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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: VERDE COMBINATION GROUP

ALTERNATE NAMES:
MUSCAL

YAVAPAI COUNTY MILS NUMBER: 602

LOCATION: TOWNSHIP 14 N RANGE 2 E SECTION 26 QUARTER E2
LATITUDE: N 34DEG 44MIN 10SEC LONGITUDE: W 112DEG 06MIN 04SEC
TOPO MAP NAME: COTTONWOOD - 7.5 MIN

CURRENT STATUS: DEVEL DEPOSIT

COMMODITY:
COPPER
LEAD
THORIUM

BIBLIOGRAPHY:
USGS COTTONWOOD QUAD
ADMMR VERDE COMBINATION GROUP FILE
LINDGREN, W. ORE DEPTS JEROME & BRADSHAW MTN
QUADS USGS BULL 782 1926 P 94
AZ MNG. JRNL. JULY 1918 P 27, DEC. 1918 P 23
ADMMR UNITED VERDE FILE
CLAIMS EXTEND INTO SEC. 35

VERDE COMBINATION GROUP

YAVAPAI CO.

VERDE

THORIUM - RARE EARTHS

No information on this property.
See: Becchetti Copper Corp. - pp 9
(Green Monster File)

Mr. Becchetti says he is now owner
of the above property. (10-10-57)

See Silver Plate Group (file)

See: USGS 782, p 94

See: USGS Professional Paper # 308-P. 154

ABM Bull. 180, p. 249

Ariz. Mng. Journal July, 1918, p. 26, 27;
Dec., 1918, p. 23;

INVESTIGATION - 3788 - 171112
ALVIN COMBINATION GROUP

ARIZONA
STATE

May 27, 1957

VERDE COMBINATION GROUP

YAVAPAI COUNTY

No Information on this property.

MARK GEMMILL

Am. Metal Co. of Mex.
may be interested in
Report of J. R. Lusson's
Copper -
Said report & say we have
added information

EV-0 VERDE COMBINATION MINE - Joe Larson, Box 144, Jerome, Az.

Copy of Mine Owners Report covering property listed with
Department of Mineral Resources has been furnished to -

Th. von Rolf, 1034 Central Bldg., Los Angeles, Calif.

DEPARTMENT OF MINERAL RESOURCES
J. S. Goupal, Director

13 July 1940

Mr. Joe Larson,
Jerome,
Arizona.

Dear Mr. Larson:

Complying with request contained in your letter of recent date, I am enclosing herewith a list of properties being sought.

I have referred your property to Mr. Matson, together with additional information which you furnished on this mine.

Assuring you of my desire to be helpful, I am

Yours very truly,

J. S. Coupal
Director

JSC-jrf

encl.

Jerome, Arizona
July 11th. 1940

copy this one

Department of Mineral Resources
State of Arizona
Capitol Building
Phoenix, Arizona

Gentlemen:

I received your letter of July 5th with enclosed copy of Mine Owners Report, dated February 19th. 1940, which I have on file with your department.

On June 28th I sent you additional data by letter, as well as a blue print and copy of certain testimony pertaining to the VERDE DISTRICT, also figures on the gold, silver and zinc reserve of the State of Arizona, specifying the reserve of each county. I also mentioned recent shipments of ore which have been made from my properties.

If any inquirer lacks the time to read all of the testimony above referred to it would be enlightning to read only Mr. Reber's testimony pertaining to the VERDE DISTRICT, pages 48 to 57. It constitutes a true picture of the district by a great authority, and brings out the fact that the district was being misrepresented in Bulletin 145.

By adding the above to the report I have already placed with your department it should give any one a clear idea of what I have.

The Lessees I now have on the CLIFF claim are about ready to ship another car load of ore. Also, another lessee is about ready to make another shipment of gold ore from the GALVESTON claim.

The 42 claims referred to in my report as one group I would be quite willing to cut up into two groups of ~~claims~~ 18 claims in one and 24 claims in the other. Naturally the price would be cut in two also. In this way the property would probably be easier to dispose of. I would be glad to retain an interest in the property instead of selling it outright.

Trusting this will enable you to keep on your files a clear report of my holdings, and thanking you, I am,

Very truly yours,

Joe Larson
JOE LARSON

JL:HL

Dear Mr. Coupal:

I wrote to J. T. Matson of Santa Fe, N. M. on June 18th, and told him about my property, but have not heard from him.

I am sorry to hear that Mr. Barth is still on the sick list.

I note by the last notice I received from the Secretary of the A. S. M. O. A. that the field engineers have lists of the properties and minerals being sought and can supply us with copies. I would appreciate it very much if you would be kind enough to send me one of those lists.

J. L.

13 July 1940

Mr. J. T. Matson,
Box 170,
Santa Fe, New Mexico.

Dear Mr. Matson:

I am enclosing herewith a copy of a letter I
have received from Mr. Joe Larson, Jerome, Arizona, regard-
ing his copper property, which I trust may be of value to
you.

Yours very truly,

J. S. Coupal
Director

JSC-jrf
encl.

Jerome, Arizona,
June 26th, 1940.

Mr. J. S. Coupal, Director,
Department of Mineral Resources,
Capitol Building, Phoenix, Ariz.

Dear Mr. Coupal:

I received your letter of June 7th requesting that I fill out a blank Mine Owner's Report.

In looking over the copy of the report I sent you February 19th, 1940, I find that I can not improve on it; but if the report I sent you at that time has been lost I shall be glad to send you another.

I attached certain data and assays to that report.

I note the following advertisement in the last issue of PAY-DIRT: A large copper property is being sought. Send information to Box CC-5, Department of Mineral Resources, Capital Building, Phoenix, Arizona.

If this party is reliable and is looking for a large property I believe I have what they are looking for. I don't think there is one equal to it in the State of Arizona, lying idle. But I don't feel like sending out any maps or reports to any one, unless I at least know who I am sending it to. I have done so much of that sort, and they never seem to return anything I send, not even bothering to acknowledge a letter. That has been my experience in answering different advertisements.

After I get the Gadsden property cleared up I will have clear title to 109 patented claims. Besides, I have about 20 unpatented claims.

The Green Monster group takes in 42 patented claims. I have included in this the COPPER BELL, SILVER PLATE, and SOUTH PLATT claims, besides 12 unpatented claims.

There is shipping ore on the Silver Plate. Also, there is shipping ore on the CLIFF and the BLUE BELL.

Since I made out the report you have two shipments of ore have been made from the CLIFF, gold silver and copper ore.

Another shipment was made, in the last two weeks, from the Galveston claim. Thirty one tons netted the Lessee \$667,00. There is an 18 inch vein on this claim,

and it carries no copper, only gold and silver. The fellow discovered that he could pan gold on the Little Joe Claim, and in tracing it up he found the vein on the Galveston claim.

If the Green Monster had sunk their shaft on the El Paso or the Galveston claim, more than likely the property would be a producer today. But they sank their nine hundred foot shaft below the main fault, on the line between the Brad and the Iron Cap claims, both unpatented. They did in the neighborhood of four thousand feet of drifting and cross-cutting where, to my way of thinking, there is no chance of finding any ore.

It takes a prospector to find the ore. I had one out on the property last week. I told him that if he found any ore I would give him a lease; so he went out and propsected. He found a good showing on the east end line of the South Platt claim. He dug down only about a foot and got into some fine looking gossan. He sampled about two feet of it, and it assayed about five dollars in gold, silver and copper. He is now down about five feet, and if it keeps on improving the way it is doing I believe he will be shipping ore before long.

I am sending you a blue print, copied from the Verde District map. I have colored the Phelps Dodge holdings red, the U. V. X. green and my own yellow. All the little circles indicate ore showings.

Within the last few months the Copper Chief has been taken over by the Phelps Dodge. The Jerome Grande is also owned by the P. D. now.

With the map I am enclosing a copy of the testimony in the hearing in which Joe Larson was the defendant and the United States the plaintiff, and Mr. Reber a witness.

The testimony given by Mr. Reber in the above hearing makes a true report on the Verde District, that is, part of it.

I am also enclosing a little pamphlet with a report on the Green Monster, by A. P. Thompson.

Ore is now being shipped both from the Equator and from the Copper Chief, by a lessee.

I would sell all or part of my holdings, and the first come will be the first served. Any one interested will find that I am easy to deal with.

You may show all the data I am now sending you, together with ~~wixk~~ the report you already have on file, to the party who is looking for a large copper property, but please don't let them take it and keep it. However, you may keep it if you wish.

Thanking you for any effort, I am,

Very truly yours,

Joe Larson

Joe Larson

COPY

Jerome, Arizona
July 11th. 1940

Department of Mineral Resources
State of Arizona
Capitol Building
Phoenix, Arizona

Gentlemen:

I received your letter of July 5th with enclosed copy of Mine Owners Report, dated February 19th. 1940, which I have on file with your department.

On June 28th I sent you additional data by letter, as well as a blue print and copy of certain testimony pertaining to the VERDE DISTRICT, also figures on the gold, silver and zinc reserve of the State of Arizona, specifying the reserve of each county. I also mentioned recent shipments of ore which have been made from my properties.

If any inquirer lacks the time to read all of the testimony above referred to it would be enlightening to read only Mr. Reber's testimony pertaining to the VERDE DISTRICT, pages 48 to 57. It constitutes a true picture of the district by a great authority, and brings out the fact that the district was being misrepresented in Bulletin 145.

