



## **CONTACT INFORMATION**

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PRINTED: 10-17-2012

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: L D CLAIMS

ALTERNATE NAMES:

MARICOPA COUNTY MILS NUMBER: 867

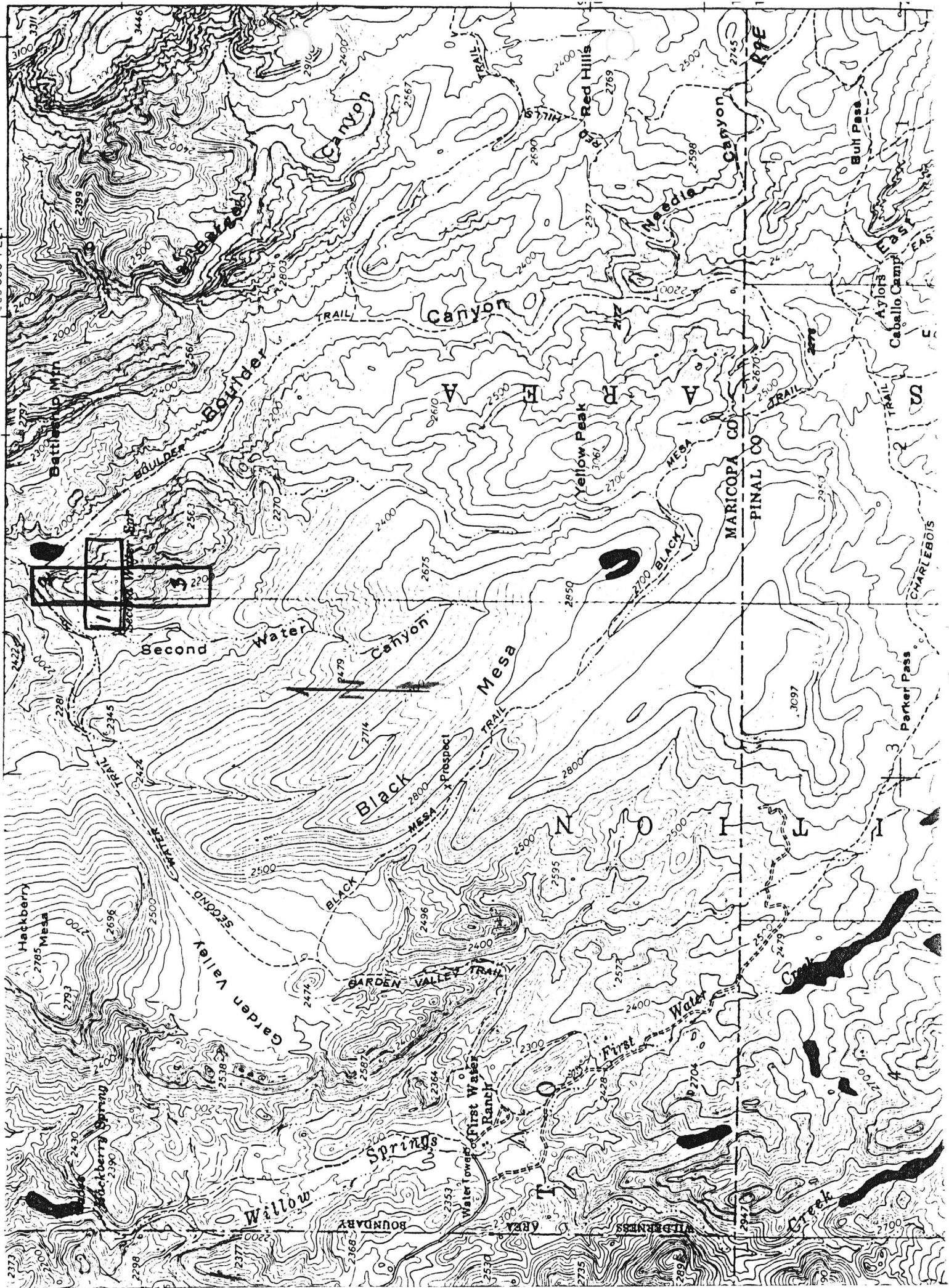
LOCATION: TOWNSHIP 2 N RANGE 9 E SECTION 22 QUARTER  
LATITUDE: N 33DEG 29MIN 49SEC LONGITUDE: W 113DEG 09MIN 42SEC  
TOPO MAP NAME: BIG HORN PEAK - 7.5 MIN

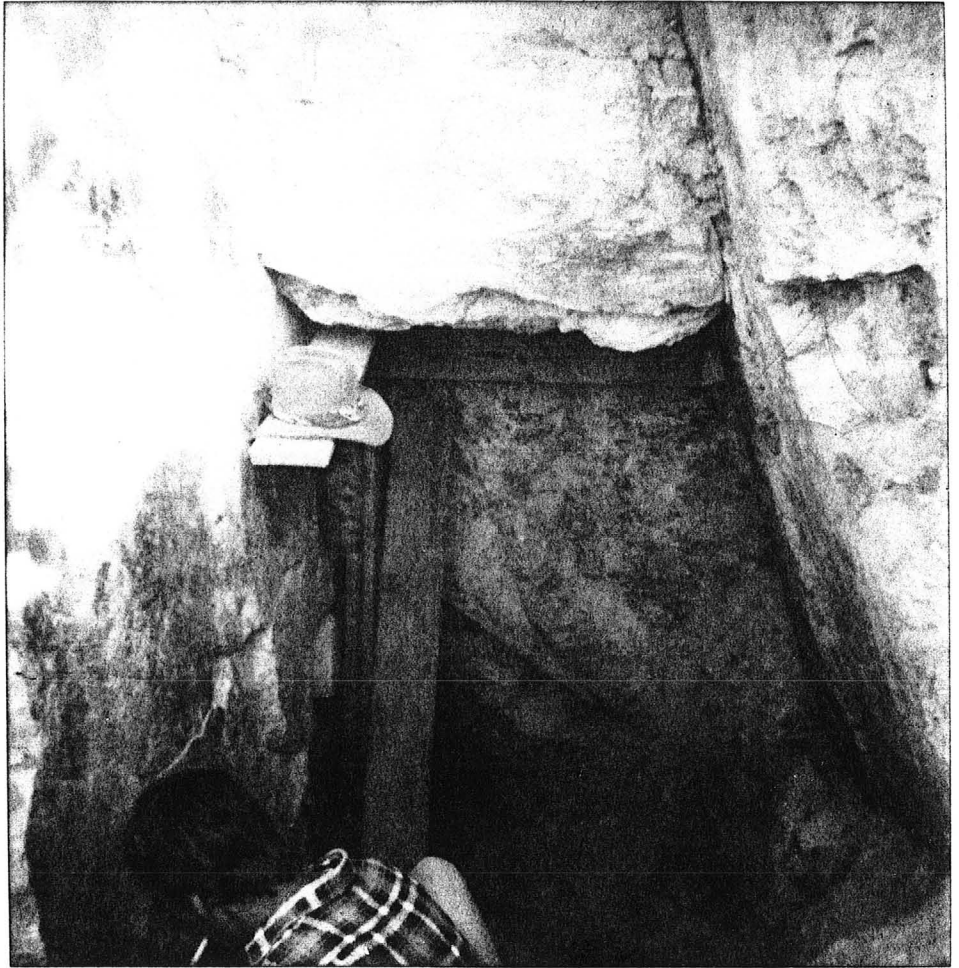
CURRENT STATUS: OTHER

COMMODITY:

BIBLIOGRAPHY:

