

## CONTACT INFORMATION

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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: GOWAN

ALTERNATE NAMES:

GILA COUNTY MILS NUMBER: 514B

LOCATION: TOWNSHIP 11 N RANGE 9 E SECTION 34 QUARTER SW LATITUDE: N 34DEG 15MIN 10SEC LONGITUDE: W 111DEG 25MIN 32SEC TOPO MAP NAME: BUCKHEAD MESA - 7.5 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:

GOLD

**BIBLIOGRAPHY:** 

ADMMR GOWAN MINE FILE ADMMR PAYSON GOLD DIST MINES CORRES FILE AZ MINING JNL, MAY 1920, P. 15-18, 55-60 LAUSEN C & E.D. WILSON "GOLD & COPPER DPSTS NEAR PAYSON" AZBM BULL 120, P 7 & 39; 1915



AP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS LOGICAL SURVEY, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092 RIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

Buckhead Mesa 7.5

QUADRANGLE LOCATION

er at the Post Office at Phoenix, Arizona, under the Ac

gress of March 3, 1879.

Real Pioneering only found in but a few parts of the Southwest and but few parts have the historic interest and potential possibilities of the Payson District.

Entered as Second-C Devoted to the Mining Industry of the Southwest.

Vol. III. No. 12

PHOENIX, MAY, 1920.

CHARLES F. WILLIS, Editor

# **PIONEER PAYSON**

By CHARLES F. WILLIS.

The opportunities of mining are not go-ing to be found in the thickly settled and extensively traveled districts of the south-west, for the future of mining depends upon the deep exploration of the parts that already are extensively working or in pioneering the new fields that have not yet had their opportunity. It would be strange had their opportunity. It would be strange to have mining possibilities overlooked along the railroads, centers of population and arteries of motor truck traffic but it is not at all strange that at places sixty to one hundred miles from a railroad there still lies the pioneer country that the in-trepid and adventurous sought for forty or more years ago to build the empire of the southwest.

AKILUNA

Payson, Arizona, is still in that stage of forty years ago, when hundreds of pros-pectors sought the gold fields, when the news of the gold strikes on the Golden Wonder, the Gowan, the American Boy and others brought the California seekers of the unlaw motel to a wilderness that of the yellow metal to a wilderness that was still unprotected from the Indians, and where every mine needed its little fort so that the workers might protect them-selves. The remnants of those forts still stand as a monument to the men who braved the Indians and the hardships of this pioneer life so that they might get the gold.

The gold rush to Payson was in 1880 and 1881, and many men found in that district what they considered worth anchoring to and Pioneer Payson has today a very large percentage of those old pros-pectors who still stick to their claims and



Gowan Mill, worked in 1880, 1881 and 1882, and stopped because they be-lieved "that no gold could be found below water level"

who believe implicitly that Payson will yet come to the fore as one of the leading mining districts of the Southwest.

visitor to that section is impressed with the undue percentage of old men, the



well hidden by trees The Town of Payson,

type of forty-niners and the census returns of this section are going to show up strong on men seventy years or better in age, and when you ask them when they came to Payson, it is invariably in '80, '81 or '82, for that was the date of the Payson boom. And they stayed, many of them living right in town where they can visit their claims and do their work, and many of them still live miles from the town and do assessment and location work and work the horn and pan overtime.

The habits, the customs, the traditions and even the life of forty years ago is still in the Payson air and surroundings and, if it was not for the automobiles and a few it was not for the automobiles and a few Henry Fords with a gasoline filling sta-tion, it would require no imagination to set the calendar back to 1884, when those who had failed to find their claims left for other fields and those who had found them camped right there. Since 1884, there have been a few spasmodic attempts at real de-velopment of the field, but no consistent efforts until within very recent date. The affairs of the nation, the League of

The affairs of the nation, the League of Nations, the salary of school teachers, the labor troubles and the high cost of living are discussed and settled many times daily by the group around the stove in the general store or in the saloon, the only dif-ference from the pioneer days being the subject under discussion and nobody in-terupts to say "Let's hoist one."

Yet in the rush to develop the big mines of the Southwest, in the land and irriga-tion projects, few people of this section even know what Pioneer Payson has as its future. It has been known for its cat-

tle, but it has gone as far as it can in that direction, it has been known for its mining possibilities and they are not even scratched, and it is almost unknown to tourists, even though it offers every pos-sible attraction, many of which cannot be duplicated in any section of the country. The Almichtry uses liberal in its endows

The Almighty was liberal in its endow-ment of the Payson section with natural conditions and beauty, as well as with the riches under the surface. The fact that it is still in the pioneer stages and is com-paratively unknown, has left the real joy for the tourist, traveler, hunter, angler and naturalist.

Payson is in the low rolling, granite hills that are between the Matazal Mountains and Sierra Ancha Mountains, an elevation of 5000 feet, well wooded with cedar and juniper, with green grass, and turkey, deer, quail and even an occasional bear can be found, while the many streams of that section have their attraction to the disciples of Isaac Walton, yet with all the natural richness for the tourist and pleas-ure seekers, the industries of the country are more interested in the electricity that those streams will make, in 'the white quartz veins that lie in these granite hills, that will show gold in panning and copper indications and in the lumber that these trees will make.

Payson is located 100 miles from Globe, 137 miles from Phoenix and 102 miles from Flagstaff, 100 or more miles from any-where, and therein lies the reason why Payson is still in the pioneer stage. Sur-face ores that would be bonanzas in some sections are on the ground ready to be

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m these raises. On the surface, numerous pits and trenches have n dug to expose the outcrop of the vein.

In the shaft house is a  $12 \times 73/4 \times 12$  Chicago Pneumatic Tool Comy compressor, run at three hundred revolutions per minute, and a rbanks-Morse  $9 \times 12$  hoist. The water in the shaft is lifted by a age centrifugal pump. South of the shaft is a well-equipped blackth shop. The remodeling of the mill had been started, and when completed the flow-sheet will be as follows:



#### GOWAN MINE

During the early days this was the most famous mine in the district and the largest producer. It was located in the late seventies and worked steadily during the years 1880, 1881, and 1882. After this time the mill was run chiefly on custom ores.

The property consists of eleven patented claims, and is located on the west side of the East Verde River. The foot-wall of the vein consists of altered hornblende diorite invaded by granite porphyry. Resting on these igneous rocks is the Sycamore Creek sandstone, which in the hanging-wall has been dropped a maximum vertical distance of one hundred feet. This faulting is believed to be later than the formation of the ore. The vein strikes N. 15° W., dips 32° to the northeast, and has a maximum width of twelve feet. The ore lying on the dump consists of more or less cellular quartz heavily stained with iron and occasionally with copper; some free gold is also visible. Specimens containing pyrite and chalcopyrite probably came from below the water level.

The flat-dipping vein was stoped for a distance of a hundred feet along the dip of the vein, with the lower twenty-five feet of this work extending below the present water-level. Old round timbers placed in the mine forty years ago still support their load. The distance that the property has been developed along the vein is unknown, for these workings are now inaccessible. The mine has been idle for a number of years.