By adding the above to the report I have already placed with your department it should give any one a clear idea of what I have.

The Lessees I have on the CLIFF claim are about ready to ship another car load of ore. Also, another lessee is about ready to make another shipment of gold ore from the GALVESTON claim.

The 42 claims referred to in my report as one group I would be quite willing to cut up into two groups of 18 claims in one and 24 claims in the other. Naturally the price would be cut in two also. In this way the property would probably be easier to dispose of. I would be glad to retain an interest in the property instead of selling it outright.

Trusting this will enable you to keep on your files a clear report of my holdings, and thanking you, I am,

Very truly yours,

JL:HL

Joe Larson

5 July 1940

Mr. J. T. Matson,
P. O. Box 170,
Santa Fe, New Mexico.

Dear Mr. Matson:

With further reference to your request for information regarding a large copper property, I am enclosing herewith a copy of Mine Owners Report on the Verde Combination Group in Yavapai County, owned by Mr. Joe Larson, P. O. Box 144, Jerome, Arizona.

I have further information on file regarding the claims of Mr. Larson, which I shall be glad to send you if you are interested.

I should suggest that you communicate with Mr. Larson, and I believe that this property may be of interest to you.

Yours very truly,

J. S. Coupal
Director

JSC-jrf
encl.

M-V-6-

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date July 14, 1939

Mine Verde Combination Group

District Verde

Location Adjoins Phelps Dodge,
United Verde Branch, about a mile,
in a southerly direction, from
United Verde glory hole, along the Verde
Address Fault.

Owner Joe Larson

P. O. Box 144
Address (Tel. 162)
Jerome, Arizona

Operator

Gen. Mgr.

President

Mine Supt.

Mill Supt.

Principal Metals

copper ✓

Men Employed

Production Rate

Mill: Type & Cap.

Power: Amt. & Type

Operations: Present

Operations Planned Clean out old workings and develop property

Number Claims, Title, etc. 16 patented claims and one unpatented

Description: Topog. & Geog. Rugged country

Mine Workings: Amt. & Condition Shaft 1300 feet deep (sunk in green-stone).
Two other shafts, sunk in early days, one 500 ft.
and the other 640 feet. Unknown amount of drifting.
75 foot tunnel opened a three-foot quartz vein.

Geology & Mineralization Formation heavily mineralized. Some very good looking schist

Ore: Positive & Probable, Ore Dumps, Tailings

Mine, Mill Equipment & Flow Sheet

Road Conditions, Route Road to property may be fixed up with very little expense.

Water Supply Ample.

Brief History

The 1300 foot shaft (sunk in green-stone) connects with extensive workings in the Mescal Tunnel, which shows the great VERDE FAULT, also 2 feet of 5% copper ore in a fissure vein, and two promising contacts with stringers of copper ore. The SPOKE and CHAUTAUQUAAN, two valuable claims, may be included in this group if desired. Good ore on surface of SPOKE claim.

Special Problems, Reports Filed

Gossan outcrops on CHAUTAUQUAAN claim. The SMITH GROUP of one unpatented and five patented claims could be included in this group, making it a total of 24 patented and 2 unpatented claims.

Remarks

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

Property may be had on reasonable terms. Small amount of cash and retain a 10% interest in the property.

Signed..... Joe Larson
Box 144, Jerome

Use additional sheets if necessary.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date July 14th, 1939.

Mine VERDE COMBINATION GROUP

District VERDE

Former name

Owner JOE LARSON

P.O.B. 144

Operator (Tel:162)

Jerome, Arizona.

President

Mine Supt.

Principal Metals

Production Rate

Power: Amt. & Type

Operations: Present

Location Adjoins Phelps Dodge,
United Verde Branch.

About a mile, in a southerly
direction, from United Verde
glory-hole, Along the VERDE
FAULT.

Address

Address

Gen. Mgr.

Mill Supt.

Men Employed

VERDE COMBINATION GROUP

Cu, Pb

Yavapai

13 - 5

S 23, T 16 N, R 2 E

Joe Larson, Box 144, Jerome

'40

Operations Planned Clean out old workings and develop property.

Number Claims, Title, etc. 16 patented claims and one unpatented.

Description: Topog. & Geog. Rugged country.

Mine Workings: Amt. & Condition Shaft, 1300 feet deep (sunk in green-stone.)
Two other shafts, sunk in early days, one 500 ft.
and the other 640 feet. Unknown amount of drifting.
75 foot tunnel opened a three-foot quartz vein.

(over)

Geology & Mineralization Formation heavily mineralized. Some very good looking schist.

Ore: Positive & Probable, Ore Dumps, Tailings

Mine, Mill Equipment & Flow Sheet

Road Conditions, Route Road to property may be fixed up with very little expence.

Water Supply Ample.

Brief History The 1300 foot shaft (sunk in green-stone) connects with extensive workings in the Mescal Tunnel, which shows the great VERDE FAULT, also 2 feet of 5% copper ore in a fissure vein, and two promising contacts with stringers of copper ore.

Special Problems, Reports Filed the SPOKE and CHAUTAUQUAN, two valuable claims, may be included in this group if desired. Good ore on surface of SPOKE claim. Gossan outcrops on CHAUTAUQUAN claim. The SMITH GROUP of one unpatented and five patented claims could be included in this group, making it a total of 24 patented and 2 unpatented claims.

Remarks

If property for sale: Price, terms and address to negotiate. Property may be had on reasonable terms. Small amount of cash and retain a 10% interest in the property.

Signed: *Joe Larason*

Use additional sheets if necessary.

Box 44 Jerome

BECCHETTI COPPER CORP.

(A NEVADA CORPORATION)

50,000 SHARES COMMON STOCK

PAR VALUE \$10.00 PER SHARE

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE.

Becchetti Copper Corp. is a Nevada Corporation organized under the laws of the State of Nevada, with its Charter issued on July 11, 1956. The Company offers to the public the following unsold shares of its Common Stock having a par value of Ten Dollars (\$10.00) per share.

The stock to be offered, the price thereof, and the estimated net proceeds to the Company are as follows:

Shares	Price to Public	Gross Proceeds	Expenses of Sale	Net Proceeds	
				Per Share	Total
30,000	\$10.00	\$300,000	\$3,000	\$9.90	\$297,000

The Company does not presently intend to engage the services of an underwriter, but rather plans to distribute its stock through the personal efforts of its officers. No underwriting discounts or commissions will be paid to its officers, and no expenses will be incurred in connection with the sale of the stock by its officers except their actual expenses in effecting such sales. It is estimated that these expenses, plus printing and necessary overhead, will amount to approximately \$3,000.00. If it should become necessary to engage the services of an underwriter the expenses of the sale will be increased by \$2.00 per share and the net proceeds per shares reduced to approximately \$7.90.

IN THE EVENT ALL THE SHARES BEING OFFERED ARE SOLD, THE INVESTING PUBLIC WILL OWN 30,000 SHARES, FOR WHICH THEY WILL HAVE PAID \$300,000.00. THE PRESIDENT OF THE COMPANY WILL OWN 1,000 SHARES, ISSUED TO HIM FOR PROMOTIONAL SERVICES AT NO COST TO HIMSELF AND WILL ALSO OWN 19,000 SHARES ISSUED TO HIM IN CONNECTION WITH THE OPTION TO ACQUIRE MINING PROPERTIES LATER HEREIN DESCRIBED. THE PROSPECTIVE INVESTOR SHOULD UNDERSTAND THAT HIS FUNDS ARE TO BE USED FOR THE OPERATION OF A COMPANY WHICH HAS CONDUCTED NO BUSINESS EXCEPT THE EXPLORATION AND DEVELOPMENT OF THE PROPERTIES HELD UNDER AN OPTION TO BUY. THE BUSINESS WILL BE CONDUCTED BY THE OFFICERS AND DIRECTORS WHO, WITH THE EXCEPTION OF MR. ANTON D. BECCHETTI, HAVE HAD NO EXPERIENCE IN THE MINING FIELD. DURING THE PAST FIVE YEARS MR. BECCHETTI HAS DEVOTED APPROXIMATELY 50 PERCENT OF HIS TIME TO MINING OPERATIONS IN THE CAPACITY OF UNDERGROUND MINER, MINE SUPERINTENDENT, OR A MINE OPERATOR, OPERATING HIS OWN PROPERTIES.

The statutory and business office of the Company is located 1802 South Main Street, Las Vegas, Nevada.

The effective date of this Offering Circular is January 30, 1957.

MR. BECCHETTI HAS EXPENDED APPROXIMATELY THIRTY-TWO THOUSAND (\$32,000.00) DOLLARS IN CASH AND A LARGE AMOUNT OF HIS TIME IN ACQUIRING AND EXPLORING THE PROPERTIES FOR WHICH THE AFOREMENTIONED NINETEEN THOUSAND (19,000) SHARES OF STOCK WILL BE ISSUED TO HIM.

b. Fifteen thousand (\$15,000.00) dollars on or before August 1, 1957 and fifteen thousand (\$15,000.00) dollars every six months thereafter until the purchase price is paid in full.

c. Of the \$5,000.00 already paid, the sum of \$4,500.00 less one year's taxes (not to exceed \$1,000.00) shall be credited on the final payment.

d. Until payment in full is made, lessor is to receive 10% of all net smelter returns from ores removed from these properties, to apply on the purchase price thereof and on the payment next due thereon.