ADMMR LD CLAIMS FILE  
CLAIMS EXTEND INTO SEC 23, 26, 27

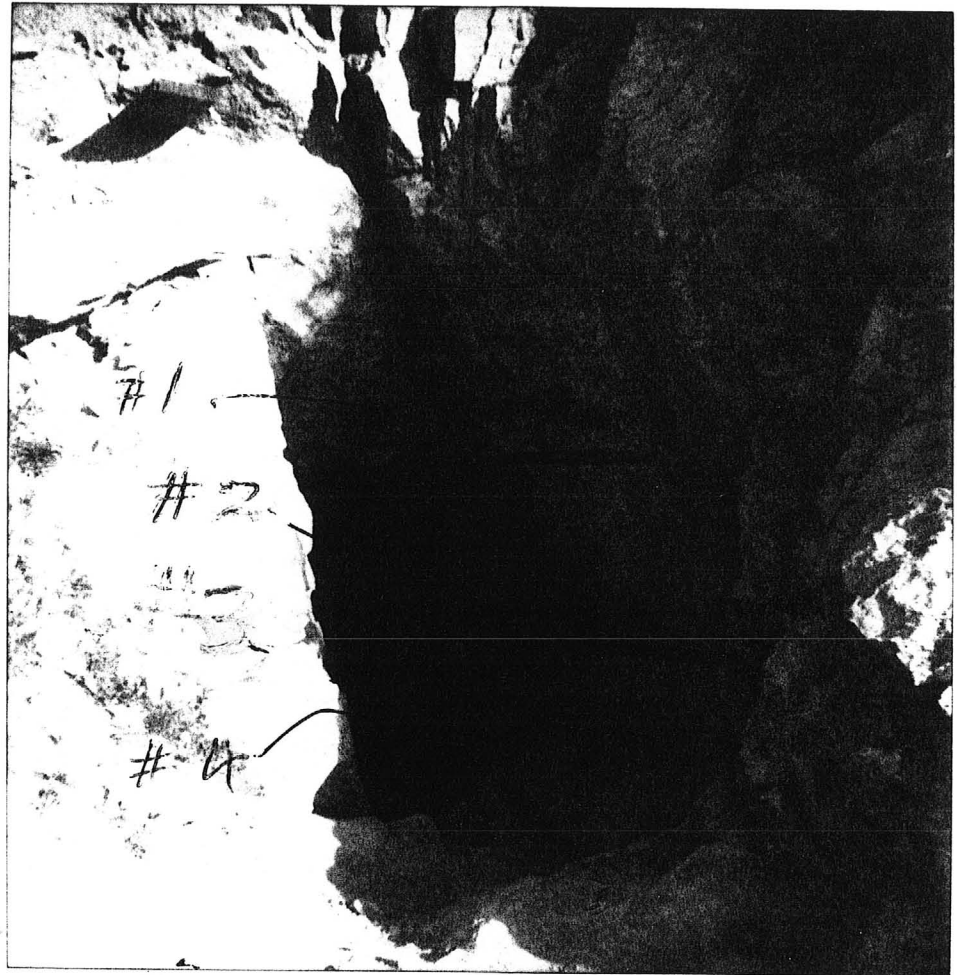




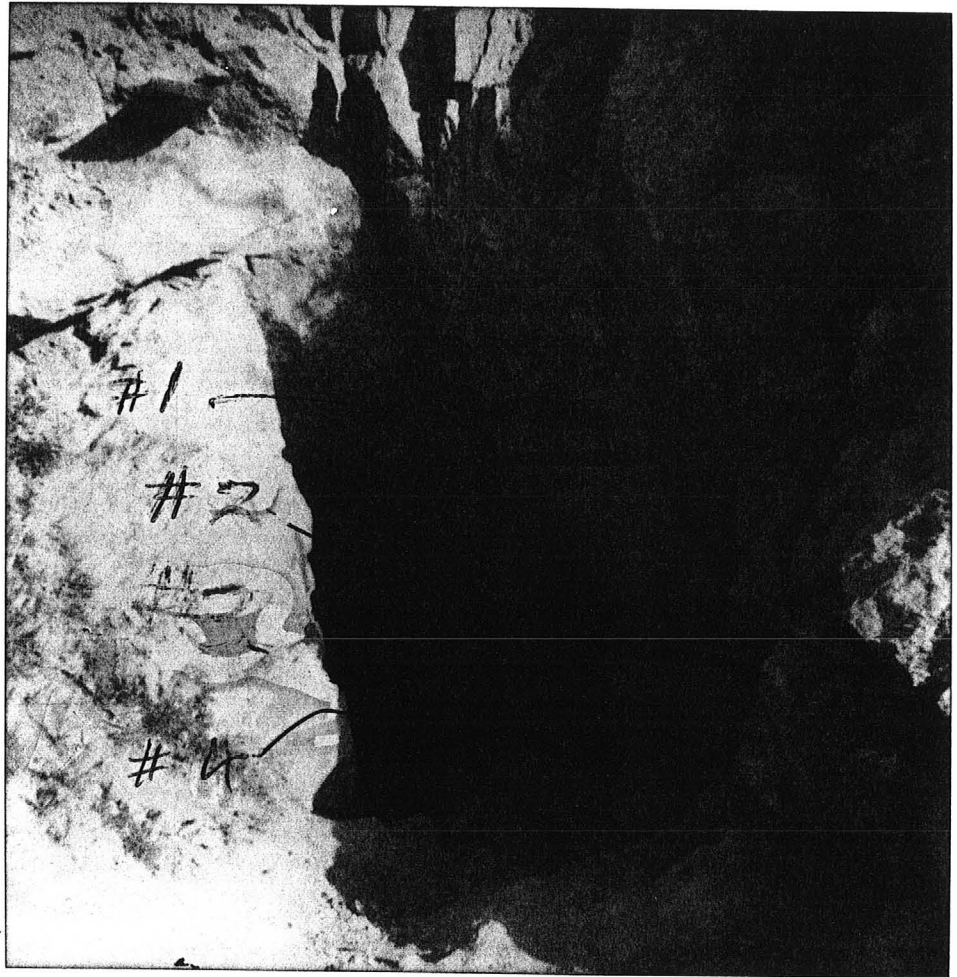
Bruce Gillette, LTD Claims  
Superstition Wilderness  
2/10/84



LD Claims, G & K Mining  
Superstition Wilderness  
2/20/84



LD Clark, G&K Mining  
Superstition Wilderness  
2/10/84



LD Clarks, G & K. Murray  
Superstition Wilderness  
2/10/84



Transportation to L. D. Claimes  
Superstition Wilderness  
2/10/84



L D CLAIMS

Note: Copy sent to Tucson Office  
T2N R0E Secs. 22 & 23

Maricopa  
Goldfield Dist.

WR RB 11/14/80 Bruce Gillette, 969-0823, And Warren Koneman, 969-1087, of G & K Mining Company, 413 N. Brimhall, Mesa, Arizona 85203, have the LD Claims, Goldfield District Maricopa County. They had some assays run by Mesa Refiners that showed 4+ oz of gold per ton. They also sent some to Tucson for assay but have not yet received the results. Robert O'Haire of the Department of Geology and Mineral Technology identified the rock as rhyolite for them. A mining engineer friend of theirs in New Mexico told them that it was a telluride mineral. When they get the results they would like us to visit the property.

---

RRB WR 1/16/81: Mr. Gillette of G&K Mining (new telephone no. 986-2416) reports he has assay on his claims in the Superstition Wilderness Areas that show gold at 3.12 tr.oz/ton and silver at 132.0 tr.oz/ton. Assays were run in Cleveland, Ohio. He has some at Jacobs now and he would like me to visit the claims if they show comparable results.