An old stamp mill, now in a dilapidated condition, treated custom ores long after the Gowan Mine was shut down, and stands today as a relic of the pioneer days. ARIZONA DEPARTMENT OF MINERAL RESOURCES MINERAL BUILDING, FAIRGROUNDS PHOENIX, ARIZONA

February 21, 1958

To the Owner or Operator of the Arizona Mining Property named below:

V	V		
Gowan	Gold		
(Property)		(ore)	

We have an old listing of the above property which we would like to have brought up to date.

Please fill out the enclosed Mine Owner's Report form with as complete detail as possible and attach copies of reports, maps, assay returns, shipment returns or other data which you have not sent us before and which might interest a prospective buyer in looking at the property.

Frank P. Knight

Stan with

FRANK P. KNIGHT, Director.

Enc: Mine Owner's Report

Broperty idle. Jakes heft up to date 2/27/58 and annual meltings held each year. and Ellagg.

## DEPARTMENT OF MINERAL RESOURCES STATE OF ARIZONA FIELD ENGINEERS REPORT

Pr. 11

FIELD ENGINEERS REPORT Date June 29, 1939.

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added a set of the

Mine	Gowan 🗸	Engineer Newton Wolcott
District	Green River Mining District	Location, 9 Miles west of Payson
Former n	ame filite i glite et ab di , spec da e des	na a artenado en a la calenda por
Owner	Verde Falls Mining Co.	Address 414 Heard Bld'g. Phoenix, Arizona.
Opérator	J.W.Shields and associates	Address Payson, Arizona.
President	P. R. Helm	Gen. Mgr.
Mine Sup	Millio di Vetoda di jugare di che o metorebar pel pengit.	Mill Supt.
Principal ·	Metals Gold	Men Employed 3 to 5
Production	n Rate 15 Tons daily when operating	Mill: Type & Cap.
Power: A	mt. & Type	Amalgamation and cyanide. 25 tons in 24 hours.
Operation	nio politicas politicas e occio padi toka e isterno (115 g s: Present	ు ఉంది. ఆటోలి కూడింది కి రాజులో కైండి కోడి కోడి కి కారణ్ కి కార్ కార్లు
	ground development. Present operators hav	ve sunk vertical 100 foot shaft for
Operation	s Planned	රෝගින මුසුව මුසුව මුසුවරුන් දිද්දය දෙන දෙනවා. දේශනය වරාසයේ දිද්දය දීම
	Will mill ore from several dumps duced from underground operations.	on the property, along with ore pro-
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Number (	laims. Title etc.	
	One patented claim. three	unpatented and mill site.
- 1,0 ° 1,0 − 1,0 ° 1 0 − 1		విత్యించింది. కార్పట్టి కారార్డు ఉంది. సామాయికి సార్థి విషయాలి ప్రసించి కార్ చిర్ణు సంగ్ సార్థి జిల్లా విషయాలి సినిమార్ ప్రతి విషోత్ కారు సంగ్రాజింగా
Descriptio	n: Topog. & Geog.	المعلي المعلي المعلي المعلم المعل المعلم المعلم
_	Rugged mountainous coun	try on the west bank of the east branch
	of the Verde River.	
Mine Wor	kings: Amt. & Condition	
	Approximately 800 feet of tunnels.	

Also a considerable number of stopes and raises. All workings are accessible.

large quartz vein in altered diorite and granite-porphyry. Vein Geology & Mineralization lies roughly parallel with and in close proximity to contact with overlying sandstone. Well defined walls with fault gouge on both sides. Gold occurs free, usually associated with limonite or hematite in the quartz. Practically no sulphides are present, even in the ore from the bottom levels.

Ore: Positive & Probable, Ore Dumps, Tailings

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There is considerable ore developed in the mine, but it is impossible to estimate the tonnage. Milling ore on the surface dumps is estimated at approximately 400 tons. Grade of ore cannot be stated, but inasmuch as the present operators shipped over 300 tons to the smelter at Miami last year, it is in all probability fairly Mine, Mill Equipment & Flow Sheet • OF THE A THE A MELLING

Ore passes through a 100 ton capacity jaw crusher where it is reduced to minus  $l^{\frac{1}{2}}$ inch, thence to Denver mill where it is ground the 60 mesh fineness. From the mill it passes over amalgamation plates and thence to a series of four cyanide leaching tanks. Solution to zinc boxes and return to heads.

Road Conditions, Route Take county road west from Payson for a distance of about 5 miles, then turn north on branch road. This road leads directly to the mine. The road is very slow and quite rough over the last three miles, but easily passable except in wet weather, Ask local advice as to conditions before making trip.

Water Supply

The East Verde River flowing within 100 yards of the mine assures ample water for any purpose whatever. lite tex is the first raid offers parts

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Brief History Located in the late seventies, this mine is one of the oldest and probably the largest producer in the Payson district. It has been worked intermittently since the early days, and the old stopes still visible indicate a considerable quantity of ore mined. The remains of an old two-stamp mill are still standing - on the property. Until recent years there has not been a road of any sort to the

mine.

Special Problems, Reports Filed

This property is briefly described in Bulletin No. 104 of the University of Arizona Bureau of Mines.

and the mean management of the basis is and Remarks Mr. Shields very kindly unwatered bottom level to permit inspection. Very little drifting has been done at this point, and thus far no ore shoots have been encountered on the vein. This condition however has been true at higher levels, and does not indicate that ore will not be found with additional development.

Property at present under lease to R.D.Kennedy, J.W. Shields and Mrs. Minnie Pomeroy. Mr. Shields is in active charge of operations. ्मुख्यते तं दृष्ट्वती तस्वते If property for sale: Price, terms and address to negotiate.

Signed.

Use additional sheets if necessary. Separate sheets on each problem.

#### DEP/ MENT OF MINERAL RESOURC' STATE OF ARIZONA MINE OWNER'S REPORT

Date Junites Stel Pourson Our 1. Mine Gowall 3. Mining District & County Green Valley 4. Former name Sourcedy 6. Address (Owner) Phoenicy 619 Heard B 5. Owner Verde Foulles Bold Go. 7. Operator Jund Luct de 8. Address (Operator) Payment Orig 9A. President, Operating Co. Justicity header 9. President, Owning Co. P.R. Hiller 14. Principal Minerals 11. Mine Supt. Jewe Richeld 16. Mill: Type & Cap. 2 Putter To Annall 17. Power: Amt. & Type Gjunder and 12. Mill Supt. Good Jackston 13. Men Employed Moul 18. Operations: Present Addidg 19. Operations: Planned - Belles ges Chilly 20. Number Claims, Title, etc. / Palacit. 21. Description: Topography & Geography . I to the for finite for the former of the finite for the former of the first of Buck hillson cuntains 3500' al Title - quicks Swort Payson Road mountain fass able Weishappeder 200 20 Se succes Ou E Vinde river algered the fill for the portion we health of Give all in good eradition. The stopes -This were fredriced and they are the · distrial - Yold Storer, Alexandely approv.

