

SALIENT ASSESSMENT STATISTICS

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TEN LARGE ARIZONA PORPHYRY COPPERS

YEARS 1960 - 1964

COMPILED BY

ARIZONA DEPARTMENT OF MINERAL RESOURCES

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Source: Arizona Tax Commission

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ARIZONA DEPARTMENT OF MINERAL RESOURCES

COMPILATION OF SALIENT STATISTICS OF LARGE ARIZONA PORPHYRY COPPERS

ARIZONA STATE TAX COMMISSION

1960 - 1964

The large Arizona Porphyry Coppers render each year reports to the Arizona State Tax Commission, giving details of their operations for the preceding year, for the purpose of assisting the Tax Commission in arriving at a fair assessed net valuation of their copper properties.

The Arizona Department of Mineral Resources has compiled a five-year review of the salient statistics needed by the Tax Commission, and has attached these reviews to this report for ten of the Arizona Porphyries.

The State law provides that the State Tax Commission assess for ad valorem tax purposes all producing mines, while operating plants, machinery, etc., are assessed by County Assessors.

Theoretically the assessed valuation of an Arizona mining property is determined by computing the present worth of the expected annual profits over the estimated life of the property, by the so-called "Hoskold" method; and this method has been approved by the courts. In recent years, however, the method actually in use has been the judgment of the Tax Commission, based on net income, though the Commission also bases its valuations on earlier "Hoskold" determinations, placing major consideration on earnings.

The weakness of the "Hoskold" method is that honest engineers may easily differ in their estimates of developed ore, future grade, future metallurgy, future metal prices and future production costs.

The weakness of the "negotiation" or "judgment" method is the placing of undue responsibility upon the Commission.

As stated above, the mine plant and reduction works are appraised by the County

Assessor; but in practice the overall valuation made by the State Tax Commission is reduced by the amount of the valuation put upon the plant; so that the actual assessed valuation of the enterprise is in reality determined by the Commission.

Arizona law calls for assessment at "full and true" value; but the assessment ratios in different localities and for different classes of property range from 15 to 60 percent. With respect to mining property the final assessed valuation, in the opinion of the Commission, is probably something less than 50 percent of the valuation that would be determined by applying the "Hoskold" method to estimated future profits.

The tables on the following pages (Tables I to X) may afford an opportunity to compare Arizona mine taxation with other mining states such as Utah and Montana. For example the Utah method uses twice the annual net proceeds, and adds fifty percent of the assessed value of the plant and improvements. Montana uses 100% of the net proceeds, and adds a percentage (usually 30%) of the estimated value of plant and improvements.

In Tables XI and XII, this Department has actually made a comparison of the actual valuation of ten large Arizona porphyries assessed in 1964 with valuations which would have been made if the Utah or Montana methods had been used. In the Utah and Montana cases, the Arizona County assessed valuations of property other than the claims were used, which are believed to have been 50 percent of the "full and true" value. In using the Utah or Montana methods, a five-year average of net earnings for the preceding five years was used, in order to offset a possible depression or other slump in earnings which might result in radically reduced tax revenues for any one year.

TABLE I

INSPIRATION CONSOLIDATED COPPER CO.

FIVE YEAR REVIEW

	Net Assessed Valuation			Metal Products Sold (Preceding Year)		
	Claims	All Other Property	Total Valuation	Thousand Lbs.	Price Per Lb.	Proceeds
1960	\$ 9,000,000	\$ 4,483,797	\$13,483,797	96,197	31.12¢	\$ 29,936,000
1961	9,000,000	4,839,100	13,839,100	77,835	32.33	25,162,000
1962	9,000,000	4,755,352	13,755,352	77,846	30.24	23,542,000
1963	9,000,000	4,620,743	13,620,743	105,288	31.00	32,639,000
1964	9,000,000	4,690,896	13,690,896	95,240	31.00	29,524,000
Totals \$	45,000,000	\$23,389,888	\$ 68,389,888	452,406		\$ 140,803,000

Avg.						
Per Year \$	9,000,000	4,677,978	13,677,978	90,481	31,123¢	\$ 28,160,600

Year	Tons Ore Mined and Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu. Produced	Lbs. Cu. Recovered per ton	Tons	% Cu	
1959	5,378,848	94,023,162	17.48	58,369,500	0.801	5,994,167
1960	5,314,770	80,800,960	15.20	54,638,313	0.795	4,403,874
1961	4,847,164	78,330,640	16.16	52,401,073	0.792	3,469,676
1962	5,552,219	104,581,211	18.84	49,433,715	0.777	5,510,000
1963	5,487,483	93,874,294	17.11	70,995,426	0.756	5,659,000
Totals	26,580,484	451,610,267				\$ 25,036,717