---

Form 1542-4  
(April 1976)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
ROUTING AND TRANSMITTAL SLIP

Save - LD claims (P)  
K  
MB

TO			ACTION	ROOM NO.
CODE	NAME	ORGANIZATION		
	Ken Phillips			
	Dept. Mines & Mineral Res			

Indicate Action by Number

1. Necessary action
2. Approval
3. Signature
4. Prepare reply
5. Your comment and return
6. Note and surname
7. Note and return
8. Your information
9. See me
- 10.

From Alan Rabenoff	Date 10/5/88	Room No.
Office BLM Mineral Resources	Phone	

Remarks  
Thought you'd enjoy reading this recent decision, which includes such luminaries as Helton Cass, various assayers (both registered and un-registered), as well as a no-nonsense opinion offered by your office!



# United States Department of the Interior

OFFICE OF HEARINGS AND APPEALS  
INTERIOR BOARD OF LAND APPEALS  
4015 WILSON BOULEVARD  
ARLINGTON, VIRGINIA 22203

ARIZONA STATE OFFICE  
IN REPLY REFER TO  
BUREAU OF LAND MGMT

OCT 04 '88

	INITIALS	DATE
30/ASD		
PUB. AFF.		
EEO		
RESOURCES	3	
MINERALS	A GR	
OPERATIONS	H	
ADMIN.		
CENT. FILES	S	
TRAINING CNTR.		
DIST. MGRS.		
ACTION		

UNITED STATES  
v.  
BRUCE L. GILLETTE ET AL.

IBLA 86-328

Decided September 13, 1988

Appeal from a decision of Administrative Law Judge John R. Rampton, declaring the LD #1 lode mining claim invalid for lack of discovery of a valuable mineral on the claim. A-19314.

Affirmed.

1. Evidence: Prima Facie Case—Mining Claims: Contests

When the Government contests a mining claim alleging lack of discovery of a valuable mineral deposit it has the burden of going forward with sufficient evidence to establish a prima facie case. When a Government mineral examiner testifies that he has examined a mining claim, and, based upon his examination, concludes the quantity and quality of the minerals is insufficient to support a finding of discovery, a prima facie case is established.

2. Mining Claims: Discovery: Generally

Evidence of the existence of mineralization which may encourage further exploration to determine the existence of minerals of such quality and quantity as would justify the expenditure of funds for the development of a mine does not establish the discovery of a valuable mineral deposit.

3. Mining Claims: Discovery: Generally

Isolated showings of high gold values are not sufficient by themselves to establish the discovery of a valuable mineral deposit.

APPEARANCES: Bruce L. Gillette, Apache Junction, Arizona; Warren A. Konemann and Patricia S. Konemann, Mesa, Arizona, pro sese; John W. Zavitz, Esq., Albuquerque, New Mexico, for the United States Department of Agriculture.

RECEIVED  
OCT 06 1988  
DEPT. OF MINES &  
MINERAL RESOURCES

## OPINION BY ADMINISTRATIVE JUDGE FRAZIER

Bruce L. Gillette, Warren A. Konemann, and Patricia S. Konemann have appealed from a decision dated December 5, 1985, by Administrative Law Judge John R. Rampton, Jr., declaring their LD #1 lode mining claim, AMC 105407, situated in the SW $\frac{1}{4}$ , sec. 22, and the SE $\frac{1}{4}$ , sec. 23, T. 2 N., R. 9 E., Gila and Salt River Meridian, Maricopa County, Arizona, void for lack of discovery of a valuable mineral deposit on the claim.

The claim was located on June 1, 1980, and includes approximately 20 acres in the Tonto National Forest, within the Superstition Wilderness area. These lands were withdrawn from mineral entry on January 1, 1984, by section (3)(a) of the Wilderness Act of 1964, 16 U.S.C. § 1132(a) (1982).

At the request of the United States Forest Service (FS), the Arizona State Office, Bureau of Land Management (BLM), initiated a mining claim contest by issuing a complaint on August 2, 1984. The complaint charged that there "are not presently disclosed within the boundaries of the mining claim nor were there disclosed as of December 31, 1983, minerals of a variety subject to the mining laws, sufficient in quantity, quality and value to constitute a discovery." Contestees (appellants herein) filed an answer and a hearing was held before Judge Rampton in Phoenix, Arizona, on January 16, 1985.

FS Geologist Hilton K. Cass testified that he examined the claim on January 30, 1984, and found one working, a decline drift (Tr. 26, 30). He selected sampling sites in consultation with appellants and gathered four samples. The samples were bagged, sealed, and sent to the Arizona Testing Laboratories in Phoenix for sample preparation and atomic absorption assay for gold and silver (Tr. 32-34). The assays were performed by Claude E. McLean, Jr., registered chemical engineer and assayer. McLean testified that the atomic absorption method is accepted by the industry as a valid process for determining gold and silver content of ores (Tr. 229). McLean's assays showed nil values for gold and trace values for silver for all four samples (Exh. 7). With respect to atomic absorption, McLean testified that for gold, "trace" meant a reading of at least 0.001 ounce/ton, and "nil" meant less than 0.001. For silver, trace is a reading 0.01 to 0.05 oz./ton (Tr. 240-41). 1/

Cass also had fire assays performed by Silver Systems, Inc., of Phoenix, Arizona. These assays revealed nil values for gold and silver for three of the samples, and a trace for gold and nil value for silver for the remaining sample (Tr. 37; Exh. 8). Cass testified that in December 1983 the average price for gold was \$388.34 per ounce and in 1985 (at the time of the hearing) the price was about \$304 per ounce (Tr. 248). Referring to an Arizona Bureau of Mines publication (Guide for Small Mines and Prospectors),

1/ McLean testified: "If we get less than .001 we say there's no gold there \* \* \* if we say trace, we got something between nothing and .01. So it is less than one hundredth of an ounce per ton" (Tr. 240).

Cass stated he had projected the costs of mining operations for appellants' claim between \$50 and \$60 per ton just to extract the ore (Tr. 218). He testified that appellants' ore would have to be milled by a flotation process such as employed by Phelps Dodge, of Douglas, Arizona. Phelps Dodge would deduct 0.02 oz./ton gold and one 1 oz./ton silver as their fees for milling the ore (Tr. 221). Cass concluded that the material on the claim could not be extracted, removed, and marketed at a profit because the values shown by the assays would equate to only a few dollars per ton for gold and a few cents per ton for silver (Tr. 38).

Bruce Gillette testified that he and Warren Konemann collected two 3-pound samples within 10 feet of where Cass had collected samples (Tr. 63-65). These samples were also sent to the Arizona Testing Laboratories for analysis. Both samples assayed nil for gold and trace for silver (Exh. MC-A). 2/ Gillette and Konemann sent other samples to Metal Refiners, Ltd., of Mesa, Arizona (Tr. 68-69). Testifying with reference to Exhibit MC-B, one of the assay reports, Gillette explained that Metal Refiners, Ltd., had fire assayed a 60-gram sample and obtained values of 4.5 oz./ton for gold and 0.5 oz./ton for silver. A further report from Metal Refiners, Ltd., lists a fire assay value of 198 oz./ton combined metals, and atomic absorption results of 1.1 oz./ton for gold and 155 oz./ton for silver (Exh. MC-E). In an affidavit of April 26, 1985, Cass characterized these results as self-contradictory and arithmetically erroneous. He stated:

[Exh. MC-E] reports 198 troy ounces per ton for combined metals for a fire assay bead. The combined metals in a fire assay bead should be the precious metals if the assay was performed properly. However, the atomic absorption assay of that bead shows a total of 156.1 troy ounces per ton for gold and silver (1.1 oz./ton Au plus 155 oz./ton Ag). The difference is not explained. Also, the calculation of 1.1 oz./ton gold is arithmetically incorrect. The instrument reading for gold is reported as 2.16 ppm (parts per million). Parts per million are converted to troy ounces per ton by the equation

$$\text{ppm} \times 0.0292 = \text{troy oz./ton}$$

Therefore,  $2.16 \text{ ppm} \times 0.0292 = 0.06 \text{ troy oz./ton}$ . This figure should be divided in half since a double assay-ton weight was used for the test (58.332 versus 29.166 grams per assay ton), yielding a calculated assay of 0.03 troy oz./ton, not 1.1 troy oz./ton.