24. Ore: Positive & Probable, Ore Dumps, Tailings 1000 Tou lailings @ 1059 pr. Ton . 30 assays -Ore in durifs at mine \$8.50 re-100 Tonn more blocked at 14.50 mile hiads- Continues of un istime re-100 Tonn more blocked at 14.50 mile hiads- Continues of un istime is 0 24A. Dimensions and Value of Ore body? Case to protified - as growing not h Ore show faulset in west wel Renard Sunty mich 5 1521 2 10 1020 Tos due 25. Mine, Mill Equipment & Flow-Sheet Cymede Tankes : House frenny "Ter- le HP. House 26. Road Conditions, Route 9 milles S west of Payson - Road is passale to cars a trucks 27. Water Supply Good - Quinice - Quine 6000 gal funding in neuch 28. Brief History Original ourses clived in 1882 - Curricalitaire J. Flack Dying in show Time by Tu-dalle unice 1937 19. Special Problems, Reports Filed Which particular liase install mill 0. Remark douly fears lease and get fillins marine an same 11. If property for sale: Price, terms and address to negotiate. And they do to call for the detail of the source 32. Signature 3. Use additional sheets if necessary.

RESOUR TMENT OF MINERAL RESOURCES O DEPARTMENT OF MINERA DEF 1203 News Items News Items ni aniseracio filite ei mid 7/24 Date Date 1/24/40 insisifius says VITINE GIREEN VALLEY GOWAN Mine ; Mine Gowan MINING PIST TATSON. Location 10 Mi. NW of Payson and Location Verde Falls Mining Co. Owner Owner Address Address Under lease to Jess Shields and Operating Co. Operating Co. associates of Address Payson, Arizona, Address Pres. Pres. Genl. Mgr. Genl. Mgr. JHIGLDS . Mine Supt. Mine Supt. 0000 Antes Mill Supt. Mill Supt. AU. **Principal Metals Principal Metals** Gold 5 Men Employed Men Employed 2 Production Rate **Production Rate** 25 Tom CrANIDE Mill, Type & Capacity Mill, Type & Capacity -Power, Amt. & Type Power, Amt. & Type V.C. Wole Signed Signed (Over) (Over) Pres. Under long term Mine News Items Operating Co.W. Shields, Mrs. Minnie Pomeroy Mill, Type & Capacity 25 Ton, amalgamation Principal Metals Genl. Mgr. Address Shields address is Payson. Address 414 Heard Bldg. Phoenix, Owner Verde Falls Mining Co. Location 9 Miles west of Payson Production Rate 15 Men Employed Mill Supt. Mine Supt. DRECTRICHED Power, Amt. & Type cyanide. DEPARTMENT + OF MINERAL RESOURCES. Gowar P dah. D driver of Date Signed Helm Tons daily lease to R.D.Kennedy, CT Baimma Gold Kunt (Over) 1 when 6/27/39 the way working Arize 5

help him is still operating in a small way	FECOVERY JUDGESTED - RETTER
at the Gowan Mine. They mine sufficient	WASHING OF TALL FOR SOLUTION
ore for a short mill run, then put it through	1 MELOVERY & FILTERING SOLUTION TOIL
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Wider lease to Jeas Shields and	se herrier VALUE LOST &
Operating Co. asgociates of	PLAN TO CLARIFY SPL. TO ZN BOXES.
Andress Payson, Arizona.	<u>Addreas</u>
icl. Notes	Miscl. Notes
It is reported here, though not confirmed,	$P_{235}$
that Dr. Kennedy of Globe is no longer	Genl Mgr.
associated in this lease. Just smill	Mine sugn.
401 Supt.	Mill Sapt.
Principal Metals Gold	Principal Metals
Men Employed 9	Men Employed
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Samer Amt & Pana	and and some
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	(max())
	Present Operations Just completing ins of mill, Will be running in day o Also has 2 men on development und Will mill ore dumps on surface a new ore from mine. Shields is in charge of operati miner and conservative in ideas

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#### DEPARTMENT OF MINERAL RESOURCES STATE OF ARIZONA FIELD ENGINEERS REPORT

1	Vine	Gowan V	Date	June 29, 1939	
Ι	District	Green River Mining District	Engineer	Newton Wolcott	
0.4	Subject:	Report			
	Location	n: 9 miles west of Payson.			
	Owner:	Verde Falls Mining Co., 414 Heard Bldg.	, Phoenix	, Arizona.	
	Operator	r: J. W. Shields and associates, Payson	, Arizona	•	
	Presider	nt: P. R. Helm.			
	Principa	al Metals: Gold			
	Men Empl	loyed: 3 to 5.		· .	
	Producti	ion Rate: 15 tons daily when operating.			
	Mill - 1	Type & Cap.: Amalgamation and cyanide.	2 <b>5</b> tons :	in 24 hours.	
	Operation undergro hoisting	ons-Present: Just completing installation ound development. Present operators have g purposes.	on of mil. e sunk ve:	l. Also working tw rtical 100 foot sha:	o men on ft for
	Operation produced	ons Planned: Will mill ore from several d from underground operations.	dumps on	the property, alon	g with ore
	Number (	Claims, Title, etc.: One patented claim	, three u	npatented and mill	site.
	Descript branch c	tion - Topog. & Geog.: Rugged mountainor of the Verde River.	us countr;	y on the west bank	of the east
	Mine Wor 250 feet accessit	rkings - Amt. & Condition: Approximately t of shafts, also a considerable number o ble.	y 800 fee of stopes	t of tunnels, approx and raises. All w	ximately orkings are
	Geology Vein lie stone. associat even in	& Mineralization: Large quartz vein in es roughly parallel with and in close pro Well defined walls with fault gouge on N ted with limonite or hematite in the quar the ore from the bottom levels.	altered ( oximity to ooth side: rtz. Prac	diorite and granite o contact with over s. Gold occurs fre ctically no sulphide	-porphyry. lying sand- e, usually es are present,
	Ore-Posi the mine dumps is much as it is in	tive & Probable, Ore Dumps, Tailings: 7 b, but it is impossible to estimate the s estimated at approximately 400 tons. ( the present operators shipped over 300 to all probability fairly high.	There is ( tonnage. Frade of ( tons to t)	considerable ore de Milling ore on the ore cannot be state ne smelter at Miami	veloped in surface d, but inas- last year,
	Mine, Mi where it nesh fin	ill Equipment & Flow Sheet: Ore passes to is reduced to minus $l\frac{1}{2}$ inch, thence to hences. From the mill it passes over and	through a Denver mi algamation	100 ton capacity ja ill where it is group plates and thence	aw crusher und to 60 to a series

oad Conditions, Route: Take county road west from Payson for a distance of about 5 iles, then turn north on branch road. This road leads directly to the mine. The road

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Water Supply: The East Verde River flowing within 100 yards of the mine assures emple water for any purpose whatever.

Brief History: Located in the late seventies, this mine is one of the oldest and probably the largest producer in the Payson district. It has been worked intermittently since the early days, and the old stopes still visible indicate a considerable quantity of ore mined. The remains of an old two-stamp mill are still standing on the property. Until recent years there has not been a road of any sort to the mine.

Special Problems, Reports Filed: This property is briefly described in Bulletin No. 104 of the University of Arizona Bureau of Mines.

Remarks: Mr. Shields very kindly unwatered bottom level to permit inspection. Very little drifting has been done at this point, and thus far no ore shoots have been encountered on the vein. This condition however has been true at higher levels, and does not indicate that ore will not be found with additional development.