The taxes have been paid and the assessment work performed, and proper notices thereof recorded, as required by law. Subsequent to the date of the financial statement Mr. Becchetti advanced \$12,750.00 from which the \$10,000.00 to become due on the lease and option on February 1, 1957 was paid.

Examination of the public records of Yavapai County, Arizona discloses no impairment of the title to the patented claims. The unpatented claims are, of course, subject to the usual hazards relating to such claims, but the lessor has been in undisputed possession thereof for many years. The public records show that all assessment and development work required by law has been performed on these claims each year.

Patented claims are described as follows:

A portion of Mescal Fraction; Fools, Broad Gauge, Double Eagle, Curtis, Hidden Spring and Florence Lode Mining claims, Survey No. 3925 of the record in book 145 of Deeds, pages 539-542, subject to a possible claim of a 1/24th interest in Iva Carrier Shaw.

A portion of Ohio Lode Mining claim, Survey No. 3951, of record in book 140 of Deeds, pages 279-282, subject to a possible claim of a 20% interest in Iva Carrier Shaw, Nellie M. Loy and L. A. Hawkins, or their heirs.

The Cliff, Union Jack, Cherry, John & Johnathan (sometimes known and designated as John & Jonathan) and Blue Bell lode mining claims containing approximately 81.79 acres, more or less, as described in patent dated December 4, 1901, issued by the United States to George A. Treadwell Mining Company, recorded in Book 60 of Deeds at pages 89-95, records of Yavapai County, Arizona.

Budger (sometimes known and designated as the Badger), Ground Hog, Lone Pine (sometimes known and designated as the Loan Pine), Black Horse, Ninety-eight, Copper Plate, Galveston, El Paso, Amazon, Little Joe, Golden Eagle, Cloverdale, Renvenue and Limbo lode mining claims containing 234.59 acres, more or less, as described in patent dated October 17, 1901, issued by the United States to George A. Treadwell Mining Company, recorded in Book 60 of Deeds at pages 106-121, records of Yavapai County, Arizona.

The Missouri, Silvertip, Grand Bounce, Protector, Oversight, Oregon, Prince, East Extension Grand Bounce, and Fraction lode mining claims containing 160.11 acres, more or less, as described in patent dated December 4, 1901, issued by the United States to the Brookshire Mining Company, recorded in Book 60 of Deeds at pages 96-106, records of Yavapai County, Arizona.

The Slim Fraction lode mining claim containing 0.536 acre, more or less, as described in patent dated September 3, 1924, issued by the United States to the Green Monster Mining Company, recorded in book 134 of Deeds at pages 8-11, records of Yavapai County, Arizona.

The Morgan, Humbert, Bailey, Valley View, Silver Cup, Wedge and Closure lode mining claims containing 57.014 acres, more or less, as described in patent dated February 7, 1925, issued by the United States to the Green Monster Mining Company, recorded in Book 134 of Deeds at pages 479-487, records of Yavapai County, Arizona.

The Layman Fraction and Elusive lode mining claims containing 14.005 acres, more or less, as described in patent dated March 21, 1925, issued by the United States to the Green Monster Mining Company, recorded in Book 137 of Deeds at pages 15-19, records of Yavapai County, Arizona.

The Wild Rose lode mining claim containing 6.88 acres, more or less, as described in patent dated March 21, 1925, issued by the United States to the Green Monster Mining Company, recorded in Book 137 of Deeds at pages 19-22, records of Yavapai County, Arizona.

South Plat, patented lode mining claim containing 15.79 acres, United States Patent to which is dated May 11, 1896, and is recorded in the office of the County Recorder, Yavapai County, Arizona, in Book 37 of Deeds at page 543 thereof.

Silver Plate, patented lode mining claim, containing 13.70 acres, United States patent to which is dated August 12, 1895, and is recorded in the office of the County Recorder, Yavapai County, Arizona, in Book 37 of Deeds at page 543 thereof.

Copper Bell, patented lode mining claim, containing 14.822 acres, United States Patent to which is dated September 17, 1900, and is recorded in the office of the County Recorder of Yavapai County, Arizona, in Book 52 of Deeds at pages 344-348 thereof; however, excluding therefrom that certain tract consisting of 0.3215 acres and described in that certain deed of record in the office of the County Recorder of Yavapai County, Arizona, in Book 51 of Deeds at page 540 thereof.

A group of patented lode mining claims situated in the Verde Mining District according to the patent, but situated in the Black Hills Mining District, Yavapai County, Arizona, according to the Tax Rolls, known as the Triangle, Last Chance, Prosperity, Indiana, Golden West, and Axtel, comprising 84.746 acres, more or less, as described in patent issued by the United States to David Connor, dated May 6th, 1913, recorded in Book 96 of Deeds at page 240, et seq., records of Yavapai County, Arizona; and a group of patented lode mining claims situated in the Verde Mining District, Yavapai County, Arizona, known as the Mountain View, Desconso (sometimes known and designated as the Descanso), Vulcan, Olympia, Domingo, and Key West, comprising 106.671 acres, more or less, as described in patent issued by the United States to Black Hills Copper Company, dated July 21, 1904, recorded in Book 69 of Deeds, at page 167, et seq., records of Yavapai County, Arizona; The Mescal Fraction, comprising 1.936 acres, more or less, as described in patent issued by the United States to the Verde Combination Copper Company, dated December 22, 1925, recorded in Book 147 of Deeds at page 227, et seq., records of Yavapai County,

Arizona, and the Steamboat, Monmont, (sometimes known and designated as Monmonth), and Muscal (sometimes known and designated as Mescal), comprising 82.152 acres, more or less, as described in patent issued by the United States to Alfred Carrigan and Ludger Gadette, dated July 17, 1901, recorded in Book 56 of Deeds, at page 277, et seq., records of Yavapai County, Arizona, being the same mining properties mentioned and described in that certain Deed from Treasurer of Yavapai County to the State of Arizona, dated February 19, 1936, and recorded in Book 165 of Deeds at page 152, and a Group of patented lode mining claims situated in the Verde Mining District, Yavapai County, Arizona, known as the Reservation, Red Willow, Columbian, Copper Glance, Deer Trail, and Belevue, comprising 78.435 acres, more or less, as described in patent issued by the United States to the Verde Junior Copper Company, dated March 22, 1900, recorded in Book 108 of Deeds, at page 166, et seq., records of Yavapai County, Arizona, and the Spoke lode mining claim containing 15.42 acres, more or less, as described in patent dated June 15, 1903, issued by the United States to George A. Treadwell Mining Company, recorded in Book 104 of Deeds, at pages 314-319, records of Yavapai County, Arizona, and the Chautauqua (sometimes known and designated as the Chautauquan) patented lode mining claim, situated in the Verde Mining District, Yavapai County, Arizona, as described in patent issued by the United States to Alfred Carrigan and Ludger Gadette, dated July 17, 1901, and recorded in Book 56 of Deeds at page 277, et seq., records of Yavapai County, Arizona.

Unpatented claims are recorded in the public records of Yavapai County, Arizona, as follows:

<u>Name of Claim</u>	<u>Book</u>	<u>Page</u>	<u>Name of Claim</u>	<u>Book</u>	<u>Page</u>
Michigan	149 Book of Mines	377	Indenpendence	86 Book of Mines	495
Dewey Fraction	148 Book of Mines	212	Dry Climate	86 Book of Mines	492
Verde Fraction	148 Book of Mines	214	Iron Cap	86 Book of Mines	496
Backbone Fraction	148 Book of Mines	211	Brad	86 Book of Mines	491
McKenzie	151 Book of Mines	236	Hancock	86 Book of Mines	494
Dry Ranch	99 Book of Mines	80	Airship	99 Book of Mines	81
Richard	86 Book of Mines	502	Green Parrot	101 Book of Mines	46
Parallel	86 Book of Mines	498	Mountain Goat	123 Book of Mines	207

Exploration work on these properties, which had been carried on by Mr. Becchetti for over one year, was resumed by Becchetti Copper Corp. in the quest for unlocated or undeveloped mineral deposits, about September 1, 1956. Mr. Becchetti made one shipment of ore and the Company has made two shipments from the Cliff claims on which the following returns were received:

First shipment	45.3505 tons	7.31 % Copper	\$1,815.07 Net Proceeds
Second shipment	38.125 tons	2.23 % Copper	357.99 Net Proceeds
Third shipment	95.484 tons	4.45 % Copper	1,700.88 Net Proceeds
Average	178.9595 tons	4.13 % Copper	\$ 21.575 Net Per Ton

On December 29, 1956, the Board of Directors, authorized the purchase of the lease and option from Mr. and Mrs. Becchetti, on the following terms and conditions:

1. The Company assumed the unpaid balance of the purchase price (\$90,000.00 less the amount of the payments already made, that shall apply to reduce that sum.)

2. The Company issued to Anton D. Becchetti and Ve Ella L. Becchetti and or their nominees a total of 19,000 shares of its capital stock.