After considering this ostensibly bona fide assay report by Metal Refiners, Ltd, it is my opinion that it is too flawed and confusing to be given much value and it reflects a questionable degree of expertise and poor procedure on the part of the assayer.

4. The value reported on the assay certificate of August 5, 1980 [Exh. MC-B], from Metal Refiners \* \* \* is not even remotely comparable to the values reported from the same laboratory on Contestees' Exhibit [MC-E], although they are purportedly assays

2/ These assays were also performed by Claude E. McLean, Jr.

of the same material. The 5.0 troy ounces of combined gold and silver reported on Exhibit [MC-B] is radically different from the 198 troy ounces (or 156.1 troy ounces by atomic absorption) reported on Exhibit [MC-E]. Such erratic results suggest to me a flawed sampling or assaying procedure, or both. It has been my experience with reputable assayers that they will re-run assays when results are widely disparate in order to check for possible contamination and to check their analytical procedure. Consequently, without a third or umpire assay there is, in my opinion little assurance that either certificate is acceptable as an accurate assay report.

(Cass Affidavit at ¶¶ 3, 4).

Gillette testified that samples were also sent to Grand Junction Laboratories, Grand Junction, Colorado, which performed spectrochemical analysis, reporting values of 0.001 oz./ton for gold and 0.26 oz./ton for silver (Exh. MC-F). Claude E. McLean, Jr., testified that emission spectrography is not an accurate method for determining gold and silver content (Tr. 236).

Jerry Kowal, Jr., a potential investor in the property but untrained in geology or engineering (Tr. 110, 112), testified that he and one Jessie Swiger gathered samples in November 1980. According to Kowal, Swiger took the samples to Ohio (Tr. 114). An analysis, purportedly of these samples, by John T. Banks Laboratories of Pompton Lakes, New Jersey, lists values of 3.12 oz./ton for gold, and 132.94 oz./ton for silver (Exh. MC-G; Tr. 113-14). Kowal speculated that the party named on the exhibit, "J.M. Services" might be a bridge building contractor who was looking for a personal investment (Tr. 118).

Jerry Kowal, Sr., a swimming pool excavator, also took samples. The assay certificate associated with his sampling, from the Iron King Assay Office in Humboldt, Arizona, lists 12 samples ranging in values from ".004" to "1.132" for gold (Tr. 130, 134; Exh. MC-I).

Warren A. Konemann testified that he sent one sample to JDB Company and another to Gold Dome Mining Corporation, both of Phoenix, for analysis. The JDB Company assay report lists six samples ranging in values from trace to 0.052 oz./ton for gold and 0.37 to 1 oz./ton for silver (Exh. MC-M). Konemann stated that he had not estimated how much ore there might be in the ground, that core drilling would probably be necessary to make such an estimate, and that he had not projected the type of mining operation necessary to extract the ore (Tr. 167).

Gene Stowe, General Manager for Gold Dome Mining Corporation, testified that he gathered eight samples (Tr. 173). Though not an assayer, Stowe assayed four samples by fire assay and four by a "bench leach tails" process (Tr. 190; Exhs. MC-Q, MC-R). The highest value obtained by the latter process was 0.04 oz./ton for gold and 6.64 oz./ton for silver. Stowe testified that Gold Dome's method of recovery would cost \$14 per ton but that a milling facility would have to be built near the claim (Tr. 177). According

to Stowe's cost breakdown, appellants would be left with a profit of about \$545 per day (Tr. 178). Stowe testified that he investigated appellants' claim with a view toward acquiring it. He stated, however, that it was "not a high enough grade property for us" (Tr. 189). He said also that the property would have to be core drilled to determine how much ore was present (Tr. 190).

Depositions were taken of two witnesses for appellants who could not attend the hearing. James A. Jones, owner of Geo Tec Mining Consultants in Wickenburg, Arizona, but untrained in geology or assaying, testified that appellants' property was an interesting prospect for further exploration (Jones Deposition (Depo.) at 41, 53). During the deposition, appellant Gillette produced several metallic beads (Jones Depo.; Exhs. 3 and 4), which he had not brought to the hearing. According to Gillette, the beads were the results of processing by himself and Warren Konemann, and the product of assaying by one Ray Hoopes. Anne Jordan, a geological engineer with Geo Tec, had written to Gillette concerning the assay by Hoopes. In her letter, she stated that the assay would be of no value because Hoopes was not a certified assayer (Jones Depo.; Exh. 5). Shown the beads by Gillette, Jones at first stated that he had no way of telling whether they were "absolutely the same beads" he had seen when he watched Hoopes perform the assay. Then he testified: "I was there when the sponge was reduced, and buttons of the like size came up. And they are gold" (Jones Depo. at 18, 19).

Wayne Hammond, owner of a refining plant in Tempe, Arizona, testified that assays on ore from the claim were performed at his facility. Hammond is not a registered assayer, did not supervise the assays, was unable to offer cogent testimony on the results, and could not explain contradictory data in the assay report (Hammond Depo. at 6, 20-23; Exh. A). Hammond testified that "sizeable" tests would have to be made to determine the economic prospects of the claim (Hammond Depo. at 28).

In his decision, the Judge summarized the evidence and applicable law and concluded that the Government had presented a prima facie case of lack of discovery of valuable minerals on appellants' claim. He further found that appellants had failed to present a preponderance of evidence to overcome the Government's case. Accordingly, he declared appellants' claim void.

The validity of any mining claim is dependent upon the disclosure of a valuable mineral deposit within the limits of the claim. 30 U.S.C. § 22 (1982). A valuable mineral deposit exists if the mineral found within the limits of the claim is of such quantity and quality that a prudent person would be justified in the further expenditure of his labor and means with a reasonable prospect of success in developing a paying mine. United States v. Coleman, 390 U.S. 599, 602 (1968); Chrisman v. Miller, 197 U.S. 313 (1905); Castle v. Womble, 19 L.D. 455, 457 (1894). This "prudent person" test has been refined to require a showing that "as a present fact, considering historic price and cost factors and assuming that they will continue, there is a reasonable likelihood of success that a paying mine can be developed." In re Pacific Coast Molybdenum, 75 IBLA 16, 29, 90 I.D. 352,

360 (1983). However, actual successful exploitation need not be shown—only the reasonable potential for it. Barrows v. Hickel, 447 F.2d 80, 82 (9th Cir. 1971). The question is not whether a profitable mining operation can be demonstrated, but whether, under the circumstances and based upon the mineralization exposed, a person of ordinary prudence would expend substantial sums with the reasonable expectation that a profitable mine might be developed. Barton v. Morton, 498 F.2d 288 (9th Cir. 1974).

[1] When the United States contests a mining claim on the basis of a lack of discovery, it bears only the burden of going forward with sufficient evidence to establish a prima facie case on the charges in the contest complaint. When a Government examiner, who has had sufficient training and experience to qualify as an expert witness, testifies that he has physically examined a claim and found mineral values insufficient to indicate the discovery of a valuable mineral deposit, the United States has established a prima facie case that the claim is not supported by a discovery. United States v. Ledford, 49 IBLA 353 (1980). Once a prima facie case is presented, the burden then shifts to the claimant and it is incumbent upon the claimant to present evidence which is sufficient to overcome the Government's case on the issues raised. United States v. Springer, 491 F.2d 239, 242 (9th Cir.), cert. denied, 419 U.S. 834 (1974); Foster v. Seaton, 271 F.2d 836 (D.C. Cir. 1959); Cactus Mines, Ltd., 79 IBLA 20 (1984); United States v. Rice, 73 IBLA 128 (1983).