Avg.						
Per Year	5,316,097	90,322,053	17.00			\$ 5,007,343

TABLE II

KENNECOTT COPPER CORPORATION (Ray Mines Division)

FIVE YEAR REVIEW

Year	Net Assessed Valuation			Metal Products Sold (Preceding Year)		
	Claims	All Other Property	Total Valuation	Thousand Lbs.*	Price Per Lb.	Proceeds
1960	\$21,500,000	\$14,758,827	\$ 36,258,827	68,349	30.551¢	\$20,881,405
1961	21,500,000	14,547,533	36,047,533	97,304	31.928	31,067,269
1962	21,500,000	13,976,887	35,476,887	134,692	30.142	40,599,781
1963	21,500,000	12,658,392	34,158,392	129,246	30.733	39,721,036
1964	21,500,000	12,488,149	33,988,149	133,622	30.885	41,269,146
Totals	\$ 107,500,000	\$68,429,788	\$175,929,788	563,213		\$ 173,538,637
Avg.						
Per Year	\$ 21,500,000	\$13,685,958	\$ 35,185,958	112,643	30.812¢	\$ 34,707,727

* Value of metal products converted to pounds copper at copper selling price.

Year	Tons Ore Mined and Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	2,998,888	58,168,000	19.40	88,239,000	0.955	\$ 4,633,106
1960	6,526,814	117,498,000	18.00	113,328,838	0.8565	6,389,070
1961	7,428,104	128,722,000	17.33	112,275,000	0.854	7,779,591
1962	7,695,757	132,950,000	17.28	349,073,000	0.754	8,429,122
1963	7,160,967	132,238,000	18.47	347,734,000	0.756	9,266,341
Totals	31,810,530	569,576,000				\$ 36,497,230
Avg.						
Per Year	6,362,106	113,915,200	17.91			\$ 7,299,446

TABLE III

MAGMA COPPER CO. (San Manuel Division)

FIVE YEAR REVIEW

Year	Net Assessed Valuation		Metal Products Sold (Preceding Year)			
	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	Proceeds
1960	\$ 23,500,000	\$ 7,649,415	\$ 31,149,415	109,474	30.625¢	\$ 33,526,383
1961	24,000,000	7,690,870	31,690,870	159,087	31.674	50,389,411
1962	26,000,000	7,216,040	33,216,040	173,553	30.234	52,472,059
1963	24,000,000	7,302,551	31,302,551	179,883	30.798	55,400,209
1964	24,000,000	7,372,579	31,372,579	201,106	30.73	61,799,759
Totals	\$ 121,500,000	\$ 37,231,455	\$ 158,731,455	823,103		\$ 253,587,821
Avg.						
Per Year	\$ 24,300,000	\$ 7,446,291	\$ 31,746,291	164,621	30.81¢	\$ 50,717,564

* Value of all metal products converted to pounds copper at copper selling price

Year	Tons Ore Mine & Pounds Copper Produced			Est. Ore Reserves Pounds Copper To Be Removed in 20 years	Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton		
1959	7,595,867	92,340,444	12.16		\$ 7,261,949
1960	12,261,220	163,448,339	13.33	3,000,000,000	14,603,973
1961	12,529,243	165,223,023	13.19	3,300,000,000	15,288,489
1962	12,565,545	168,416,024	13.40	3,300,000,000	16,874,017
1963	12,555,000	177,072,298	14.11	3,300,000,000	15,644,483
Totals	57,506,875	766,500,128			\$ 69,672,911
Avg.					
Per Year	11,501,375	153,300,026	13.31		\$ 13,934,582

TABLE IV

PHELPS DODGE CORP. (Morenci Branch)FIVE YEAR REVIEW

Net Assessed Valuation			Metal Products Sold (Preceding Year)			
Year	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	Proceeds
1960	\$ 66,000,000	\$ 10,398,811	\$ 76,398,811	148,237	30.3065¢	\$44,925,589
1961	66,000,000	10,505,559	76,505,559	198,715	31.6432	62,879,662
1962	62,500,000	9,672,729	72,172,729	242,904	30.0472	72,985,860
1963	62,500,000	10,098,965	72,598,965	237,074	30.957	73,390,948
1964	62,500,000	10,407,490	72,907,490	253,470	30.973	78,507,164
Totals	319,500,000	\$ 51,083,554	\$ 370,583,554	1,080,400		\$ 332,689,223
Avg.						
Per Yr	\$63,900,000	\$ 10,216,711	\$ 74,116,711	216,080	30.793¢	\$ 66,537,845
* Value of all metal products converted to pounds copper at copper selling price.						