3. The Company agrees to pay to Tony Stadelman and Wayne See, each, the sum of \$1,500.00 or a total of \$3,000.00 payable as follows:

On or before January 10, 1957	\$1,400.00
On or before April 10, 1957	<u>\$1,600.00</u>

Full explanation of the stock issued is disclosed under the caption "Transactions with Officers and Directors, and Promoters."

PLAN OF OPERATION

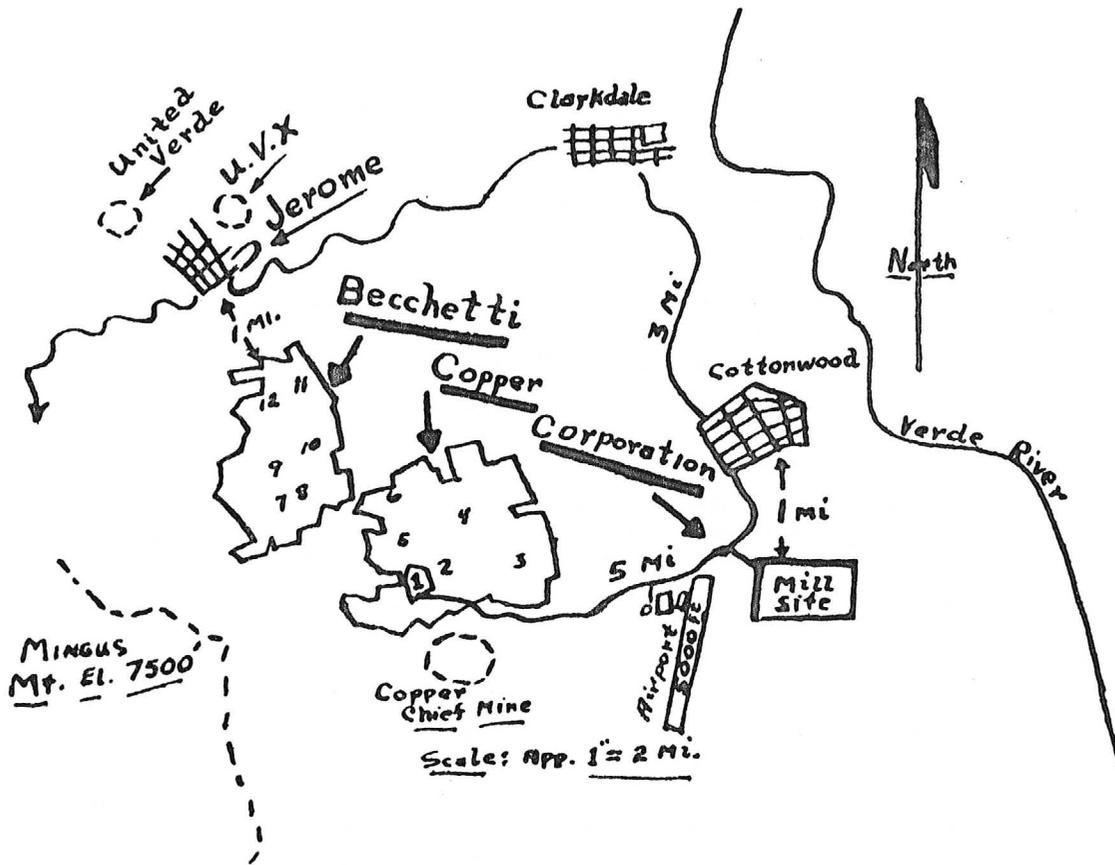
The Company proposes to purchase the properties on which it now holds the previously discussed "Lease and Option" and to further explore and develop such properties for the purpose of recovering the copper and any other valuable minerals contained therein.

It should be understood by prospective investors that no ore body is presently definitely established by having been completely blocked out. Over 110 feet of tunnel has been driven in exploring those areas believed to contain the most productive deposits of copper, and core drilling has to some extent, verified the existence of such deposits, without establishing the quantities thereof.

Ore removed in performing the exploratory work has, as previously shown herein, indicated the quality of the deposits opened up, but the quantity is still to be determined. Development work is progressing as rapidly as finances will permit, but sufficient funds to completely determine the extent of the already discovered deposits, can come only from the sale of the Company's Capital Stock. Arrangements have been made to borrow the amounts necessary to meet current obligations and the payment of \$10,000.00 due February 1, 1957, but these loans must be repaid. The exploration and development of the property is dependent upon the sale of the Company's stock and the ultimate success of the venture is dependent, among other things, upon the results of the exploration and development work.

The officers of the Corporation base their belief in the ultimate values to be realized from this property, upon the known results of work already performed as well as upon the history of these properties and of other properties in the same general area.

The succeeding sketch shows the location of the properties, as a whole, and the explanatory legend reflects Mr. Becchetti's personal opinion and plans relating to some of the claims, and reference to the sources of information upon which he has relied.



LEGEND:

- 1. Cliff Mines:** Ore shipments and exploration indicate the possibility for discovery of additional ore
The Mines Handbook and Copper Handbook—Vol. XIII—Page 402—1918—Reed.
Department of the Interior—Bulletin 782—Page 94.
Detroit Testing Laboratories—Report for Walter I. McKenzie.
- 2. Silver Plate:** Visual examination discloses showings of gold and silver as well as copper. The extent of the deposits is not known but the appearances are such that the Company plans this property as the next point of exploration.
Detroit Testing Laboratories.
- 3. Old Workings:** Dorothy May shaft down 900 feet and Rattlesnake tunnel. Also showing of Columbium and Tantalum ore. Will explore and develop.
Department of the Interior—Bulletin 782, page 93.
- 4. Galveston:** Ore shipments from this area indicates the possibility of a worthwhile operation being conducted here
Report L. F. Bedal—Feb. 25, 1942 to The Silver Plate Mining Co. Ore settlement—Phelps Dodge Corp. to Alex Fields
- 5. Morgon:** Gold ore shipment from this point as well as development work performed, indicate the possibility of additional ore.
Ore settlement—Phelps Dodge Corp. to Silver Plate Mining Co. Nov. 11, 1941.
- 6. Brookshire:** Mine and Badger Tunnel: Some high grade Chalcopyrite found on the dump. A 1500 foot tunnel has been closed for over thirty years. Plan to investigate and develop.
Department of Interior—Bulletin 782, page 94.
- 7. Old Workings:** Verde Combination Group: Old development of 600 and 540 foot shafts in about 1900 or 1901. No records of production available but a small amount of good ore was found on the dump. This area, together with the Gibs Kingdom Group, has an exposed surface showing of Thorium-Rare Earths, the extent and probable value of which are unknown.
Detroit Testing Laboratories.
Department of Interior—Bulletin 782 page 94.
- 8. Deer Trail:** A thirty foot shaft exposes a vein of copper deposits averaging five feet in width.
- 9. Prosperity:** Last Chance, etc: Good showings of copper that have not been explored.
- 10. Gibs Kingdom:** This group needs development.
United States Atomic Energy Commission reports, dated January 24, 1956 covering six samples taken from this property, shows the average Thorium content to be slightly over .63%. This property also contains rare earths, the value of which has not been determined. The extent and probable value of these deposits are unknown.
- 11. Old Workings:** Mescal claim: Shaft down 1300 feet with 2% copper ore on the dump. Maps of old workings show mineralization.
Mines Handbook, Vol. XIII, page 418.
Department of Interior—Bulletin 782, page 94.
- 12. Old Dumps:** Several workings in this area show good ore on the dump—needs development.
- MILL SITE:** Old smelter grounds that contain concrete footings, tanks, ore bins, wall, and electric power.

The exploratory and development work performed by Mr. Becchetti and by the Company was on its properties included in the Verde Combination, Gibbs-Kingdom, and Black Hills Groups. The Mines Handbook and Copper Handbook, Vol. XIII, 1918 by Walter Harvey Weed, E. M. is quoted as follows:

"Property: 33 claims, 550 acres, 15 patented in Verde District, Ariz. Company's engineers consider it is on the main fissure of the district, and surfictionally to possess all the favorable attributes for ore disposition.

Recent development is all at the north end of the property, by a new shaft over 700' deep (Oct. 1917), which connects with extensive workings in the Mescal tunnel. This tunnel shows the great Verde Fault, the master, and post mineral fault that traverses the Jerome district for 20 miles; also discloses 2' of 5% copper ore, in a fissure vein, on which but little development save a raise has been done; also two promising contacts between diorite with stringers of copper. The old workings at the south end of the tract include 640' and 500' shafts, showing diorite with stringers of copper; and a 75' tunnel opening a 3' quartz vein."

Bulletin 782 of the United States Department of Interior-published in 1926 recites "The developments of the Verde Combination Co. comprise a shaft 1300 feet sunk in greenstone a short distance west of the Jessie fault. Some work was in process in 1922."

No work is known to have been performed on this property since that in process in 1922 and the results of that work are unknown.

The Company has three maps of the Verde Combination shaft that show in detail the 680, 1080, and the 1300 foot levels of this shaft. Various places on the map show mineralization. While these maps are several years old they represent the latest survey information available.

In exploring the Mescal tunnel, the 2' vein of 5% copper ore was located but the shafts were clogged by caved timbers, etc.