Judge Rampton held that the testimony of Hilton K. Cass together with the assay results obtained from his samples established the Government's prima facie case. Appellants do not challenge this conclusion. Rather, their arguments are directed toward the Judge's analysis of the evidence they presented, an analysis which led to the Judge's conclusion that appellants had failed to carry their burden of refuting the Government's case by a preponderance of the evidence.

In their statement of reasons, appellants argue that Judge Rampton failed to give proper weight to their evidence. They review portions of the testimony of their witnesses and stress the assay results they entered into evidence. In its answer, the Government argues that the testimony and assays from appellants' unregistered assayers were properly given little weight by the Judge.

Judge Rampton found the testimony of James A. Jones to be "largely hearsay, unreliable, and speculative" (Decision at 13). As noted earlier, Jones testified with respect to an assay performed by Ray Hoopes. The Judge found that the assay had been performed by unconventional methods, that Jones was unqualified in assaying, and that he knew nothing of the qualifications of Hoopes. One of appellant's own exhibits, the Anne Jordan letter (Jones Depo.; Exh. 5), states that Hoopes was not a "certified" assayer and that his assay would be of no value to appellant Gillette. Moreover, this particular assay was vigorously disputed by Hilton K. Cass (Cass Affidavit at ¶ 6). Judge Rampton also found that the testimony of Wayne Hammond was hearsay and unreliable because he took no part in the assay process and was unable to explain discrepancies in the assay report.



With regard to the testimony of Gene Stowe concerning his assay, Judge Rampton took into account evidence that Stowe was not registered as an assayer under Arizona law, and that the Arizona Department of Mineral Resources believed his firm had "done a disservice to prospectors and defrauded them of their funds with their unrealistic assaying practices" (Decision at 12; Exh. 14). The Judge also gave more credence to the testimony of government witnesses Cass and McLean, who questioned the reliability of Stowe's assay method, than he gave to Stowe. His conclusion that the testimony of the government witnesses was more reliable was based in part on their higher professional qualifications.

Although Stowe's profit analysis for the proposed mining operation (Exh. MC-0; Statement of Reasons at 7) was not specifically discussed by Judge Rampton, we find that it, also, is of little probative worth. The mining, hauling, and milling costs assumed in the analysis are unsupported by specifics or realistic cost data. For example, a contract mining cost of \$55.25 per ton is posited, but neither the necessary machinery nor man-hours is itemized. Nor is there any mention of other operations which might serve as comparisons. The Stowe figures are not only wholly speculative but also quite incredible, considering the absence of any estimate as to quality and quantity of an ore body.

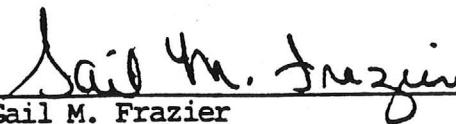
While material, relevant hearsay is admissible in administrative proceedings (5 U.S.C. § 556(d) (1982); United States v. Arbo, 70 IBLA 244 (1983)), the trier of fact is not required to believe or give probative weight to unreliable or inherently incredible evidence. United States v. McDowell, 56 IBLA 100 (1981). We find no error in Judge Rampton's assessment of, and no error in the weight he attributed to, the reliability and credibility of testimony and evidence presented by appellants' witnesses.

[2] "Quantity" of valuable minerals is one of the elements of the discovery test. Appellants have presented virtually no evidence on this point. Appellants' witnesses testified that they did not know how much ore might be on the claim. These witnesses also testified that exploratory work would have to be performed to estimate quantities. Evidence of mineralization which may justify further exploration but not development of a mine does not establish discovery of a valuable mineral deposit. United States v. Franklin, 99 IBLA 120 (1987), and cases there cited.

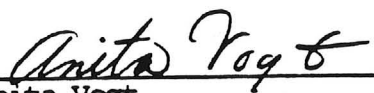
[3] We have concluded that Judge Rampton correctly found appellants' evidence unreliable. However, even if one or two high values on appellants' assays were reliable and credible, appellants would fare no better because isolated showings of high gold values are not sufficient to establish a discovery where there is no evidence that such showings are part of a continuous mineralization along the course of a vein or lode such that the quantity of ore can reasonably be determined by standard geologic means. United States v. Parker, 82 IBLA 344, 368-69, 91 I.D. 271, 285-86 (1984); United States v. Wells, 69 IBLA 363 (1983); United States v. Melluzzo, 38 IBLA 214, 85 I.D. 441 (1978), aff'd, Melluzzo v. Watt, Civ. No. 81-607 (D. Ariz. Mar. 31, 1983), aff'd, Civ. No. 83-2056 (9th Cir. Oct. 3, 1983). United States v. Weekley, 86 IBLA 1 (1985).

For these reasons, appellants' documentary evidence and witness testimony, even seen in their most favorable light, are insufficient to overcome the Government's prima facie case.

Therefore, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior, 43 CFR 4.1, the decision appealed from is affirmed.

  
\_\_\_\_\_  
Gail M. Frazier  
Administrative Judge

I concur:

  
\_\_\_\_\_  
Anita Vogt  
Administrative Judge  
Alternate Member



# Silver Systems Inc.

A 1453

2114 W. DESERT COVE PHOENIX, ARIZONA 85029  
602-861-2138

Name Bruce Gillette Control # \_\_\_\_\_  
 Date 2-16-84  
 Address 460 S. Stopley Dr.  
 City Mesa State Az Zip 85204

Type of Material: ONE (special method of client)  
 ASSAY     MELT     BOTH     OTHER

Assay For:  Ag     Au     Pt     Pd     Other \_\_\_\_\_

Date Due: \_\_\_\_\_ Date Complete: \_\_\_\_\_

Sample	RESULTS					
	Ag g/ton	Ag g/ton	Pt	Pd	Other	Other
G4K#1 2/10/84	.003	Tr.				
G4K#2 2/10/84	.014	Nil				
G4K#3 2/10/84	Nil	Nil				
G4K#4 2/10/84	.002	Nil				

Assayer [Signature]

Remarks: \_\_\_\_\_

TOTAL AMOUNT DUE: \$ 48.00 DATE PAID: \_\_\_\_\_

I hereby certify that I have the authorization to release the materials listed above for assay and/or melting. I further certify that I hold true and lawful title to all materials listed above and have met all state and federal requirements concerning these.