Tons Ore Mined & Pounds Copper Produced				Est. Ore Reserves		Net Income From Productive Mines
Year	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	10,513,000	149,993,293	14.27	385,969,600	0.870	\$ 9,828,467
1960	14,499,800	211,281,072	14.57	374,926,400	0.880	24,847,935
1961	16,286,000	222,886,000	13.69	353,473,000	0.890	24,905,760
1962	16,983,000	242,604,000	14.29	356,915,000	0.890	23,825,836
1963	17,140,754	249,388,784	14.55	772,873,600	0.830	26,261,838
Totals	75,422,554	1,076,153,149				\$ 109,669,836
Avg.						
Per YR	15,084,511	215,230,630	14.27			\$ 21,933,967

TABLE V

PHELPS DODGE CORP. (New Cornelia Branch)

FIVE YEAR REVIEW

Year	Net Assessed Valuation			Metal Products Sold (Preceding Year)		
	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price per Lb.	Proceeds
1960	\$ 21,000,000	\$ 8,825,457	\$ 29,825,457	143,677	30.6680¢	\$ 44,062,993
1961	21,000,000	7,996,364	28,996,364	112,255	31.6249	35,550,067
1962	20,000,000	7,353,581	27,353,581	168,610	29.9695	50,531,650
1963	20,000,000	7,044,382	27,044,382	140,071	30.9527	43,355,799
1964	20,000,000	6,828,671	26,828,671	143,655	30.9679	44,486,843
Totals	\$102,000,000	\$ 38,048,455	\$140,048,455	708,268		\$ 217,987,352
Avg.						
Per Yr.	\$ 20,400,000	\$ 7,609,691	\$ 28,009,691	141,654	30.765¢	\$ 43,597,470

* Value of all metal products converted to pounds copper at copper selling price.

Year	Tons Ore Mined & Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	9,823,000	141,898,078	14.45	150,245,700	0.810	\$ 15,601,408
1960	9,065,600	133,385,819	14.77	165,040,000	0.774	10,947,421
1961	9,358,000	140,668,000	15.03	163,903,000	0.756	18,096,128
1962	9,648,000	142,016,000	14.72	178,976,000	0.747	11,575,695
1963	9,370,313	134,198,356	14.32	169,576,000	0.737	13,153,471
Totals	47,264,913	692,166,253				\$ 69,374,123
Avg.						
Per Yr	9,452,983	138,433,251	14.64			\$ 13,874,825

TABLE VI

PHELPS DODGE CORP.(COPPER QUEEN BRANCH - LAVENDER PIT ONLY)FIVE YEAR REVIEW

Years	Net Assessed Valuation		Metal Products Sold (Preceding Year)			
	Claims	All Other Property	Total Valuation	Thousand Lbs.*	Price per Lb.	PROCEEDS
1960	\$ 8,500,000	\$ 3,129,158	\$ 11,629,158	51,881	30.4504¢	\$ 15,797,980
1961	8,500,000	3,370,954	11,870,954	67,392	31.7759	21,414,286
1962	7,500,000	3,332,480	10,832,480	78,444	30.9640	24,289,246
1963	7,500,000	3,202,095	10,702,095	85,551	30.9542	26,481,759
1964	7,500,000	3,541,398	11,041,398	77,575	30.9682	24,023,554
Totals	\$ 39,500,000	\$16,576,085	\$ 56,076,085	360,843		\$ 112,006,825
Average						
Per Yr.	\$ 7,900,000	\$ 3,315,217	\$ 11,215,217	72,169	31.0403¢	\$ 22,401,365

* Value of all metal products converted to pounds copper at copper selling price.

