail, return receipt requested, to the other party at the address herein stated or such further address as shall be designated by appropriate notice in writing at a time subsequent to the date of this agreement.

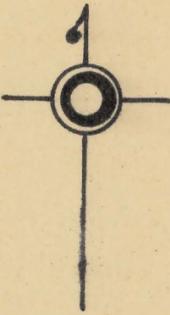
11. Immediately upon the execution of this lease, the Lessor agrees to make available to the Lessee's attorneys complete copies of any and all location certificates and any amendments or other instruments which may have been recorded at any time with reference to the title of any of the above described claims so that a complete title check can be made by the Lessee at his convenience, all of which instruments shall be returned to the Lessor after a reasonable time or, in any event, upon any termination of this lease.

12. Lessee shall have the right, so long as this lease is in effect, to sub-lease, assign, or otherwise transfer all or any part of his interests under this agreement.

13. The Lessee further agrees to post on the leased premises all notices required by the laws of Arizona, and to post at the collar of all working shafts, tunnels and entrances to the mine, and at all boarding houses, on or before the day the Lessee begins operations and files for record in the office of the County Recorder of _____ County, Arizona, within thirty (30) days from the date of this lease, a notice that said mining claim is not being operated by the Lessor, that the Lessor will not be liable for labor, materials, or merchandise furnished to or performed in the operation or development of said mine or mining claim, and that said mine or mining claim will not be subject to a lien therefor.

14. This agreement shall be binding upon the heirs, successors, legal representatives, successors, and assigns of the parties hereto, and the parties represent that this agreement is complete in itself and that there are no representations or additional provisions or covenants, verbal or written, by and between the parties hereto.

IN WITNESS WHEREOF this agreement has been executed and delivered between the parties.



MAYFLR. 1

MAYFLR. 2

MAYFLR. 6

BR. STAR 3

GLORIANA N° 1

GLORIANA N° 2

MAYFLOWER N° 50 DISC.

N 80° W 2/80°

N 60° W 3/60°

N 60° W 8/55°

20 03 04

02

03

04

50

06

2683

2682

6007

LEGEND

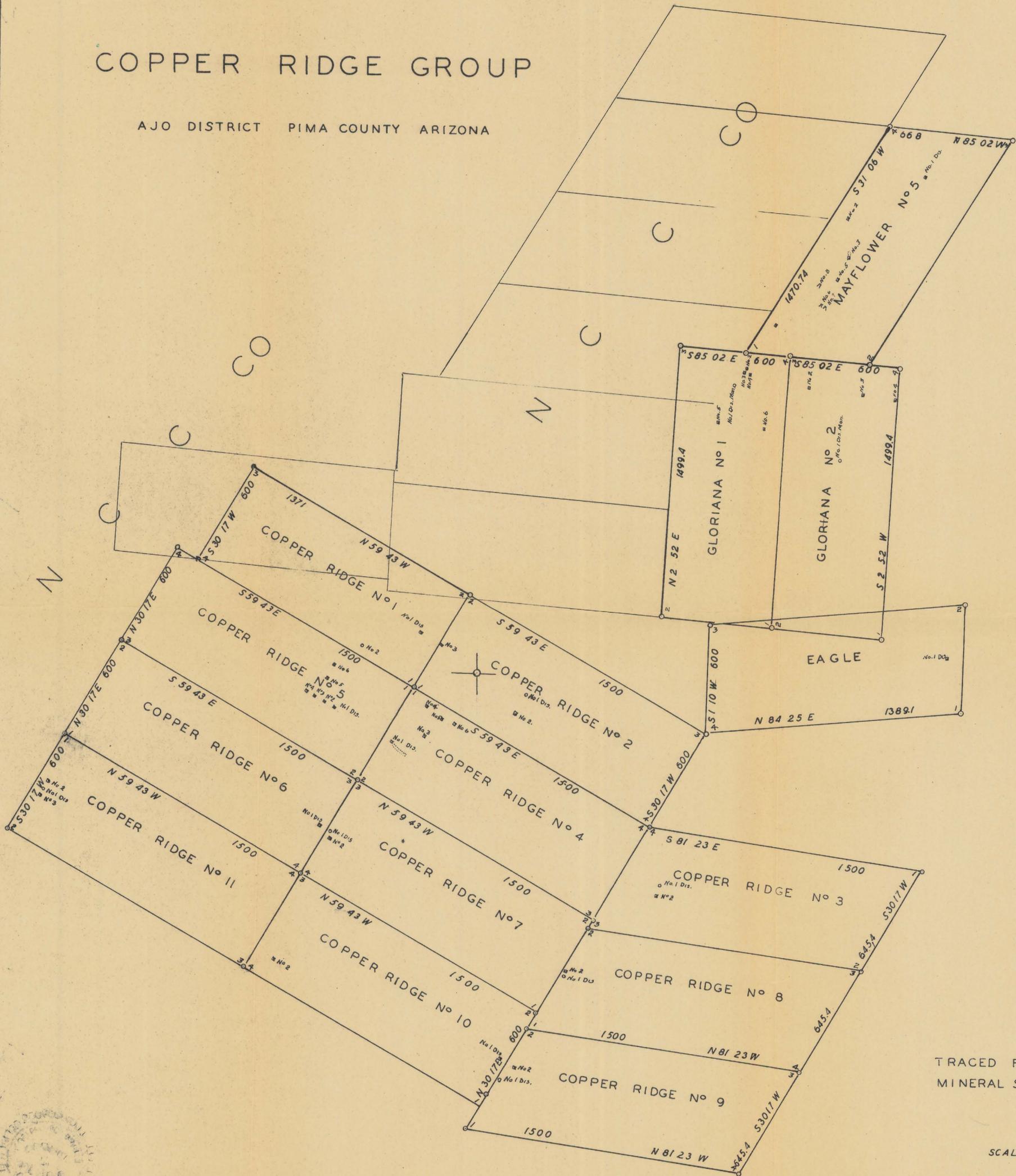
- FAULT 
- BOUDARY 
- CU-STAINED FRAGTURE 
- OUTCROP FANG. 
- OUTCROP RHYO. 
- SPECIMEN 2682 

SCALE 1" = 200'

PLATE III

COPPER RIDGE GROUP

AJO DISTRICT PIMA COUNTY ARIZONA



TRACED FROM OFFICIAL PLAT
MINERAL SURVEY 3881-3881 1/2

SCALE 1" = 400'