RELEASED BY: \_\_\_\_\_

RECEIVED BY: \_\_\_\_\_

STATE OF ARIZONA, I hereby certify that the within instrument was and recorded  
County of MARICOPA ss. JUN 19 1980 -12 15, 19  , at    M.  
In Docket No. 14492, Page 423-424, at the request of

Fee No.:  
**195509**

When recorded mail to:  
**RECEIVED**  
JUN 19 1980  
DIVISION OF MINERAL RESOURCES  
PHOENIX, ARIZONA

Witness my hand and official seal.  
**BILL HENRY**  
County Recorder  
By     
Deputy Recorder

MIN CLAIM (MC)  
Fee: \$ 3.00

### NOTICE OF MINING CLAIM LOCATION

- 1.  Location       Amendment       Relocation
- 2.  Placer       Lode       Millsite       Tunnelsite

3. The name and address of the Locator is  
Bruce L. Gillette Name  
413 N. Brinhall, Mesa, Arizona 85203 Address  
Mesa, City      Arizona State      85203 Zip



4. The name of the claim is LD#1
5. The date of the location is June 1, 80
6. The claim is 1500 feet long and 600 feet wide. The distance from the Location monument to each end of the claim is 750 feet in a East, West direction and 300 feet in a North, South direction.
7. The general course of the claim is from the East to the West
8. The location of the claim is in Section 22 & 23 Township T2n, Range 9E  
G&SRB&M, Goldfield Mining District, Maricopa County, Arizona.
9. If amending or relocating, the previous claim name was Superstition No. 43  
recorded in Docket 9220, File 136  
Goldfield Mining District, Maricopa County, Arizona.
10. The location of the claim with reference to a natural object or permanent monument is East of Second Water Spring in Second Water Canyon, Superstition Wilderness Area, Tonto National Forest

Date June 1, 1980

Bruce L. Gillette  
Signature

# MAP OF MINING CLAIM LOCATION

1. The name of the claim is ID#1
2. The Southwest corner of the claim is 20 feet in a Northeastern direction to a survey monument or permanent natural object described as Second Water Spring in Second Water Canyon, Superstition Wilderness Area, Tonto Nat. For.
3. The type of location monument is White 4x4 post  
The type of corner and end monuments are stone
4. The bearing and distance between the corners of the claim are beginning at the Southwest corner of the claim, 600 feet in a North direction to the Northwest corner, then 1500 feet in a Eastern direction to the Northeast corner, then 600 feet in a South direction to the Southeast corner, then 1500 feet in a Western direction to the point of beginning.

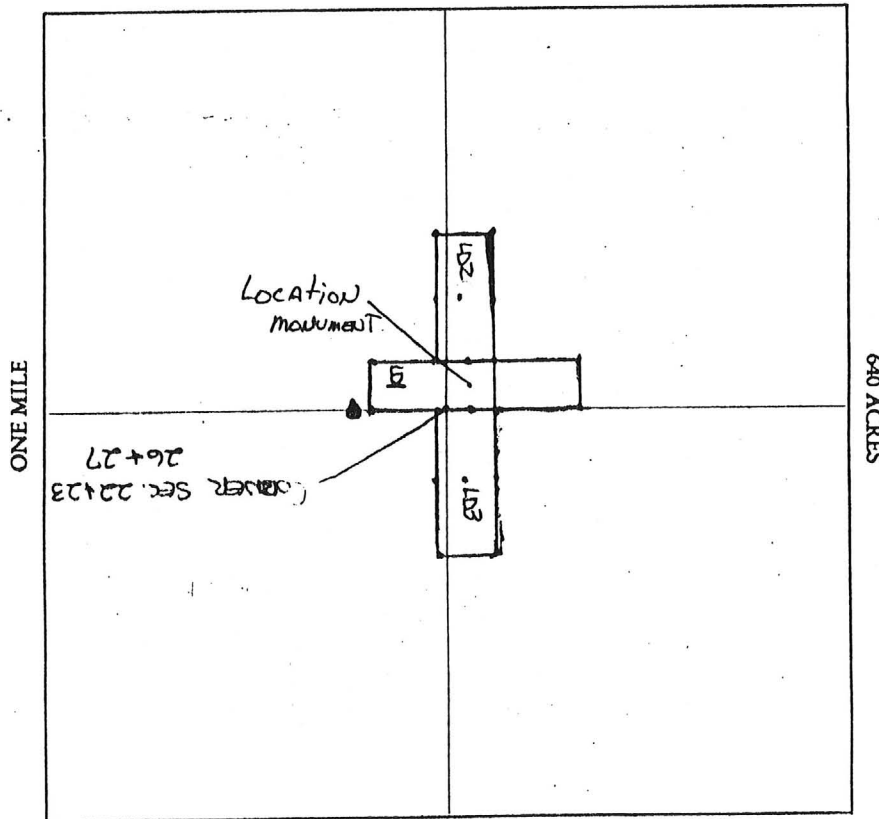
## MAP

One inch = One thousand feet

North Arrow



ONE MILE



Section 22 & 23 Range 9E Township T2N, G&SRB&M

Date June 1, 1980

*Bruce L. Gillette*

Signature

STATE OF ARIZONA, } I hereby certify that the within instrument was filed and recorded  
County of **MARICOPA** } ss. **JUN 19 1980 -12 15**, 19\_\_\_\_, at \_\_\_\_\_ M.  
In Docket No. **14492** Page **425-426**, at the request of  
Bruce L. Gillette

Fee No.:  
**195510**  
MIN CLAIM (MC)  
Fee: \$ **3.00**

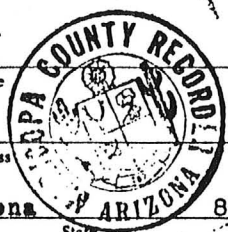
When recorded mail to:

Witness my hand and official seal.  
**BILL HENRY**  
County Recorder  
By [Signature]  
Deputy Recorder

### NOTICE OF MINING CLAIM LOCATION

- 1.  Location       Amendment       Relocation
- 2.  Placer       Lode       Millsite       Tunnelsite

3. The name and address of the Locator is  
Bruce L. Gillette Name  
413 N. Brimhall Address  
Mesa City      Arizona State      85205 Zip



4. The name of the claim is LD#2
5. The date of the location is June 1, 1980
6. The claim is 1500 feet long and 600 feet wide. The distance from the Location monument to each end of the claim is 750 feet in a North, South direction and 300 feet in a East, West direction.
7. The general course of the claim is from the North to the South
8. The location of the claim is in Section 22 & 23 Township T2N, Range 9E  
 G&SRB&M, Goldfield Mining District, Maricopa County, Arizona.
9. If amending or relocating, the previous claim name was \_\_\_\_\_  
 \_\_\_\_\_ recorded in Docket \_\_\_\_\_, Book \_\_\_\_\_,  
 \_\_\_\_\_ Mining District, \_\_\_\_\_ County, Arizona.
10. The location of the claim with reference to a natural object or permanent monument is East  
of Second Water Spring in Second Water Canyon, Superstition  
Wilderness Area, Tonto National Forest