OFFICERS, DIRECTORS AND PROMOTERS

The Corporation's Charter provides for not less than three (3) or more than seven (7) directors. The officers and directors are as follows:

Name	Address	Office Held
Anton D. Becchetti	1110 Tamarack St., Las Vegas, Nevada	President
William Reddie	1108 Tamarack St., Las Vegas, Nevada	Secretary
Arthur Rando	+307 Kay Place, Las Vegas, Nevada	Vice President
George Hansmann	1106 Tamarack St., Las Vegas, Nevada	Treasurer
Norman A. Todd	1102 Tamarack St., Las Vegas, Nevada	Director
William D. Humphrey, Jr.	Cottonwod, Arizona	Director
Ve Ella L. Becchetti	1110 Tamarack St., Las Vegas, Nevada	Assistant Secretary and Treasurer

All the officers are also directors.

Wayne See, Anthony J. Stadelman and Anton D. Becchetti were the organizers and promoters of the Corporation. The interests of See and Stadelman were acquired by Mr. Becchetti and they are no longer connected with the Company, except that they each hold 1,200 shares of the stock issued on December 31, 1956, for the assignment of the "lease and option" heretofor discussed.

ANTON D. BECCHETTI has had diversified business experience. He completed three year of college where he majored in mathematics and physics. He served four years in the United States Navy and received an honorable discharge as an Ensign. He owned and operated three theatres for a period of

approximately eight years. During the last five years he has devoted the major portion of his time to mining operations. He is past President of the Kiwanis Club of Clarkdale, Arizona.

WILLIAM REDDIE served in the United States Coast Guard during World War II. He studied music in the Westlake School of Music and the Southern California School of Music. Since his discharge from the Coast Guard and the completion of his musical studies, he has devoted his entire time to the musical field. He has served as musical arranger for several of the wellknown orchestra leaders and musicians. He is presently engaged arranging music for prominent Hotels in Las Vegas, Nevada.

ARTHUR RANDO is a graduate of Loyola University. He conducted his own restaurant and cocktail lounge business for approximately six years. He served on the Board of Directors of Musicians Union, Local 47 for eight years and is presently engaged as a musician in the orchestra with Torris Brand.

GEORGE HANSMANN is a graduate gemologist, having graduated from the Gemological Institute of America. He has been engaged in the retail business for over twenty years, mostly for himself, and presently conducts his own jewelry store and watch repair business in Southern Nevada.

NOMAN A. TODD entered the Army Air Corps in December 1942. He served as a fighter pilot in the South Pacific and received his discharge in January 1946. He then worked with his father in the contracting business, building homes for sale. Here his duties included estimating, ordering materials and serving as general superintendent of construction. He is presently, and has for several years been, Vice President of L. J. Todd, Inc. contractors and builders. He was recalled to duty with the Air National Guard in January, 1951 and has been on active duty since that date. He is presently a Captain in the United States Air Force and is stationed at Nellis Air Force Base near Las Vegas, Nevada.

WILLIAM D. HUMPHREY, JR. served as secretary to the president of Southern Pacific Railway prior to his enlistment in the United States Navy during World War II. After his discharge from the Navy he engaged in the automobile business for five years and is presently Secretary of Linden Motors, Inc., operating an automobile agency in Cottonwood, Arizona.

VE ELLA L. BECCHETTI is an experienced secretary and was employed in a supervisory capacity for over three years.

TRANSACTIONS WITH OFFICERS, DIRECTORS AND PROMOTERS

The Company has had no transactions with its officers, directors or promoters, except as indicated hereunder:

The promoters of the Corporation were Anton D. Becchetti, Wayne See and Anthony J. Stadelman. In a private transaction, Mr. Becchetti acquired the interests of See and Stadelman, by transferring 1,200 shares of his stock to each of them and by agreeing to pay each of them \$1,500.00 cash. This latter obligation was assumed by the Company, as a part of the purchase price of the "lease and option" acquired by the Company from Becchetti.

On December 29, 1956, Mr. Becchetti sold to the Company, the lease and option to purchase the mining properties heretofore discussed. The total consideration for this transaction was the assumption by the Company, of the unpaid balance on the lease and option; the \$3,000.00 to be paid See and Stadelman, and the issuance to Becchetti of 19,000 shares of stock. Of this 19,00 shares, 1,200 shares were transferred to See and 1,200 shares to Stadelman for their unrecorded interests in the property.

The cash received from the sales of its stock has not been sufficient to meet the Company's expense of incorporating and the cost of its exploratory and development work. Mr. Anton D. Becchetti

has advanced to the Company the sum of \$1,804.75 and will in all probability be required to advance additional funds. These advances are to be repaid in cash if and when funds for that purpose become available. For his services in promoting and organizing the Company, Mr. Becchetti has been issued 1,000 shares of the Company's capital stock. Subsequent to the date of the financial statement Mr. Becchetti advanced \$12,750.00 from which the \$10,000.00 to become due on the lease and option on February 1, 1957 was paid.

Mr. Becchetti is presently in absolute control of the Corporation, and will continue in such control unless sales to the public of more than 20,000 shares of stock are made.

Until the Company's operations show a profit justifying it, the officers of the Corporation, as such, will receive no salaries from the Corporation other than reasonable compensation for services actually rendered and this only after approval by the Board of Directors.

PLAN OF DISTRIBUTION OF SECURITIES BEING OFFERED

The shares of stock being offered will be made available to a small group of friends and associates or former associates of the officers of the Corporation. If all of the stock is not sold in this manner, a public offering may be made.

If a public offering of the Company's securities is made through a broker it will be necessary to pay a commission to the broker of not more than 20 percent of the sales price of the stock sold by said broker, and in that event this offering circular will be amended to apprise the stockholders and the public to whom the stock is being offered of the effect of such a brokerage agreement.

USE OF NET PROCEEDS

The purposes for which the net proceeds to the Company of the securities already sold were used and the principal purposes for which the net proceeds of the securities offered, will be used; the estimated amount to be expended for such purposes and the order of priority in which the proceeds will be used for the respective purposes are as follows:

	Expended	To Be Expended	Total
Liquidation of liabilities per Exhibit B of financial section	\$	\$ 10,499.38	\$ 10,499.38
Payments to See and Stadelman		3,000.00	3,000.00
February 1, 1957 payment on properties....		10,000.00	10,000.00
Exploration and development costs (including overhead)	7,843.55	10,000.00	17,843.55
Purchase of additional equipment		35,000.00	35,000.00
Reserve for future payments on property..		80,000.00	80,000.00
Operating reserve		140,657.07	140,657.07
Total	<u>\$7,843.55</u>	<u>\$289,156.45</u>	<u>\$297,000.00</u>

If no broker is employed the net proceeds are estimated to be \$297,000.00. If a broker is employed, the cost of sales expenses will be increased by \$2.00 per share for each share of stock sold by the broker and the operating reserve will be decreased in a like amount.

In the event only a portion of the contemplated proceeds is received, those proceeds received will be employed in the manner and in approximately the order indicated above, to the extent that such proceeds become available. No provision has been made for the return of funds to investors.

BECCHETTI COPPER CORP.
**STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL,
EXPLORATORY AND DEVELOPMENT COSTS**
NOVEMBER 30, 1956

Exhibit A

CURRENT ASSETS:	Shares of stock	Cash
Cash and cash items:		
Cash on deposit		\$ 240.17
 OTHER ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS:		
Accounts receivable due on stock issued		230.00
Deposits with others		92.00
Property, plant and equipment:		
Option to purchase properties (Note 1)	3,000	
Operating equipment		9,043.90
Stockpile (Note 2)		1,600.00
Deferred items:		
Unrecovered development costs (Note 3)		6,419.46
General expense (Note 4)		2,002.85
Other assets:		
Organization expense	1,000	166.00
	<u>4,000</u>	<u>\$19,794.38</u>

NOTE 1:

Three thousand shares of Company's stock were issued to Anton D. Becchetti for an option to acquire his lease and option to purchase mining properties as described under the caption "Business and Property." This option was exercised on December 29, 1956 and an additional 16,000 shares of stock were issued to Mr. Becchetti on December 31, 1956 in final payment for the assignment of the lease and option.

NOTE 2:

The net returns from the ore on hand at November 30, 1956, amounting to approximately \$1,600.00 were received in January 1957. The stockpile is valued at its recovery value and not at cost, as it represents an incidental recovery of development costs.

NOTE 3:

Unrecovered development costs consist of the following items:

Wages	\$3,377.87	Gas and oil	656.29
Mining supplies	2,439.50	All other	68.29
Payroll taxes and insurance	286.41	Total	<u>\$8,124.43</u>
Equipment rental	777.49	Less: Incidental recovery	1,704.97
Repairs and maintenance	518.58	Net	<u>\$6,419.46</u>

NOTE 4:

General expense consists of the following items:

Office supplies	\$ 102.14	Insurance	124.49
Utilities	155.14	All other	41.57
Legal and accounting	500.00	Total	<u>\$2,002.85</u>
Taxes and licenses	1,079.51		

BECCHETTI COPPER CORP.

STATEMENT OF LIABILITIES

NOVEMBER 30, 1956

CURRENT LIABILITIES:

Accounts payable—trade	\$ 2,346.07
Equipment contracts payable (Note 1)	6,004.53
Payroll taxes accrued and withheld	344.03
Due Corporate Officer (Note 2)	1,804.75
Total current liabilities	<u>\$10,499.38</u>

OTHER LIABILITIES:

Total Liabilities	<u>None</u>
	<u>\$10,499.38</u>

NOTE 1:

Of this sum, \$2,125.00 is payable in stock of the Company, at par, if the Company acquires the mining properties, now under option, within six months from November 30, 1956.