Property at present under lease to R. D. Kennedy, J. W. Shields and Mrs. Minnie Pomeroy. Mr. Shields is in active charge of operations.

/s/ Newton Wolcott

Phoenix, Arizona

Dec. 20, 1932

Mr. W. B. Twitchell, Phoenix, Arizona.

My dear Sir:

Have recently made a study of the mineral deposits in the Payson district, and in so doing visited the Gowan Mine, which is one of the holdings of the Verde Falls Gold Mining Co., of which you are President.

Throughout the district one is impressed with the number of inactive mines which bear mute evidence of the struggle of the pioneers of the early eighties, who under a great handicap, compared with the facilities now at hand, accomplished much superficial development work. This is also proof of an intensely mineralized district in which values were necessarily high to pay for such development, as much of it was accomplished by hand work and windlass by men of small means, and limited knowledge of mining.

As the primary ore zone is reached, in which the gold was closely associated with the sulphides, it became impossible to save the gold by amalgamation, which was then the only process available. This, together with the difficulty involved in working the deposits at depth, without adequate hoisting facilities, caused them to discontinue operation, leaving ore bodies whose potential value is well worthy of proof by further development.

Have read a report on the holdings of your company in this district. The description therein contained together with the fact that these claims bear very early patent numbers indicating that they were deemed worthy of patent when the camp was active, and that they were acquired by your company over a period of years as individual units of one organization, point to the fact that they are more meritorious than the average property that can now be acquired.

To place this group into operation it is likely that it would be impossible under present conditions to raise sufficient funds to start each unit going at one, but believe the Gowan could be started at comparative small expense. The gramework of the old mill is intact, and could be quickly and cheaply repaired. The 10 stamp battery is in place and no doubt considerable ore could be obtained from which a fair saving could be made by amalgamation, the tailings being stored for further treatment.

A sufficient power plant should be installed to permit of the addition of concentrating tables and flotation cells as the process of treatment is perfected and more base ores encountered. By this procedure the mill thus devised would not only be a source of revenue, but serve as a pilot plant to determine a proper flow sheet, and be a unit of a more elaborate mill when more funds are available and such construction fully justified by more development.

A fund of at least ten thousand (\$10,000.00) dollard should be provided to start operation which would have to be supplemented by at least twice this amount by a cooperative organization that would make it possible to exchange stock certificates for both labor and supply. To do this it would be necessary that the corporation be governed by a directorate, composed of men of unquestionable reputation and business ability, so as to insure proper management.

With conditions throughout the country as they now are, I believe that you should have the undivided support of all to whom you may appeal, that an enterprise such as this may be started which would not only result in employment for many idle men, and provide a market for latent commodities, but be a step in the right direction toward rehabilitating this state as a leader in the mining industry, the loss of which in the depreciation of the price of copper, it has so sorely felt.

Very truly yours,

W. M. Snow Mining Engineer

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COPY

August 5, 1931.

Mr. W. B. Twitchell, Phoenix, Arizona.

My Dear Sir:-

A few days ago I made a superficial examination of a portion of the workings of the Gowan Mine, as well as the workings on the American Mine, these mines are part of the holdings of the Verde Falls Gold Mining Company, of which you are President, and are situated close to the East Fork of the Verde River, Green Valley Mining District, Gila County, Arizona.

From the Geological conditions existing along the strike of these veins on the surface, and from my observations taken underground in the different workings its obvious that these mines in the past have produced a considerable tonnage of ores. From tests made by me on the ground, I find that these ores above the ground water level are amenable to amalgamation; a large percentage of the gold contents can be extracted by this sulphide zone are more complex, and will have to be cyanided or flotated, to save the values.

These veins I find to be these of the deep seated variety and should carry values to a great depth.

With the rehabilitation of your milling plant now on the Gowan property, and with the acquisition of the ground adjacent to the Gowan patented claim, on the north side lines, also on the east end lines, and the ground along the American gulch, between the American mine, and the East Fork of the Verde River, you will have a mining property of unquestioned magnitude, which has produced a considerable tonnage of gold ore in the past, and which with a small amount of development will again be ranked amoung the gold producers of the state, and will pay dividends for many years to come.

As the mines are adjacent to the East Fork of the Verde River you have an unlimited water supply for all purposes mine timbers and lumber can be procured at reasonable rates close to the mine.

Very truly yours,

J. P. McDonald, M.E. Reg. Prof. Engineer Cer. 296.

yowan

#### REPORT ON THE PAYSON GOLD DISTRICT

Payson, Arizona August 1925

Messrs. Anton Trejanovich and Wm. E. Shalley, Globe, Arizona.

#### Gentlemen:

In accordance with your instructions I have visited the various properties near Payson, Arizona, and beg to submit the following report:

All of the mines are at present practically inaccessible, being caved or in dangerous condition. For this reason this report can only be general and details will necessarily be secured from future developments. What information can be obtained from the old workings and their history, production, etc. is very favorable for the project and fully warrants a thorough investigation of the properties. This should be started and when a sufficient amount of ore is assured the development of the water-power and the building of a mill will become advisable.

In general, the prospects of this project becoming a very profitable one are very good. A small amount of money spent in opening and exploring the old workings will, without much doubt, warrant the further expenditure necessary to bring it to the state of production.

Conditions at the different mines are very similar and the following general description applies equally well to any of them. A few notes on individual properties are also appended, but these may be subject to considerable change.

#### THE PAYSON DISTRICT

The properties included in this project lie in an area about five miles from north to south and from Payson for about three jiles west. The country lies at an elevation of about 5000 feet and slopes to the west and south into the valleys of the East Verde River and Rye Creek. The hills are rolling and rather rough, but offer little difficulty to mining operations or road building. The East Verde River flows through the district and can furnish both water for milling and power for eperation. Timber can be secured from nearby districts and general working conditions are excellent.

#### HISTORY

Claims were first located in the district in about 1880 and work on a small scale was carried on intermittently until 1897. Since then only a little leasing has been attempted. A two stemp custom mill was in operation at one time and much ore has been treated in arrastras. No record exist, but probably \$3000,000 or \$400,000 has been produced from the district and possibly more. Old tailings from these operations are said to retain from \$8 to \$10 in gold values.

#### GEOLOGY

The country-rock of the district is a granodiorite with both red granite and black diorite facies. In general the diorite prependerates in the west and most of the ore is found in or near this rock. It is probable that it is a marginal phase. All ores are found in two series of clean-cut fissure veins which strike either N-60-E or N-10-W. The N-60-E veins dominate in the southern part of the district and the N-10-W veins in the northern. Both have the same type of ore.

The grano-diroite was intrusive into schists which appear west of the district. These formations are pre-Cambrian and the ore deposition is probably also of this age. A few of the hills and ridges in the district are capped by remnants of younger red sandstones and limestones which cover the veins.

#### VEINS AND ORES

The veins vary up to five feet in thickness. The values are principally in gold with varying percentages of copper and a little silver. The gold has been largely free as far as worked and the copper near the surface is found as carbonates, chrysocolla and a good deal of red oxide. Chalcocite and chalcopyrite show at shallow depth. The gangue is entirely quartz.

The ores are of a high temperature type and much of the gold may remain free milling with depth. The copper will there be as chalcopyrite or bornite. This type of ore deposit has a great vertical range and no change in values, except a probable lessening percentage of copper is to be expected in depth.