Date June 1, 1980

Bruce L. Gillette  
Signature

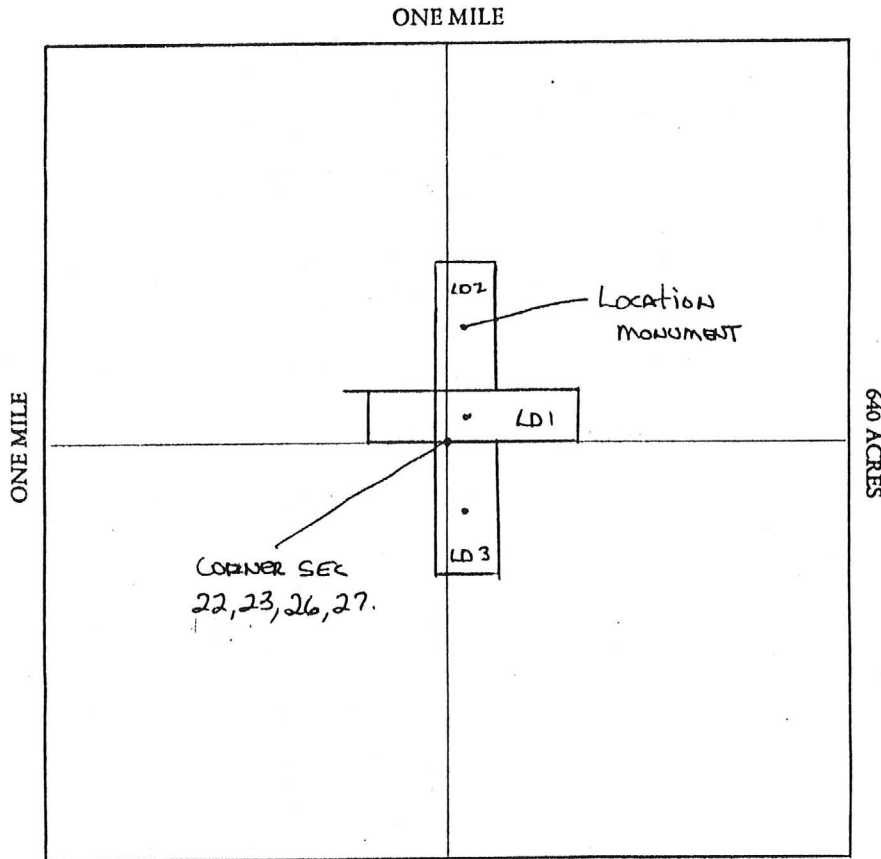
# MAP OF MINING CLAIM LOCATION

1. The name of the claim is LD#2
2. The Southwest corner of the claim is 470 feet in a Northeastern direction to a survey monument or permanent natural object described as Second Water Spring in Second Water Canyon, Superstition Wilderness Area, Tonto Nat For
3. The type of location monument is White 4x4 post  
The type of corner and end monuments are Stone
4. The bearing and distance between the corners of the claim are beginning at the Southwest corner of the claim, 1500 feet in a Northern direction to the Northwest corner, then 600 feet in a Eastern direction to the Northeast corner, then 1500 feet in a Southern direction to the Southeast corner, then 600 feet in a Western direction to the point of beginning.

## MAP

One inch = One thousand feet

North Arrow



Section 22 & 23 Range 9E Township T2N G&SRB&M

Date June 1, 1980

*Bruce L. Gillette*  
Signature

STATE OF ARIZONA } I hereby certify that the within instrument was d and recorded  
County of MARICOPA } ss. JUN 19 1980 -12 15, 19  , at    M.  
In Docket No. 14492, Page 427-428, at the request of

Fee No.:  
**195511**

When recorded mail to:

Witness my hand and official seal.  
**BILL HENRY**  
County Recorder  
By RB  
Deputy Recorder

MIN CLAIM (MC)  
Fee: \$ 300

### NOTICE OF MINING CLAIM LOCATION

- 1.  Location                     Amendment                     Relocation
- 2.  Placer                             Lode                             Millsite                     Tunnelsite

3. The name and address of the Locator is

Bruce L. Gillette

Name

413 N. Brimhall

Address

Mesa

City

Arizona

State

85203

Zip



4. The name of the claim is LD#3

5. The date of the location is June 1, 1980

6. The claim is 1500 feet long and 600 feet wide. The distance from the Location monument to each end of the claim is 750 feet in a North, South direction and 300 feet in a East, West direction.

7. The general course of the claim is from the North to the South

8. The location of the claim is in Section 26 & 27, Township T2N, Range 9E  
G&SRB&M, Goldfield Mining District, Maricopa County, Arizona.

9. If amending or relocating, the previous claim name was \_\_\_\_\_  
\_\_\_\_\_ recorded in Docket \_\_\_\_\_, Book \_\_\_\_\_,  
\_\_\_\_\_ Mining District, \_\_\_\_\_ County, Arizona.

10. The location of the claim with reference to a natural object or permanent monument is Southeast of Second Water Spring in Second Water Canyon, Superstition Wilderness Area, Tonto National Forest

Date June 1, 1980

Bruce L. Gillette  
Signature



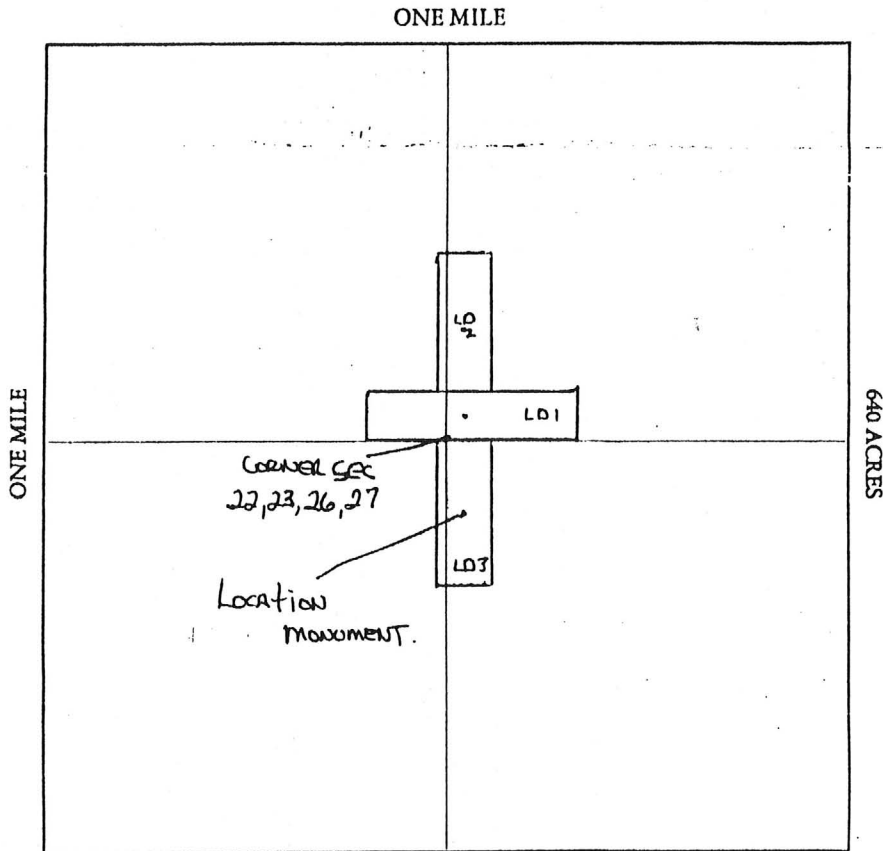
# MAP OF MINING CLAIM LOCATION

1. The name of the claim is LD#3
2. The Northwest corner of the claim is 470 feet in a Southeastern direction to a survey monument or permanent natural object described as Second Water Spring in Second Water Canyon, Superstition Wilderness Area, Tonto Nat For
3. The type of location monument is White 4x4 post  
The type of corner and end monuments are Stone
4. The bearing and distance between the corners of the claim are beginning at the Northwest corner of the claim, 1500 feet in a Southern direction to the Southwest corner, then 600 feet in a Eastern direction to the Southeast corner, then 1500 feet in a Northern direction to the Northeast corner, then 600 feet in a Western direction to the point of beginning.

## MAP

One inch = One thousand feet

North Arrow



Section 26 & 27 Range 9E Township T2N G&SRB&M

Date June 1, 1980

*Bruce L. Gillette*

Signature

ENGINEERS REPORT

FROM: Richard R. Beard

February 10. 1984

LD Claims  
G & K Mining Co  
413 N. Brimhall  
Mesa, Arizona 85203

Met with Bruce Gillette, Warren Koneman and Steve Kowall at First Water at the edge of the Superstition Wilderness area where they provided mules for the three mile ride into the Wilderness area to the LD claims near Second Water.

The Forest Service is pursuing a validity contest on the claims in their effort to clear all currently uneconomic mining claims from the Wilderness Area. Mr. Gillette requested me to visit the claims and give my opinion of them in the hope that it would help them fight the validity contest. He told me that the geologist for the Forest Service had been to the property and taken samples for analysis at Arizona Testing Laboratories. These samples showed only nil and trace amounts of gold and silver but he was having ATL run them using a reagent that they had to order since it is not used for standard assaying. This new reagent is supposed to show that the samples contain commercial amounts of gold.