NOTE 2:

Mr. Anton D. Becchetti has advanced funds totalling \$1,538.75 to the Company and has paid incorporating expense of \$266.00 for the Company. This sum is repayable in cash, when funds become available. Subsequent to the date of the financial statement Mr. Becchetti advanced \$12,750.00 from which the \$10,000.00 to become due on the lease and option on February 1, 1957 was paid.

BECCHETTI COPPER CORP.
STATEMENT OF CAPITAL SHARES
 NOVEMBER 30, 1956

	Number of Shares				
	Authorized	Issued	Reacquired and held in Treasury	Outstanding	Reserved for Options Warrants, etc.
Common stock, Par value \$10.00 per share	50,000	4,929½	None	4,929½	16,000

NOTE 1:

Capital shares issued and outstanding are accounted for as follows:

Issued to	Purpose	Shares
Officer	For promotion	1,000
Officer	For mining property options	3,000
The public	For equipment	212½
The public	For supplies	50
The public	For cash*	667
Total		4,929½

* Of these shares, 23 remain unpaid for.

NOTE 2:

A total of 16,000 shares were reserved for the purpose of exercising an option to purchase the assignment of the lease and option which was acquired from Anton D. Becchetti and Ve Ella L. Becchetti on December 29, 1956.

BECCHETTI COPPER CORP.
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 JULY 11, 1956 TO NOVEMBER 30, 1956

RECEIPTS:

Loans from Corporate officer (Note 2—Exhibit B)	\$1,538.75
Sale of Capital Stock	6,440.00
Sale of ore	104.97
Total receipts	<u>\$8,083.72</u>

DISBURSEMENTS:

Wages	\$3,246.09
Mining supplies	1,104.65
Taxes and licenses	1,153.67
Equipment rental	777.49
Legal and accounting	400.00
Payroll insurance deposit	92.00
Equipment	741.75
Office supplies	102.14
Repairs and maintenance	32.00
Utilities	27.74
Insurance	97.73
Freight and hauling	50.00
Miscellaneous expenses	18.29
Total disbursements	<u>\$7,843.55</u>

Net increase in cash during period	\$ 240.17
Cash and cash items at beginning of period	None
Cash and cash items at end of period	<u>\$ 240.17</u>

Report on Property of
The Verde Combination Copper Co.

Yavapai County, Arizona

BY

W. E. DEFTY

MINING ENGINEER



DATED AT PHOENIX, ARIZONA, FEBRUARY 28, 1917

REPORT

— ON —

The Verde Combination Copper
Company Property

Situation

The property is situated in the Verde Mining District, Yavapai County, Arizona. About one mile due south from Jerome.

*Claims and
Titles*

Thirty-two claims comprise the group, fifteen of which are patented. The remainder are held by the performance of annual assessment work. The claims cover an area approximating 550 acres.

*Names of
Claims*

The locations are named as follows: *Patented Claims:* Key West, Mountain View, Monmont, Steamboat, Mescal, Axtel, Golden West, Indiana, Prosperity, Last Chance, Triangle, Discanso, Vulcan, Olympia, Domingo. *Unpatented Claims:* Emerald Green, Blue Ledge, Copper Lenze, Nellie, Robert Emmett, Backbone, Key West No. 2, Mescal Fraction, Midnight, Ann, Ajax, Lincoln Nos. 1, 2 and 3, Buster, California and Arizona.

(For relative position of claims see accompanying plat.)

*Adjacent
Properties*

The properties in contiguous association are on the northeast Gadsden Copper Company, East Ballard property, southeast Hooker Ewing, south Copper Chief Extension, west Pittsburg Jerome, north Venture Hill, Verde Apex, and Calumet Jerome.

Water

A continuous flow of water exists the year 'round in the Mescal Gulch which passes over the property.

Roads A portion of the road to the camp and workings has already been constructed. The remainder, about two thousand feet in length, is at present under construction and its completion is expected in thirty days.

Surface Improvements The surface improvements consist of six frame and corrugated iron buildings at Mescal Gulch, two frame buildings on Prosperity Claim, and one on Last Chance.

Power The permanent power used for the operation of hoisting and other machinery will be electrical, supplied by the Arizona Power Company. For temporary purposes gasoline will be used.

DESCRIPTION OF WORKINGS

Mountain View Claim Vertical shaft 640 feet deep, but now inaccessible. An incline shaft 500 feet, also inaccessible.

The dumps of both these workings disclose the fact that the formation encountered was a hard blue blocky diorite with small stringers of sulphides and some quartz.

These workings have an old equipment consisting of 30 and 80 H. P. boilers, pumps and steam hoist.

Prosperity Claim Tunnel seventy-five feet, course northwest. Commences on a quartz vein three feet in width and continues on the vein to the face where it narrows to a few inches. The vein varies in width as exposed in the workings and at the narrow portions is heavy in hematite.

The casing of the vein is soft, friable quartz and ground material, which is highly stained with ferruginous oxide; outside of this condition on both sides is blue diorite.

Triangle Claim Two tunnels run evidently to comply with assessment requirements.

Last Chance One tunnel and one shaft, also sunk for similar purpose.

Steamboat Claim Working farthest east, near top of gulch, twenty-five foot shaft now caved, is in schistose and detrital material, highly stained with iron oxides and is in proximity to a minor adjustment that extends to Mescal Gulch.

Tunnel east of main working shaft, 225 feet in length, coursing south. At portal enters brown and yellow oxidized and blue schistose diorite. This condition exists right to face of working, which is cutting the formation at right angles. The formation is interspersed with soft attritive gouges highly oxidized and seams of quartz of varying width. The face is in white banded quartz, about eight inches in thickness.

This working was evidently started to intersect at depth a prominent cropping of yellow oxidized quartz porphyry, but has not penetrated far enough to accomplish this object.

Main Tunnel 965 feet in length. General course southeast 30°.

(Refer to accompanying plat for distances and positions of workings.)

The formation penetrated by the working has a general dip northeast 60° from horizontal, and throw of formation 80° west of north.

From the portal to a distance of eighty feet the tunnel is in an absolutely metamorphosed material resembling quartz porphyry. Its general tone in color is gray, with yellow ferruginous oxidization. The condition suggests being a resultant of faulting, and following the general line of that disturbance, at eighty feet blue schistose diorite bulges into this material and continues for a distance of 265 feet.

The yellow quartz porphyry is in the hanging wall side of the throw and is exemplified and proven by a short cross-cut 100 feet from the point where it diverts into the hanging wall.

At a point 350 feet from portal a cross-cut is

driven eastwards for sixty feet. This working practically follows the contact, and penetrates intensely altered ground. Commencing at entrance to this working, the formation passed through is a friable and granular quartz porphyry. Following this the formation is a ground up mass of innumerable soft plastic gouges and slip material.

These conditions are distinctly resultant of intense movement by faulting. Another feature of this displacement is the fine brecciation accompanying the slip movements, another unfailing evidence of this pronounced action.

These conditions exist to the face where the highly red oxidized silicious material is encountered, that is always in contact with the faulting on its upper side.

The quartz porphyry in the tunnel is proven to extend for 310 feet in a direction southeast 30°, up to a contact with blue blocky diorite, which extends to the face.

At the station where the raise is being made, that will eventually constitute the main working shaft, the blue schistose diorite is highly pyritized with the evident presence of chalcopyrite. (For copper contents see assay returns.) The conditions to the face bear similar features as previously described.

Thirty-five foot drift, course northeast 35° in blue diorite, slightly altered. The face shows vertical narrow seams of white quartz. The formation is silicious and carries disseminations of pyrite.

Drift on opposite side of tunnel sixty feet in length, course southwest 35° in blocky unaltered diorite with occasional quartz stringers.

945 feet from portal of tunnel sixty-five foot cross-cut, coursing southwest 51°, in schistose diorite to the face, at which point is visible pyrite and chalcopyrite, containing varying copper contents. The alternative condition at this point affords possibilities for mineralization.

At the entrance of this cross-cut, a raise is extended sixty-five feet in height and following a high-

ly pyritized tongue of schistose diorite about thirty inches in width, with the presence also of chalcopryrite. This development contains an average copper contents, from two and one-half to three per cent.

At shaft station cross-cut 375 feet in length courses east, and turning due south. Working in soft diorite schist. The course of this working is directed to intersect the shear zone, upon which the raise is being made. This zone may be reached in fifty feet. At 275 feet in this working the red oxidized quartz material that is unfailingly found in front of the faulting makes its appearance.

At 160 feet from station, drift north 10° east, sixty feet in length, passes through dioritic schist to the face. At forty-five feet it encounters the light yellow quartz porphyry and continues in this to the face where it assumes an inclination northeast 55°. This porphyry is underlaid with blue diorite.

Croppings

On the Steamboat Claim there are prominent ragged croppings of altered diorite, distinguished by their yellow coloration, and following in line above the gulch, which practically follows the line of faulting.