#### ORE VALUES

The gold values in the veins are very erratic, High grade streaks up to a foot wide run from \$50 to \$100 per ton. It is thought that the remainder of the ore with a little sorting may average \$20 per ton. This is very uncertain and can only be verified by reopening the mines. It is very possible that a lower mill head and greater tonnage may be more profitable.

#### GOMAN MINE

This is five miles west-northwest of Payson on the East Verde River and one and a half miles below the site of the proposed power house. It is the most extensively worked property in the district. The vein strikes N-20-W and dips 45°E. The ore shoot, now stoped, was up to give feet thick and 200° long. This ore was run through a ten-stamp mill on the property and recovery is said to have been \$45 per ton. There is much visible gold in the little ore remaining. The bottom of the old workings is at the water level and the ores probably become refractory there.

This vein should be opened up at once as it seems likely to place a considerable tonnage of ore in sight very quickly. This is a central location for a milling plant for the district.

#### SUMMIT MINE

This is about two and a half miles northwest of Payson. There were quite extensive workings which are now entirely caved. Considerable ore is said to have been produced and a large dump is stated to average \$7 in gold. This is worthy of later investigation.

#### THE "85" MINE

This property is about two and a half miles southwest of Payson on a branch of Rye Greek. The principal workings are near the intersection of two veins striking N-60-E and N-O-E and dipping 45° northwest and 65 west respectively. The mine was opened by shafts, tunnels and winzes to a depth of 300 feet from surface. Probably 2000 tons have been mined from here and it is said that from \$75,000 to \$100,000 has been received. 455 tons of this ore are said to have been milled in the two-stamp mill with a recovery of \$42.28 per ton. About 1000 tons of \$20 ore are blocked out in the mine. The above is taken from a report by Chas. L. Ratliff, dated August 30, 1904, in Globe. The mine is inaccessible and nothing can be verified, but the report seems reliable.

This mine should be opened up through the lower tunnel and the values and width of the vein ascertained. The so-called "blind ore shoot" of the report should be investigated as two samples from it averaged \$20 per ton. Two other unexplored veins on this property farther northwest are worthy of later notice.

#### GOLD ROCK

This is on the extension of the northeast vein. There is a 190' shaft in poor condition and a little drifting. Some ore has been shipped and two samples by Ratliff averaged \$34.70 for 2 feet width. The vein is said to be from one to four feet wide and it can be best explored from the "85" tunnel levels as work advances from that mine.

#### MAGGIE VEIN

This may be the southwestern extension of the vein on the "85" and the Gold Rock. Three old shafts are now caved and inaccessible. Old maps show an ore shoot 125' long and the vein is said to be from one to four feet wide. Two samples from the edges of the old stope averaged \$40.10 for 12" width (Ratliff). The bottom of the stope coincides with the water level and it is probable that the ores become refractory at this point. This may account for the work being stopped. The property is well worth opening up later.

#### GOLDEN WONDER

These claims adjoin the Maggie, and the Golden vein may be the southwestern extension of the Maggie. The vein strikes N-60E and dips 40 northwest. The main workings are caved. A more recent shaft shows four feet of ore and two samples ran \$50 with good copper values. There is some high grade ore in the dump and the remainder is said to run \$8 which seems reasonable as much ore can be seen.

This vein should be opened up at once as the prospect of high grade as well as milling ore is very good.

#### EXCURSION MINE

This property is about four miles southwest of Payson. The vein strikes N-60-W and dips 60 northeast. It shows in outerop up to four feet wide and 200° long. There is a caved shaft 165° deep with a 50° drift on the 75° level. Some ore has been shipped and the dump is said to run \$7 or \$8. This vein can be reopened very cheaply and give a quick available tonnage of milling ore.

#### LINCOLN MINE

This is one and a half miles northwest of Payson in a coarse red granite formation. The vein strikes N-60-E and dips 60 northwest. There is a 50° shaft, now caved and some sorted ore was treated which is said to have run \$60. The vein seems small, but is worth opening up later.

#### OTHER PROPERTIES

Several other properties were not visited, but are said to have good possibilities for development. All are in the same inaccessible condition as those seen. The Contact and the Crackerjack about two miles north of the Gowan are possibly the most important. Other properties in the immediate district are the America, McDonald's Liberty, Tony, Goldfield, Delaware and others.

With an operating mill a profitable custom business may be built up oncres from other properties in the district not included in the present project.

Respectfully submitted,

(Sad) C. W. Botsford

Inspiration, Arizona, August 14, 1925

> Phoenix, Arizona. February 2, 1933.

This is to certify that the above is a true copy of the original report as gotten out by C. W. Botsford, E. M., who was consulting engineer for the Inspiration Copper Company of Globe, Arizona at the time the report was made.

(Sgd) W. B. Twitchell

Subscribed and sworn to before me this 2nd day, Feb'y, 1933.

SEAL

(Sgd) <u>N. A. Lytle</u> Notary Public.

My Commission expires, July 16, 1934.

NUWAN

#### REPORT

#### Upon the petented Mining Claims

#### of The

### VERDE FALLS COLD MINING CO. Gile County, Ariz.

The Sketch Map herewith shows the above mining properties to be located in a surveyed district in the meighborhood of the town of Payson, Gila County, Arizona. From the Survey numbers it is seen that the claims are among the first mining claims patented in the State: -- sometime early in the '80's: -- since which time very little work has been done upon them other than the annual work and the surveying and patenting of the properties.

The passing of forty years has be-fogged much of the early history of these claims.

The district in which they are located is, however, somewhat remote from railroad facilities, this, however, is overcome by a well established line of truck which supply the requirements of this country. The town of Payson may be considered the proper point from which to visit the properties. It is situated 137 miles from Phoenix, and 96 miles from Globe; in a well-wooded and watered country.

The State Highway is at all times in wonderful conditions, being surfaced both from Phoenix and Globe and passing within a very short distance of the several groups of patented claims of the Verde Falls Gold Mining Co.

### GEOLOGICAL AND ECONOMIC CONDITIONS

Geologically the country is granitic; certain areas or zones being cut by a wide variety of gineous rocks, with extensive dikes of a dark greenish black basic varieties. Secimentary rocks, consisting of Cambrian red sandstone, overlain by (probable) Devonian dolomite, still rest unconformably upon wide areas of the primary rocks, but everywhere emphasize the tremendous faulting which the region has suffered by their degradation and change of level and dip. Economically, the conditions found in this region are vastly better than those common to Arizona; for throughout there are many fertile valleys (which doubtess gave the district name of Green Velley) running streams and other sources of water, wide spread soft and hardwood timber suitable for fuel, large pine forests from which sawed lumber is today obtainable at the mill for \$25.00 per M. and finally a vast cypress forest from which the best mine timbers can be obtained. Game is plentiful, with trout fishing excellent, and general living conditions much more agreeable than in many other parts of the state.