I was also provided a report by Gene Stowe of Gold Dome Mining Corp. (report attached) in which he contends that by the use of his exotic assaying and extraction methods the property can be profitably operated even though the "ores" must be flown out by helicopter.

I assisted Mr. Gillette take samples from the same places as the Forest Service geologist. Four samples were taken. (see photo)

- G & K #1 - Taken at eye level on right side while standing on 1st step down. Includes altered area 6" wide.
- G & K #2 - Taken near floor of first step down below #1 - got damp in saddle bags.
- G & K #3 - Taken across center of floor of first step down.
- G & K #4 - Taken along contact of floor and wall on left side of first step down - got wet in saddle bags.

I took the samples to the Department of Mineral Resources where I crushed them to minus 3/8" and split them into four portions each with a Jones splitter. Two of the splits were sent to assayers and the other two were retained in my office.

The samples sent to one assayer were never run because Mr. Gillette never came to pay for them.

The samples sent to the other assayer were run using the "recipe" provided by Mr. Gillette with the following results (also see attached assay report.)

ENGINEERS REPORT, Richard R. Beard, LD Claims

page 2

in ounces per ton. G & K #1, Gold - .003, Silver - trace; G & K #2, Gold - .014, Silver - nil; G & K #3, Gold and Silver - nil; G & K #4, Gold - .002, Silver - nil.

The rock is a rhyolite in various pinkish shades in which I could see no evidence of sulphides. Some mica is visible as is some very small quartz crystalization.

Bruce Gillette  
460 S. Stapley Drive  
Mesa, Arizona 85204  
969-0823

and

Richard Beard  
Department of Mineral  
Resources  
Mineral Building  
State Fairgrounds  
Phoenix, Arizona 85007  
255-3791

#### Samples

G & K #1	2/10/84
G & K #2	2/10/84
G & K #3	2/10/84
G & K #4	2/10/84

#### Preferred Recipe for Fire Assay per Bruce Gillette:

30 gm sample

40 gm	Soda Ash
20 gm	Borax
10 gm	Silica
5 gm	Lime
40 gm	Litharge
3 gm	Flour

Telephone contact.

Steve Kowall - 983-3202

12-28-83

TO: Warren Konemann  
Steve Kowal  
Bruce L. Gillette

RE: Your Mine Located in The Superstitions

This is to bring you up to date on the status of the testing so far accomplished with your ore. As you are aware, the ore does not fire assay well under standard conditions. However, adding enough sodium hypochlorite solution to form a wet slurry at medium (not hot) temperature, will cause it to oxidize. This will uncomplex some metallic bonds which either tend to prevent the precious metals from reducing and entering the lead inquart during fire assay, or perhaps releases it from the fused solution which causes loss through volatilization. Another possibility is that aluminum and magnesium present in the ore upon igniting at some stage in the smelt combine with the precious metals and carry it into the slag. This behavior is common with gold tellurides. Back to the slurry mentioned above; combine this slightly damp ore (dry if too wet - low heat) with lead oxide - 45 grams and wheat flour - 5 grams, in a porcelain mortar and mix thoroughly. The lead must mechanically bond with the micron gold so that when the utectic of melting metals take place, the precious metals and the lead are melted together. The rest of the flux is standard. We use 20 grams of borax and 40 grams of soda ash. This will work on your ore, as well as some other more complicated methods we do on real problem ores.

We have done some qualitative analysis on your ore using Atomic Absorption (AA) of leach solutions derived by various methods and solutions. The best results appear to be had with our enhanced cyanide solution, where, with the addition of very small amounts of our proprietary additive to sodium cyanide, we have been able to recover values of .70 oz. per ton in Au, and .85 oz. per ton in Ag. This sample was taken by myself at your property on December 18, 1983. This sample was a composite of 4 separate samples taken across and up and down the vein, in a total of 8 bags. We still are working on the individual bags to see if the ore is consistent throughout, or if it may be richer in some areas. The ore is complex by nature, with

many elements which would cause problems in chemical assays. There is also a smattering of rare earth elements. This indicates that these elements are somehow involved in complexing the precious metals, or it may mean that whatever is involved in capturing the rare earth elements is also involved in capturing the precious metals. This peculiarity is common to many ores in the southwest. The more serious problem in not recognizing the nature of these ores is that while they may have very high values, most laboratories are unable to assay them by either fire or chemical methods.

An example of this would possibly be metal. Metal complexes, which form molecular bonds which have emissions and absorption spectra not characteristic of individual atoms. This would explain to a degree, the inability to assay this ore's spectrophoto metrically without very rigorous sample preparation. Another example could be organics such as humic acids which are known to be involved, concentrating uranium in old river beds such as The Chinle and Morrison formations. Another example would be the organic materials found in ore which would rob the pregnant solutions at Newmonts plant in the Carlin District if the pretreatment was omitted.

Some characteristics of this ore seem to support this supposition. Then again, if the precious metals are tied up in organic complexes, the chlorine or hypochlorites may destroy the complexing structure and release the metal. This ore is a strong candidate for having humic material.

We have observed on many occasions that values we have had well defined in our solutions have been lost by remaining too long in contact with the ore itself. We refer to this as preprecipitation and have started working a curve test on all ores. This way the AA readings will show at what point the leaching stops and the precipitating starts, also, when the values are totally gone. In several instances, we have added 10 parts per million Au Standard solution used to test the AA machine and lost that in addition to the other values.

Acting on the above information, we believe that our method of extraction would have to involve breaking of the complex bonds and to remove the precious metal values as quickly as available from solution. To accomplish

this we reasoned that the carbon in pulp adsorption method would be the most practical. Since beginning our test, we became aware that the carbon combined with the ore in a 45% solids pulp in agitation was not amenable to the rest of our leach system. We modified the carbon to where only the pregnant solution with small amounts of slimes pass through the carbon, back through the ore, through the carbon again, etc. until the ore is stripped and the solution is also stripped.

The Gold Dome system is completely closed. The residue is rinsed and neutralized, then discarded into a lined tailings pond. The chemical costs are very low, most ores work well with moderate crushing or grinding. Water is recycled, adding only makeup amounts.

Using this method of recovery at some millsite close to the mine (within twenty miles of your property) is very economical. Processing by this method will cost \$14.00 per ton using your own plant. Gold Dome will contract this for \$100.00 per ton. The largest mines in the United States are working on ore that is from .03 to .20 oz. per ton, and producing thousands of ounces of gold annually. The width of your vein should allow you to mine 12 tons per day while you are sinking. At \$375 per oz. gold, this will make your ore worth \$262.50 per ton, or \$3,150.00 per day. Mining costs, by contrast, can be done for \$135.00 per foot. Each foot of depth will produce 2.5 tons x 5 feet per day for a cost of \$675.00, or 12.5 tons of ore. The hauling from the mine to mill can be done by helicopter service at \$365.00 per hour. Two hours will easily fly 12 tons anywhere in the 20 mile radius. Doing all the work by contract would still show you a profit. That portion of work done by you and your group could add appreciably to the overall profits.

Contract Mining Costs - \$55.25 per ton x 12 TPD =	\$ 675.00
Contract Hauling Cost - 2 hours = 12 TPD =	730.00
Contract Milling Cost - 12 tons x \$100.00 =	<u>1,200.00</u>
	\$ 2,605.00

Value of Ore - 12 TPD x \$262.50 per ton =	\$3,150.00
Total Contract	<u>(2,605.00)</u>
	\$ 545.00

  
 \_\_\_\_\_  
 Gene B. Stowe, Gold Dome Mining Corporation