At the shaft site the soil and detrital is three to five feet in thickness, but the excavation removing this capping discloses altered decomposed material for fully twenty feet in width, is highly stained with red and yellow ferruginous oxides and has numerous narrow quartz seams, showing the presence of copper carbonates, and also reddish brown peroxide of iron, and limonite yellow sesquioxide of iron. Accompanying this condition are bunches, streaks and seams of granular silica, and a lens of quartz twenty-four inches in width at its widest point, tapering to lesser dimensions.

The schist outside of this condition is considerably flexured and warped.

The yellow porphyritic quartz material at portal of tunnel is forty-five feet in width, at right angles to its strike, with the usual red silicious material lying in front of it.

Description of Samplings and Assay Results

		Cu.	Ag.	Au.
No. 1	Quartz Porphyry with chloritic 60 feet from portal of tunnel.....	0.00	Trace	0.00
No. 2	Pyritic Diorite in the back of 2 cross-cut at initial point. Average width of portion sampled two and one-half feet	0.00	Trace	0.00
No. 3	Pyritic Diorite in the back of the shaft (raise) twenty feet from rail of 1 cross-cut.....	0.00	Trace	0.00
No. 4	Picked sample of stringer, two and one-half feet wide, in 1 raise forty-five feet above rail of 1 cross-cut.....	4.40	0.40	0.04
No. 5	Pyritic Quartz at intersection of 4 cross-cut, 11 cross-cut and 12 cross-cut, width of quartz at intersection two and a half feet.....	0.00	Trace	0.00
No. 6	Average sample of back and left side of 8 cross-cut twenty feet from initial point. Formation pyritic diorite on foot-wall of "shear zone".....	0.00	Trace	0.00
No. 7	Pyritic schistose diorite in the back of 3 cross-cut near altered diorite foot-wall. This formation is continuation of mineralization in 1 Raise	2.80	0.20	0.01
No. 8	Average sample of stringer (two and one-half feet wide) in 1 Raise. This stringer continues to the present face of the raise and has been followed in the raise for about fifty-two feet.....	1.80	Trace	Trace
No. 9	Copper stained quartz ledge six feet wide in south face of shaft at level of collar set.....	5.10	0.60	0.10
No. 10	West face of shaft at level of collar set. Copper stained quartz ledge. Width of face sampled eight feet.....	0.00	Trace	0.00

TOPOGRAPHY

The topographical contour of the locality is exceedingly abrupt, with many deep cut and narrow canyons, with rough precipitous and almost vertical escarpments. The general inclination is easterly.

GEOLOGY

The general geological conditions of the district are fairly well understood and accepted. They are an underlying complex of algonkian rocks overlaid with sedimentaries, limestone and sandstones, with a capping flow of anygdaloidal basalt, the preponderance of which has been eroded.

(See accompanying geological sketch.)

Therefore, I will confine my description to the vicinity under immediate consideration.

The underlying complex upon which the sedimentaries rest is composed mainly of diorite in many varying forms of alteration and gradation from the blocky to the intensely schistose.

This schistosity is in the zone of shearing following the main fault fissure.

Subsequently the mass has been intruded by acid dykes, which may have been some agency in the deposition of ore bodies. In fact, many of these altered dykes are considered favorable agencies for ore deposition. And, in the condition under survey there has been a very abundant mineralization of pyrite and some chalcopyrite, as is evidenced by the charging into the innumerable network of seams, interstices and fracturings, and on the faces and planes of the greatly altered schist conditions.

MAIN FAULT FISSURE

The faulting line has a direction northwest 60°, with a dip 55° northeast, and practically follows the course of the gulch on the Steamboat Claim.

The downward throw of this fault movement approximates a displacement of sixteen hundred feet.

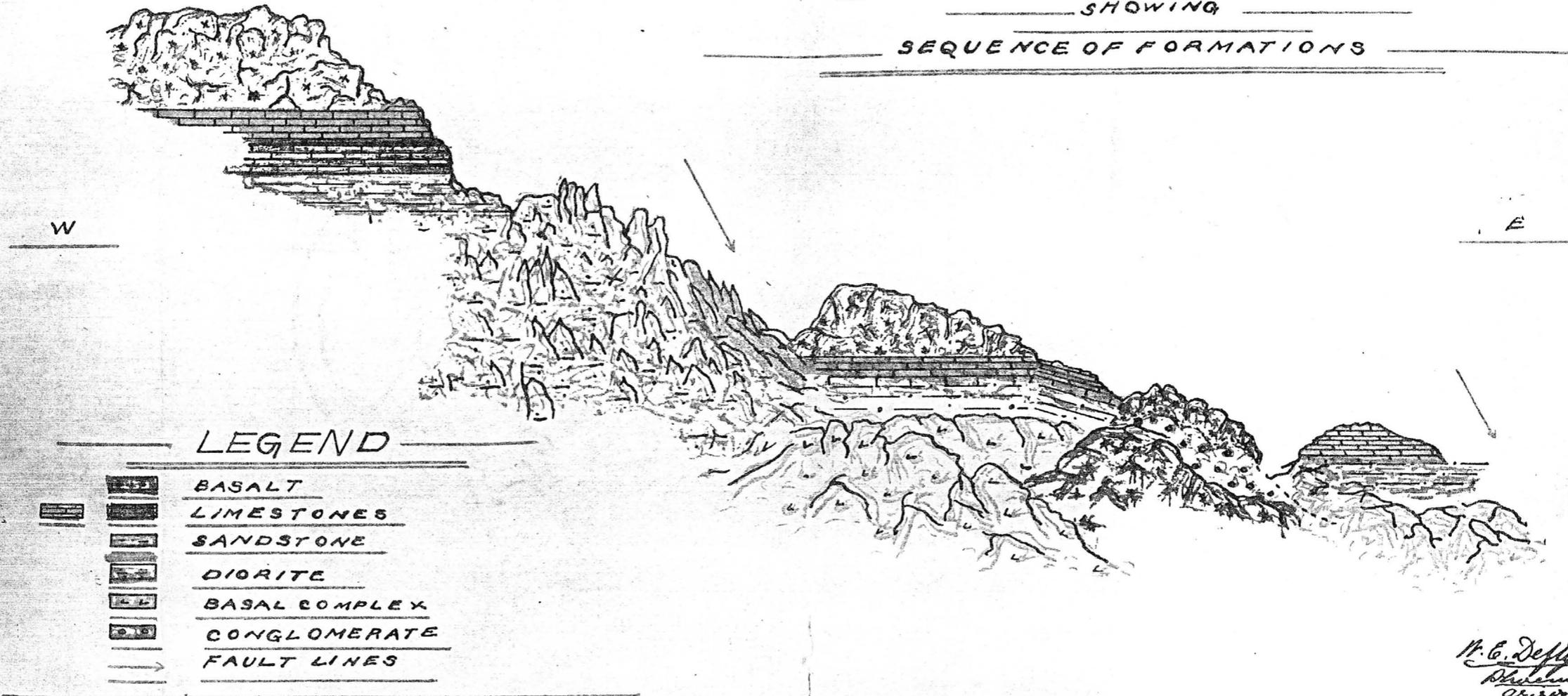
There are two lines of faulting in this district

 GEOLOGICAL

 E W CROSS SECTION

 SHOWING

 SEQUENCE OF FORMATIONS



 LEGEND

- BASALT
- LIMESTONES
- SANDSTONE
- DIORITE
- BASAL COMPLEX
- CONGLOMERATE
- FAULT LINES

M. C. Defty
Phoenix
Arizona
Feb 26/17

that are designated as the upper and lower fault movements. Their positions are shown on the accompanying geological sketch.

Your holdings are on the upper fault and in a section where the movement conditions and attendant actions are plainly in evidence. Superficially this fault is easily recognizable, or traceable by the contact line between the lavic flows and the sedimentaries with the schist belt.

The altered zone, porphyry, which constitutes the possible area for the formation of ore bodies has a general dip northeast 60°, with a throw in north-west direction.

The distinguishable shattering and shearing of the rock masses is from fifty to two and three hundred feet in width, and with this ensues a complex system of fracturing, all attendant and resultant of these master fissures, carrying also with these conditions additional compensating adjustments, which are also recognizable and traceable in the area.

Conditions for deposition of ore along these fracture zones are favorable and possible.

The present developed ore bodies in the district are along, or in close proximity, to major or minor fault fissures or shear zones.

Your property embraces an area along the main fissure, and containing minor adjustments and shearings.

GENERAL GEOLOGICAL

and

MINERALOGICAL FEATURES

The surface shows, and your workings have exposed, a metamorphosed area which is an excellent condition in appearance and very favorably receptive for mineralization. In the description under the head of workings, what is locally known as quartz porphyry has been encountered. However, this rock by its appearance is evidently a metamorphosed diorite for it retains similar structural relations and characteristics of the original diorite. The great ore

ore bodies in this district are in similar rock, which has undergone metasomatism, that is, the rock has been replaced by mineralization forming ore, the latter retaining the identical structure of the original rock. It is this rock in your workings and upon which you are centering your development work, that is favorable at depth to the making of ore. However, you already have demonstrated mineralization and limited areas that constitute ore, and the present conditions exhibited and demonstrated by the developments afford ample and strong evidence favorable to the future of the property.

GENERAL COMMENT

and

FAVORABLE CONCLUSIONS

Your main shaft is in an ideal position for the efficient development and exploration of your ground, as it is located within fifty feet of the porphyry material, upon which all your endeavors are concentrated to follow to depth.