#### EXAMINATION OF THE VARIOUS MINING CLAIMS

#### THE GOWAN (ple)

As noted on the sketch map, this claim is located in Section 34, Twp. 10 N. Range 9 East; its lower or southerly portion being crossed by the East Verde river. It stretches thus, N.W. by S.E. across the bottom of Verde Canyon, on the northerly side. The vein consists of two distinct portions; one consisting of quartz in which free gold is easily visible, and the other of an earthy, iron stained breccia; all lying between porphyry walls and dipping north-easterly at about 45 degrees; the total thickness being from four to seven feet. An inclined shaft was first sunk on the vein to a depth of about 75 feet after which a vertical shaft was sunk to intersect the first near its bottom. The ore removed from the first shaft was milled, together with ore taken from the stopes which were carried to the surface from both sides of the shaft and for considerable distances.

Samples taken by the writer yielded as follows:

No. 1--Silver 0.20 oz. Gold 0.52 ozs. or \$10.60 per ton. No. 2-Silver 0.40 oz. Gold 0.70 ozs. or \$14.00 per ton. No. 3-Silver 0.20 oz. Gold 0.40 ozs. or \$8.00 per ton. No. 4-Silver 0.20 oz. Gold 0.84 ozs. or \$17.00 per ton.

Concentrates "25 into one" assayed \$204.00 gold per ton.

Just below the mine opening, and in the bank of the river, is located the old ten stamp mill, built by the Pacific Iron Works in 1878. The frame work is in excellent condition with the rock breaker, as well as the battery with its cas and drive shafts and pulleys in as good condition as when they were set up. In this mill was treated all of the ore mined in the Gowan, together with a large amount of ore from various other claims belonging to the company.

In considering these facts, it must be remembered that when this work was doneforty years ago--these interested were gold miners from California, who were only interested in free gold available by the simplest milling processes; and that they were not only unprepared to recover such gold as might be locked up in iron sulphides (and therefore used no concentrators of any sort. Today conditions are vastly different, and I unhesitatingly advise the further development of this property. Incidentally, the old stopes are timbered with peeled cypress from local supply, and these timbers are as solid and sound as the day they were put in--forty years ago. This property is now under lease to B. C. Taylor and associates who are developing with the intention of shipping the selecious gold ore to the Globe smelter. Company reserves right of possession on demand.

# THE SUMATT ( Add

This claim is located in Section 16, Twp, IIN., Range 9 East, and is opened by two shafts, but a short distance below the zone of sedimentary rocks, or near the summit of a highly faulted area. The shaft is 90 feet deep, with drifts both ways upon the vein. The apparent truth of this statement is borne out by the size of the old dumps. The vein "contact between porphyry and granite" is fully six feet in thickness. The strike of this vein corresponds with the N.W.--S.E. ore zone extending for miles below. The ore from this property was never milled by the early day miners on account of its copper content but was stocked for future shipment when transportation was made possible. A shipment of this ore was made by J.'I. Coleman in 1916 who sorted the ore dump. Two cars of gold-copper are were shipped to the Globe Smelter; returns from which, made it possible for the Coleman to install an ice plant at Ray, Arizona.

To get some idea of what the mine had yielded, two samples were taken;--No. 1 consisting of a number of remaining pieces of cupriferous quartzose material, and No. 2 consisting of a large general sample of fine stuff, such as constituted the bulk of the sorted ore-dump.

#### Upon assay they yielded as follows: -

No. 1-Silver-0.60 oz. Gold-2.264 oz. and silver values are \$46.79 per ton. Copper--9.79% in which the gold

No. 2--Silver--0.50 oz. Gold--0.50 oz. Copper--4.22% in which the gold and silver values are \$11.16 perton.

Without consideration of the selected sample (although its promise is quite significant) one cannot avoid the idea that the material composing the abandoned ore residue would today, constitute a very valuable asset. There is no less than 600 tons of this sorted material in the dump at the present time.

The vein is at least from four to six feet in thickness, and float ore is found for a long distance down the south-easterly slope of the country. I certainly recommend the proper development of this claim, as constituting an enterprise of great promise.

#### THE CONTACT GROUP

This group consisting of four contiguous claims, (Contact, Connection No. 1, Connection No. II, and Long Tonto) is located in the southern part of Sec. 16, Twp, II N. Range 9 East. The area covered by the claims presents a picture of unusual interest, and offers geological and mineralogical data promising ore deposits of great size and value. On the northerly edge of the area the ground slopes abruptly into a wide canyon, whose northern wall rises quite as abruptly to the undisturbed sedimentary rocks above; and a somewhat similat condition occurs on the westerly edge of the area. From the surface of the plateau on which the claims are located the sedimentary rocks are gone, and surface examination shows a remarkable series of rock-bands or zones all striking north-westerly. On the west side is found a thick bank of finely lamenated schist, rather light colored.

East of and adjoining this appears a strong igneous dike of from 12 to 20 feet in thickness, of a dark green rock, probably diabase; next comes a thick band of intrusive monzonite at least 60 feet thick; then a great bank of so-called "bull quartz", apparently barren, outcropping in several great bunches; east of this comes a zone of typical "gossan" or "iron hat" 30 feet thick or more; then another huge diorite or diabase dike. A number of ancient prospect holes are found in the gossan; one at least which must have been sunk to a depth of 30 or 40 feet; as evidenced by the dump, but none showing evidence of having gone through the gossan into solid material. Two shallow shafts were also sunk in the first green dike; all doubtless in search for gold ore. Although copper stain is generally apparent, it may be supposed that no gold ores were found of sufficient value to warrant the necessary long haul. In the gossan itself one could scarcely expect to find more than traces of the metals, since it is very thoroughly oxidized and leached. However, samples were taken from both dike and gossan, with the following results:-

No.	1Six foot	pit	on dike.	Gold-	-0.10	Silver-	0.50	oz.	Copper	1.48%
No.	240 "	12	n u	28	0.032	Ħ	0.60	ił.	**	2.10%
No.	3North Ou	terop	<b>F</b> Z \$0	11	0.224	19	0.30	f¥	¥5	3.55%
No.	4-Brown ir	on Go	ssan	**	0.624	¥.9	1.00	12	17	0.54%
No.	5Selecte			. 77	1.54	83	1.00	¢f	t1	2,30%

Here is a mineralized zone of some hundreds of feet in thickness and a distinct length of at least one thousand feet which offers the most interesting possibilities. While the surface facies of the schist-band shows no signs of valuable mineralization, it is of course possible that its unaltered parts may develop valuable ore deposits. The dike shows constant values in gold, silver, and copper, and any considerable body of this rock containing such amounts of those metals as are found in sample (4) could be readily handled by a very simple flotation process, from which the concentrate might even be locally roasted and matted in reverberatory furnaces. Unless the surface indications are most untruthful, the possible value to be found in the schists and the first dike, constitute but a small part of the mineral values which may be expected as a function of development; for, no matter whether or not the big quartz vein may be found to contain values per se, or whether it be the resultant of the primary metal carrier (as seems to be so frequently the case) one cannot doubt but that the great gossan band next to it on the east gives abundant promise of a great mineral deposit below. The highly ferroginous character of this gossan indicates the former existance of a heavily pyritic vein, and the fact that, after ages of oxidation and progressive leaching, it now shows gold, silver and copper (as shown in the results from sample No. 4) offers very promising indications of what may be found in the unaltered sulphides below. This whole series of rock bands may be prospected by diamond drilling; best probably from the western ravine; from which it might easily be cross-cut at satisfactory depth by a series of drill holes.