Tons Ore Mined & Pounds Copper Produced				Est. Ore Reserves		Net Income From Productive Mines
Year	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	3,170,000	51,101,342	16.12	55,113,700	1.098	\$ 2,422,673
1960	4,248,400	66,496,523	15.65	50,937,000	1.100	4,789,076
1961	4,928,000	79,170,000	16.07	45,634,000	1.110	4,122,288
1962	5,374,000	83,568,000	15.55	39,996,000	1.118	5,939,181
1963	5,347,483	76,532,617	14.31	40,401,000	.873	3,896,198
Totals	23,067,883	356,868,482				\$ 21,169,416
Avg.						
Per Yr.	4,613,577	71,373,696	15.47			\$ 4,233,883

TABLE VII

MIAMI COPPER CO. (Copper Cities Div.)

FIVE YEAR REVIEW

Net Assessed Valuation				Metal Products Sold (Preceding Year)		
Years	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	Proceeds
1960	\$ 5,000,000	\$ 1,256,632	\$ 6,256,632	42,259	25.983¢	\$ 10,980,139
1961	5,000,000	1,298,360	6,298,360	41,771	30.149	12,593,534
1962	5,000,000	1,328,360	6,328,360	37,331	30.046	11,216,515
1963	5,000,000	1,363,360	6,363,360	37,070	30.735	11,412,104
1964	5,000,000	1,463,360	6,463,360	36,381	30.667	11,157,097
Totals	\$ 25,000,000	\$ 6,710,072	\$ 31,710,072	189,812		\$ 57,359,389
Avg.						
Per Yr	\$ 5,000,000	\$ 1,342,014	\$ 6,342,014	37,962	30.219¢	\$ 11,471,878
* Value of all metal products converted to pounds copper at copper selling price.						

Tons Ore Mined & Pounds Copper Produced				Est. Ore Reserves		Net Income From Productive Mines
Year	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per Ton	Tons	% Cu	
1959	3,060,575	36,939,297	12.07	23,888,375	0.617	\$ 2,301,201
1960	3,058,372	33,100,562	10.82	21,976,703	0.603	3,104,681
1961	3,137,253	34,672,592	11.05	16,535,646	0.595	173,141
1962	3,150,952	33,827,784	10.74	40,793,437	0.580	213,534
1963	3,149,260	35,402,918	11.24	37,339,035	0.57	892,771
Totals	15,556,412	173,943,153				\$ 6,685,328
Avg.						
Per Yr.	3,111,282	34,788,631	11.18			\$ 1,337,066

TABLE VIII

AMERICAN SMELTING & REFINING CO.

(SILVER BELL UNIT)

FIVE YEAR REVIEW

Year	Net Assessed Valuation			Metal Products Sold		(Preceding Year)
	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	Proceeds
1960	9,000,000	3,823,030	12,823,030	29,851	30.087¢	8,981,296
1961	9,000,000	3,713,590	12,713,590	55,452	32.512	18,028,389
1962	9,000,000	3,823,894	12,823,894	50,214	29.960	15,044,144
1963	9,000,000	4,086,553	13,086,553	44,843	30.621	13,731,375
1964	9,000,000	4,076,162	13,076,162	48,681	30.6	14,896,319
Totals	\$ 45,000,000	\$ 19,523,229	\$ 64,523,229	229,041		\$ 70,681,523
Avg.						
Per Yr.	\$ 9,000,000	\$ 3,904,646	\$ 12,904,646	45,808	30.860¢	\$ 14,136,305
* Value of all metal products converted to pounds copper at copper selling price.						

Year	Tons Ore Mined & Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	2,783,200	37,606,481	13.51	23,218,570	0.88	\$ 3,421,099
1960	2,718,700	45,138,255	16.60	20,017,090	0.87	4,622,957
1961	2,686,800	45,400,000	16.90	24,320,960	0.88	3,611,891
1962	2,760,600	42,932,700	15.55	28,846,890	0.78	3,466,067
1963	2,954,100	41,735,588	14.16	31,094,060	0.76	3,488,165
Totals	13,903,400	212,813,024				18,610,179
Avg.						
Per Yr.	2,780,680	42,562,605	15.31			3,722,036

TABLE IX

PIMA MINING COMPANY

FIVE YEAR REVIEW

Year	Net Assessed Valuation			Metal Products Sold (Preceding Year)		
	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	PROCEEDS
1960	\$ 1,500,000	\$ 1,890,640	\$ 3,390,640	35,042	26.063¢	\$ 9,132,999
1961	1,500,000	2,028,418	3,528,418	21,131	30.672	6,481,347
1962	2,300,000	2,235,652	4,535,652	37,474	31.955	11,974,436
1963	2,300,000	2,098,257	4,398,257	31,707	30.6	9,702,473
1964	2,000,000	2,442,512	4,442,512	23,572	30.6	7,212,742
Totals	\$ 9,600,000	\$ 10,695,479	\$ 20,295,479	148,926		\$ 44,503,997
Avg.						
Per Yr.	\$ 1,920,000	\$ 2,139,096	\$ 4,059,096	29.785	29.883¢	\$ 8,900,799
* Value of all metal products converted to pounds copper at copper selling price.						