#### THE LIBERTY

This claim is located in the southern portion of Sec. 27, Twp, II N. of Range 9 East. Near the crest of the hill, and just below the remaining sedimentary rocks, there is an old shart, in bad repair. The ore is an iron stained, honey combed quartz with an average width of six feet. A grab sample gave \$8.00 gold per ton. Further down the hill are several other opening, nearly obliterated by the flight of time, but all showing ore which should develop commerically; these are small, ranging from one to three feet in thickness. It is a matter of hearsay that a considerable tonnage of good gold ore was taken from this Liberty claim and milled in the Gowan mill: This being apparently true taking into consideration the size of the dumps as compared with amount of development work performed.

# THE EXCURSION (file)

This claim is located south-westerly from Payson, in Sec. 27, Twp. 10 N. of Range 9 East. It shows a strong quartz wein of about six feet in thickness, striking N.W.S.E. and lying between porphyry or highly altered granite walls. Development work consists of a nearly verticle shaft to a depth of one hundred forty feet. All material hoisted is ore and still remains on the ground where it can be easily sampled before delivery to a mill. From its appearance the ore should be somewhat more valuable than is indicated by the result (below) of the sample taken:--Gold--0.60 oz. Silver--2.50 oz. Copper--4.21%. Both iron and copper sulphides have been encountered in the shaft; thus proving the impossibility of treatment by the early day miner.

# THE DELAWARE (Lele)

This claim lies some four miles south-easterly from Payson in Sec. 13 Twp. 10 N. of Range 10 East. It contains a gold vein, about four feet thick; over half of

which carries very good values, as per the following assays: ---

Silver-1.10 oz. Gold-0.92 oz. Value \$19.01.

This claim is under lease to Mr. Pettingill of Globe who has equipped the property with hoist, bunk house and shop.

#### CONCLUSION

Among the first descriptive items given the writer concerning the mining properties or seven groups described in this report, one fact was salient--they were quite remote from ordinary travel routes, and difficult of access to a certain extent; while one bit of possible hearsay had a sort of gossipy value in favor of the property--that they had been examined by Mr. Treadwell, who advised Senator Clark to take them in place of the United Verde.

Disregarding the hearsay, the conditions of remoteness and difficult access seemed to, at least partially, offset the rather negative history of an ideness of forty years. Thefact that the groups, seven in number, were included in the highly mineralized zone, extending north-westerly through Nevada and south-easterly into Old Mexico covering most of Arizona's big mines, seemed to offer possibilities of valuable discoveries; these possibilities being supplemented in value by the report of abundant water-supply and abundant timber for fuel and mine uses.

I geal quite certain that no engineer had seen these properties in many years previous to my first visit in 1916, and I will state that the rather feint hope of the discovery of something worth while, which I entertained upon starting out, was changed to an interest closely approaching enthusiasm by what I saw. I not only found the gold values to be better and more persistant than I had expected to find them, but I found out the real reason for the unfortunate shut down of operations by the early day operators: This on account of having encountered the semi-sulphide zone where the greater part of the gold was locked up in the pyrite thus, causing a loss which could not be overcome, since in those days ore dressing was in its infancy; this, however. has at the present time been absolutely overcome by table concentration and flotation. In a region less abundantly mineralized any of the groups covered in this report would be sufficiently interesting to warrant development; but I cannot help being particularly struck with the great promise of the Gowan, the Contact Group and the Summit claim. Of these, the Gowan and the Summit must doubtless be opened up in the usual manner, by shafts and drifts; but. in case of the Contact, it is probable that sufficient initial development can be performed by diamond-drilling, and without serious expense; and I shall be greatly disappointed if such development does not open up very large and valuable pre-bodies.

With hydro-electric power available by harnessing the waters of the East Verde river, which flows directly across three of our groups, a large item of expense would be reduced to the minimum. I believe any power necessary could be developed by utilizing the power sites available.

This mining enterprise looks to me like a sure winner if properly developed under efficient management with sufficient capitol. The Company is capitalized 1,600,000 shares with a par value of one dollar per share. There has been 500,000 shares issued; this in payment for the property and necessary expense during the last twenty-one years; thus leaving in the treasury 1,100,000 shares to be offered for promotion purposes.

Respectfully submitted,

F. C. Smith, M.E.

COPY

#### Verde Falls Gold Mining Company, Analysis of ore shipments, Shields-Pomeroy Lease 1938

TABLE I

Lot	Date	Dry Wt	Oz Au	Oz Ag	Gross Va Per Ton	Treat Charges	Net Val Per Ton	Frt	Net to Shipper	
1	4-29-38	37538	0.70	0.25	22.54	4.25	18.29	154,00	189.29	
2	6-25-38	67579	0,75	0.27	24,15	4.42	19.73	273,60	393.07	
3	7-26-38	66143	0.675	0.30	21.73	4.17	17.56	277.04	303.70	
4	7-27-38	42688	0.725	0.24	23.34	4.33	19.01	178.24	227.51	
5	8-16-38	46028	0.56	0.29	18.03	3.80	14.23	188.64	138,85	
6	8-23-38	86543	0.70	0.32	22.54	4,25	18,29	354.32	437.12	
7	9- 2-38	67228	0,905	0.20	29.14	4.91	24,23	274.40	540,07	
	Totals	413747						1700.24	2229.61	
							•			

TABLE II

]	(1) 50	(5) 00.00		AxB	AxC	AxBx\$35	
LOT	(A) lons		101 45 48	44 25 65			
1	18.769	0.70	0.25	13.1383	4.6922	459,84	· ·
2	33,7895	0,75	0.27	25,5421	9.1432	893,9735	
3	33.0715	0.675	0,30	22,3233	9.9215	781.3155	
4	21.344	0.725	0.24	15.4744	5,1226	541,604	
5	23.014	0.56	0,29	12,8878	6.6741	451.073	· · · · ·
6	43,2715	0.70	0.32	30,2900	13.8468	1060.15	
7	33,614	0,905	0,20	30.4026	6.6228	1064.091	
	206.8735			150.0585	56,0232	5252.0470	

(2) Total ounces gold shipped 150.0585 206.873 (1) Total Tons shipped (4) Gross value of gold \$5252.087 (3) Total ounces silver 56.0232 (6) Total freight paid 1700.24 (5) Av. Value ore per ton 25.387 (8) Av.Smelter to shipper per ton \$10.49 (7) Net Smelter to shipper \$2229.61 \$2006.66 (10) Net to lessees (9) Royalties \$222,96 (11) Net per ton to lessees \$9.441 (without deducting mining cost) (12) Allowing \$4 per ton mining cost, net to lessees \$5.44 per ton

> A.L.F. 12-1-38

Verde Falls Gold ning Company, Analysis of ore shipments, Shields-Pomercy Lease 1938

TABLE I

	Lot	Date	Dry Wt	. Oz Au	Oz Ag	Gross Va Per Ton	Treat Charges	Net Val Per Ton	Frt	Net to Shipper	
12.00	1	4-29-38	37538	0.70	0 <b>.25</b>	22.54	4,25	18,29	154,00	189,29	
100	2	6-25-38	67579	0,75	0,27	24.15	4.42	19,73	273,60	393,07	
	3	7-26-38	66143	0.675	0 <b>,30</b>	21.73	4,17	17.56	277,04	303,70	
	4	7-27-38	42688	0,725	0.24	23.34	4,33	19.01	178,24	227.51	
	5	8-16-38	46028	0, 56	0,29	18.03	3.80	14.23	<b>1</b> 88 <b>.64</b>	138,85	
j.	6	8-23-38	86543	0,70	0,32	22.54	4.25	18,29	354,32	437,12	
	7	9- 2-38	6 <b>7</b> 228	0 <b>。905</b>	0.20	29.14	4.91	24,23	274,40	540.07	
		Totals	41 37 47					•	1700.24	2229.61	
						-					

TABLE II

1

Lot	(A) Tons	(B) Os An	(C) Øz Ag	АхВ	AxC	ArBr\$35	
1	18.769	0.70	0,25	13.1383	4.6922	459,84	
2	33,7895	0.75	0,27	25,5421	9,1432	893,9735	
3	33.0715	0.675	0.30	22,3233	9,9215	781,3155	
4	21.344	0,725	0.24	15.4744	5.1226	541,604	
5	23.014	0.56	0.29	12,8878	6.6741	451.073	
6	43,2715	0.70	0,32	30,2900	13,8468	1060.15	
7	33.614	0 <b>。905</b>	0 <b>.20</b>	30,4026	6.6228	1064.091	
	206.8735	-		150.0585	56.0232	5252.0470	

(1) Total Tons shipped 206,873 (2) Total ounces gold shipped 150.0585 (3) Total ounces silver 56.0232 (4) Gross value of gold \$5252.087 (5) Av. Value ore per ton 25.387 (6) Total freight paid 1700.24 (8) Av. Smelter to shipper per ton \$10.49 (7) Net Smelter to shipper \$2229.61 (9) Royalties \$222,96 (10) Net to lessees \$2006.66 (11) Net per ton to lessees \$9.441 (without deducting mining cost) (12) Allowing \$4 per ton mining cost, net to lessees \$5.44 per ton

Mowan

SUPPLEMENTARY REPORT UPON THE PROPERTIES OF THE VERIE FALLS GOLD MINING CO.

# Dec. 4th/30

My original Report upon the Verde Falls Gold Mining Company was made some ten years ago; since which time I have kept quite thoroughly posted upon all items of progress, and upon all general and particular conditions. A very considerable amount of work has been done, during this time, for the general betterment of conditions (such as somewhat wide-spread development of a sort; great improvement of roads etc.) but, in a cape where the various claims are so scattered, the changes worked are not readily visible.

I may say that all items of test have only served to confirm, and even to better, my former opinion as to the very great prospective value of these claims, and a few of them I shall enumerate below.

The possiblity of mailroad development which might serve these properties has, since the time of my former report, been temporarily abandoned, doubtless by reason changes of policy and conditions; so that, so far as I know, no railroad construction is to be expected at any early date. The wastly improved condition of the wagonroads, however, together with the wonderful strides made in motortruck transportation, make this a matter of relatively small importance.

When the first work was done (now nearly fifty years ego) upon these mines, it must be remembered that the old-timers who located and worked the claims, and who finally patented them and left them-never to return--were hampered in many ways; by the almost utter lack of roade (which made it difficult to bring in supplies of all hinds, and equally difficult to ship anything out) by insufficient a inadequate machinery (whereb they lacked pumps and also any sort of concentrating machinery) and, finally. by very different markets for metals from those existent today. Imphasis must also be laid upon the fact that these old-time miners were <u>gold miners</u> pure and simple, and knew (or probably cared) very little indeed about the copper which was so widely present on all the claims, and which, indeed may one day exhibit the major values of the whole group.

In probably every case (such as can now be discorned in the orea of the Gowan and Summit) it is most probable that, after a short depth below the exidized surface zones, the gold became, in large part, so mixed with sulphides of copper and iron as to become much less ensily amalgamable with mercury, which was the only process then in use for its saving.

In the case of the Gowan ores, the level of the Rast Verde River was reached at a depth of about 70 feet from surface, and below this water-level it is an important fact that, no matter what reasonable gold content might be found in the ore, they not only had no adequate means of saving it from its mixture with copper and iron sulphides, but they had no pumps with which to remove sufficient water to permit. mining operations. It is an important and favorable condition, however, that they did mine down to the water level, and they did stope to surface on both sides of the shaft, and all of this dirt they did mill; pressmably at a profit. Since they left--un-mined and un-milled--the two feet of hanging-wall brecoid (which gave no an assay of about \$11.00 per ton) it seems likely that the pure quartz which they did mine and mill must have accayed considerably higher: thus establishing a very probable condition that the continuation of the quarts wein in depth may carry good values; and values which will not be decreased b their sulphide contents under the present-day methods of milling, but will increase them.

The same reasoning may well also apply to the Summit. With reference to the great lesses attendant upon the former lack of concentration, about the only available method consisted in taking a sample of the old mill-tails at the Gewan Mill, and concentrating the same, with subsequent assay of the concentrate. These tails were, naturally, much more completely exidized by the passage of 40 years, and the weights taken and concentrated by hend (panned) made

2.

only an estimate possible; but at the same time, they conclusively show what a valuable product had formerly been wasted (and from a presumably exidized gold ore) which could, today, be certainly saved. The assay of the concentrate was as follows:--

Gold 9.43 oz. per ton. <u>Silver</u> 0.7, os. per ton. Value per ten. 8174.36 One claim. The Averican, which live about one mile from the Cowan--was not included in my former report, since it was then under bond and lease to Mr. Cl McParland. It is now shown on the new map herewith. At the time Mr. McParland took it over, the opening on the property showed a gold bearing wein of about eight feet in thickness, which yielded on assay very good gold values. He install -ed a small free-gold mill, and did a considerable amount of development (exposing several veine or stringers, in a quartz-porphyry matrix; one of them approximating four fast in thickness) but he found, at a small distance below the surface oxidation, the same old story iron sulphides, which made amalgamation difficult; so, not being able to install concentrators, the property came back to the Company, A rough general accay recently gave \$12.00 per ton in gold.

In conclusion I would say that my high opinion of these properties has been only increased by the passage of mine years. As indicated in my former report, I was deeply impressed by the possibilities of the Contact Group as a function of development in depth of its great sulphide deposit. It seems to me inevoidable that when development of this group and other claims has been made, there will be "a world of ore" available which will supply a modern flotation mill with material for an exceedingly profitable copper-gold concentrate, which may be further concentrated to a matter or shipped by truck to custom-emelter as may be found desirable.

With electric power now available (and possibly at least 100 H.P. available from 1 cal water-fall) with abundant timber for mining and enough for ordinary fuel consumption, the enterprise looks to me like a sure winner. if backed by sufficient capits.

Yours truly,

3.



# CONTOUR INTERVAL 20'







# PLANE TABLE MAP SHOWING LOCATION OF GOWAN - AMERICAN GROUP OF CLAIMS

AMERICAN LUCILLE I'm





105' mmm 11/11/11/11/ VEIN CONTINUES IN THIS DRIFT J.R. MCD. 8-26-3