Year	Tons Ore Mined & Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	1,200,606	29,763,593	24.79			\$ 2,389,259
1960	1,327,473	26,769,896	20.17	5,824,000	1.63	2,529,273
1961	1,398,367	33,230,008	23.76			1,809,478
1962	1,528,556	40,769,270	26.67	8,757,000	1.077	2,935,039
1963	1,992,725	48,248,471	24.21	7,800,000	1.00	1,418,416
Totals	7,447,727	178,781,238				\$ 11,081,465
Avg.						
Per Yr.	1,489,545	35,756,248	24.00			\$ 2,216,293

TABLE X

BAGDAD MINING CORP.FIVE YEAR REVIEW

Year	Net Assessed Valuation			Metal Products Sold (Preceding Year)		
	Claims	All Other Property	Total Valuation	Thousand Lbs. *	Price Per Lb.	Proceeds
1960	\$ 3,000,000	\$ 1,774,880	\$ 4,774,880	25,391	25.194¢	\$ 6,396,958
1961	2,000,000	2,312,740	4,312,740	16,364	30.939	5,062,922
1962	1,000,000	2,554,180	3,554,180	22,861	29.924	6,840,695
1963	500,000	2,605,565	3,105,565	28,978	30.084	8,717,605
1964	500,000	2,508,945	3,008,945	35,317	30.55	11,064,412
Totals	\$ 7,000,000	\$ 11,756,310	\$ 18,756,310	128,911		\$ 38,082,592
Avg. Per Yr.	1,400,000	\$ 2,351,262	\$ 3,751,262	25,782	29.542¢	\$ 7,616,518

* Value of all metal products converted to pounds copper at copper selling price.

Year	Tons Ore Mined & Pounds Copper Produced			Est. Ore Reserves		Net Income From Productive Mines
	Tons	Lbs. Cu Produced	Lbs. Cu Recovered per ton	Tons	% Cu	
1959	1,770,940	23,950,907	13.52	14,488,117	0.73	\$ 282,985
1960	1,823,055	23,666,978	12.98	12,727,976	0.82	1,323,298
1961	1,766,418	21,161,047	11.98	9,140,607	0.709	77,016
1962	1,990,910	22,762,100	11.43	7,174,843	0.725	776,861
1963	2,093,081	35,269,500	16.85	5,080,172	0.8553	1,451,148
Totals	9,444,404	126,810,532				\$ 3,911,308
Avg. Per Yr.	1,888,881	25,362,106	13.43			\$ 782,262

TABLE XI

SUMMARY OF NET ASSESSED VALUATIONS OF LARGE ARIZONA PORPHYRIES IN 1964

Comparison of Arizona Tax Commission's Method with Utah and Montana Methods

	Arizona's Net Assessed Valuation For 1964	Using Utah's Method	Using Montana's Method
Inspiration	\$ 13,690,896	\$ 14,705,582	\$ 9,698,239
Kennecott (Ray & Hayden)	33,988,149	27,087,041	19,787,595
Magma Copper Co. (San Manuel)	31,372,579	35,241,743	21,307,161
Phelps Dodge (Morenci)	72,907,490	54,275,424	32,341,457
Phelps Dodge (New Cornelia)	26,828,671	34,578,321	20,703,496
Phelps Dodge (Lavender Pit)	11,041,398	12,009,164	7,775,281
Miami Copper (Copper Cities)	6,463,360	4,137,492	2,800,426
Asarco's (Silver Bell)	13,076,162	11,520,234	7,798,198
Pima Mining Company	4,442,512	6,875,098	4,658,805
Bagdad Mining Corp.	3,008,945	4,073,469	3,291,207
TOTAL 10 ARIZONA PORPHYRIES	\$ 216,820,162	\$ 204,503,568	\$ 130,161,865
	100.00%	94.32%	60.03%

TABLE XII

DETAILS OF ARIZONA PORPHYRIES ASSESSED VALUATIONS

Using Arizona, Utah and Montana MethodsYear 1964

Inspiration

Utah Method:

5 Yr. Avg. Annual Net Income	\$ 5,007,343 x 2 =	\$ 10,014,686
Plus 1964 Other Property		4,690,896
		<u>\$ 14,705,582</u>
1964 Arizona Net Assessment		\$ 13,690,896

Montana Method:

5 Yr. Avg. Annual Net Income		\$ 5,007,343
Plus 1964 Other Property		\$ 4,690,896
		<u>\$ 9,698,239</u>

Kennecott-Ray Mine

Utah Method:

5 Yr. Avg. Annual Net Income	\$ 7,299,446 x 2 =	\$ 14,598,892
Plus 1964 Other Property		\$ 12,488,149
		<u>\$ 27,087,041</u>
1964 Arizona Net Assessment		\$ 33,988,149

Montana Method:

5 Yr. Avg. Annual Net Income		\$ 7,299,446
Plus 1964 Other Property		\$ 12,488,149
		<u>\$ 19,787,595</u>

Magma Copper Co. San Manuel

Utah Method:

5 Yr. Avg. Annual Net Income	\$ 13,934,582 x 2 =	\$ 27,869,164
Plus 1964 Other Property		\$ 7,372,579
		<u>\$ 35,241,743</u>
1964 Arizona Net Assessment		\$ 31,372,579

Montana Method:

5 Yr. Avg. Annual Net Income		\$ 13,934,582
Plus 1964 Other Property		\$ 7,372,579
		<u>\$ 21,307,161</u>

Phelps Dodge - Morenci

Utah Method:

5 Yr. Avg. Annual Net Income	\$ 21,933,967 x 2	\$ 43,867,934
Plus 1964 Other Property		\$ 10,407,490
		<u>\$ 54,275,424</u>
1964 Arizona Net Assessment		\$ 72,907,490

Montana Method:

5 Yr. Avg. Annual Net Income		\$ 21,933,967
Plus 1964 Other Property		\$ 10,407,490
		<u>\$ 32,341,457</u>

TABLE XII (Continued)

Phelps Dodge-New Cornelia	<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 13,874,825 x 2 =	\$ 27,749,650
Plus 1964 Other Property		\$ 6,828,671
		\$ 34,578,321
1964 Arizona Net Assessment		\$ 26,828,671

	<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income		\$ 13,874,825
Plus 1964 Other Property		\$ 6,828,671
		\$ 20,703,496

Phelps Dodge - Lavender Pit	<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 4,233,883 x 2 =	\$ 8,467,766
Plus 1964 Other Property		\$ 3,541,398
		\$ 12,009,164
1964 Arizona Net Assessment		\$ 11,041,398

	<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income		\$ 4,233,883
Plus 1964 Other Property		\$ 3,541,398
		\$ 7,775,281

Miami Copper - Copper Cities	<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 1,337,066 x 2 =	\$ 2,674,132
Plus 1964 Other Property		\$ 1,463,360
		\$ 4,137,492
1964 Arizona Net Assessment		\$ 6,463,360

	<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income		\$ 1,337,066
Plus 1964 Other Property		\$ 1,463,360
		\$ 2,800,426

Asarco's Silver Bell Unit	<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 3,722,036 x 2 =	\$ 7,444,072
Plus 1964 Other Property		\$ 4,076,162
		\$ 11,520,234
1964 Arizona Net Assessment		\$ 13,076,162

	<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income		\$ 3,722,036
Plus 1964 Other Property		\$ 4,076,162
		\$ 7,798,198

Cont'd.

TABLE XII (Continued)

Pima Mining Co.		<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 2,216,293 x 2 =		\$ 4,432,586
Plus 1964 Other Property			\$ 2,442,512
			<u>\$ 6,875,098</u>
1964 Arizona Net Assessment			\$ 4,442,512
		<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income			\$ 2,216,293
Plus 1964 Other Property			\$ 2,442,512
			<u>\$ 4,658,805</u>
Bagdad Mining Corp.		<u>Utah Method:</u>	
5 Yr. Avg. Annual Net Income	\$ 782,262 x 2 =		\$ 1,564,524
Plus 1964 Other Property			\$ 2,508,945
			<u>\$ 4,073,469</u>
1964 Arizona Net Assessment			\$ 3,008,945
		<u>Montana Method:</u>	
5 Yr. Avg. Annual Net Income			\$ 782,262
Plus 1964 Other Property			\$ 2,508,945
			<u>\$ 3,291,207</u>