Besides on the surface the highly oxidized and altered condition, the plentiful presence of peroxide and sesquioxide of iron, The granular silica and the presence of copper carbonates, are all exceedingly favorable conditions for copper depositions.

The granular silica in evidence at the shaft site, is always found over, in contact, or close juxtaposition with ore bodies in this district.

The oxidized ferruginous conditions are also an additional and never failing accompaniment to the already discovered and proven ore bodies.

It must be clearly understood irrespective of advanced theories of whether the mineralization, or already demonstrated ore bodies, post dates the faulting, or whether the ore deposition is subsequent to the faulting. The indisputable fact remains that the already demonstrated ore bodies are along, or in close proximity, or in association with the main fault movements, or minor fissures, or shear zones resultant from these main faulting movements.

Your property is on the main fault fissure of the district.

Superficially it possesses all the favorable attributes for ore deposition, in its wide surface oxidized indications, the alteration of the rock in the fissure; the intense mineralization through the shatterings by pyrite and chalcopryrite.

The above evidences are indeed all exceedingly favorable for future possibilities of finding ore bodies. And you are certainly warranted and thoroughly justified in carrying your development and exploration to depth to prove and finally demonstrate the conditions already favorably in evidence.

W. E. DEFTY,
Mining Engineer.

Dated at Phoenix, Arizona,
February 28, 1917.

REPORT
ON THE PROPERTIES OF
Verde Combination Copper Co.
JEROME, ARIZONA.

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El Paso, Texas, March 1st, 1917.

TO THE STOCKHOLDERS OF
VERDE COMBINATION COPPER COMPANY:

Heretofore, no report has been made to you nor has any prospectus of any character or kind been issued by the corporation. As you are aware, upon the organization of Verde Combination Copper Company, no advertisements of any character or kind were issued or published, nor were any circulars issued or mailed seeking subscriptions to the capital stock. It was decided upon the organization of the corporation to only accept subscriptions for 550,000 shares. Within forty-eight hours, subscriptions aggregating a little over a million and a half shares were received. Subscriptions aggregating 950,000 shares had to be rejected. Subscriptions were accepted in the order received.

The Officers and Board of Directors now feel that as we have passed the prospecting stage and are entering the development stage, that you would be interested in knowing concerning the organization, its financial condition and the progress of the work to date.

ORGANIZATION

The Company is incorporated under the laws of Arizona, with an authorized capital of one million dollars, divided into two million shares of stock of fifty cents par value, fully paid and non-assessable. There are in the Treasury, unissued, 400,000 shares of the stock. The corporation gave one million shares of stock for the properties it acquired and the owners of the properties, as a further consideration of said million shares, gave to the corporation an additional sum of \$50,000.00 in cash at the time of the conveyance by the owners, they reserving a six months' option on 50,000 shares at 70c per share net to the corporation. The million shares given for the properties of the corporation were pooled and escrowed. 667,143 shares will be delivered to the owners on April 12th, 1917. 332,857 shares will be delivered to the owners on October 12th, 1917. This makes the million shares given for the property. The corporation sold 550,000 shares at 70c per share net to the company, receiving therefor \$385,000 in cash. To this should be added \$50,000.00 given to the corporation by the owners of the property, making a total of \$435,000.00 cash with which the corporation began business. At this time, there is only issued and outstanding 550,000 shares. The above million shares will be issued in manner and time above noted. As stated, the owners of the property reserved an option for six months on 50,000 shares at 70c per share. They will exercise the option and take the stock at this price, which will increase the cash assets of the corporation by a further sum of \$35,000.00. As stated, upon the organization of the corporation in October, it had in its Treasury \$435,000.00. It has now on hand \$412,064.86 in cash and up to date has expended in mining operations, development work, salaries and expenses \$22,935.14. The list of expenditures for the month of February has not yet been received from the Bank of Jerome. They usually reach El Paso about the fifth of the month and are audited by The Thurston Audit Company, Public Accountants, El Paso, Texas, who audit and keep the books, they being appointed Auditor of the Corporation. The depositories of the Company are the American Trust & Savings Bank, El Paso Bank & Trust Company and Texas Bank & Trust Company, all of El Paso, and the Bank of Jerome, Jerome, Arizona. These banks have issued to the corporation certificates of deposit, bearing 4 per cent interest, and all funds of the company are deposited with these banks and are drawing 4 per cent interest. The 400,000 shares now unissued will not be issued and it is not purposed nor intended to dispose of same unless for the erection of a smelter, after the proper development of the property, it being felt that the \$412,064.86 cash on hand and the \$35,000.00 to be received on April 12th, will more than amply provide a fund for the full development of the properties.

PROPERTIES

The properties of the corporation consist of the following patented claims: Triangle, Last Chance, Prosperity, Indiana, Golden West, Axtel, Steamboat, Monmont, Mescal, Mountain View, Descanso, Vulcan, Olympia, Domingo and Key West No. 1, in all 15 patented claims; also the following located mining claims, not yet patented: Arizona, Blue Ledge, California, Copper Lense, Emerald Green, Nellie, Robert Emmett, Back-bone, Key West No. 2, Midnight, Mescal Fraction, Lincoln Fraction No. 1, Lincoln Fraction No. 2, Lincoln Fraction No. 3, Lincoln Fraction No. 4, Buster, Ajax and Anne, total unpatented claims, 18; the total acreage being about 550 acres. Our development will be upon what is known as the Mescal Group, consisting of the patented claims Mescal, Steamboat and Monmont. Adjoining our properties and immediately to the east, are the News Mining Company claims, the Larrimore Group, the Howe Group, owned by the Gadsden Copper Company, of which the Calumet & Arizona Mining Company control seventy per cent of the stock. To the north of our properties are the properties of the United Verde

15
18
33

Extension Mining Company. To the west of our properties are the properties of the Calumet & Jerome Mining Company; and to the south of our properties are the properties of the Green Monster Mining Company Verde Combination Copper Company property being surrounded by all of the above properties and the above mining companies. The titles to the properties were examined, passed upon and approved by Messrs. Robert E. Morrison and H. H. Linney, attorneys-at-law, of Prescott, Arizona, in connection with John L. Dyer, of El Paso, Texas, General Counsel for the corporation.

LOCATION.

All properties are located at Jermoe, Arizona, in what is known as the Verde District. Our properties lie both on the North and the South Fault, the property of the United Verde Copper Company being upon one Fault and the properties of the United Verde Extension Mining Company being upon another Fault.

DEVELOPMENT.

The amount of development work to date is fully shown in the report of Mr. Defty, Mining Engineer, hereto attached. The development of the property is in charge of Mr. David Morgan. Mr. Morgan, since his employment by the corporation on November 1st, has made daily reports to the officers of the corporation, regarding progress and development of the work. He unequivocally states in his reports that he is assured that he will encounter a large ore body below the shaft which he is now sinking and that he is assured of success. He has pushed the work aggressively and at the present time has upon the payroll fifty men, and is working three shifts a day.

MANAGEMENT.

Mr. David Morgan, of Jerome, Arizona noted geologist and mining man, is Mine Manager and Superintendent for the corporation. Up to October of last year, for a number of years, Mr. Morgan had been Superintendent for the United Verde Extension Mining Company and "brought in" the great producing mine of the United Verde Extension. We have a contract with him for two years, expiring November, 1918. The officers of the corporation are: John L. Dyer, President, formerly President of the Texas Bar Association; Frank P. Jones, Vice-President, he being President of the El Paso Bank & Trust Company; Alfred F. Kerr, Secretary and Treasurer, he being Vice-President of the El Paso Bank & Trust Company; Mr. Robert K. Porter, Cashier of the Bank of Jerome, Jerome, Arizona, is Assistant Secretary and Treasurer. Mr. Porter is not a Director. The other Directors are: Mr. J. C. Callaghan until recently Auditor of the State of Arizona; Mr. James M. Layman, who resides in Jerome and is well known in mining circles; Mr. John S. Eberman, a banker and broker of Pittsburgh and Mr. Richards, merchant and prominent business man of Pittsburgh. Our stock has never been listed upon any of the curbs, we preferring that it should find and make its own market upon its own merits.

Your officers and directors feel that we have a most wonderful property and that upon our properties will be found a splendid producing mine. This opinion is shared with us by Mr. Morgan, who is emphatic in his statements that below the shaft which he is now sinking he will encounter a large body of high-grade copper ore. Mr. Morgan is confident of ultimate success and his judgment is not lightly to be treated or be disregarded; and upon his judgment you are justified in relying.

The officers and directors will give to the affairs of the corporation aggressive, careful, business-like and economical attention and management; and you can be assured there is no one who can equal Mr. Morgan in securing full return for every dollar expended. No useless expenditures will be made or will be permitted to be made.

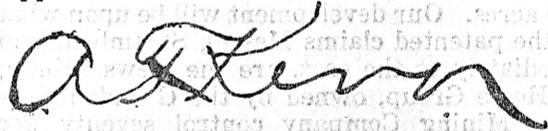
Your officers and directors request that if, at any time, any information is desired, that you communicate with them and your inquiries will receive prompt attention and answer. They want you to feel that your interests are their interests and will be pleased to receive at all times any suggestions from you.

Yours truly,

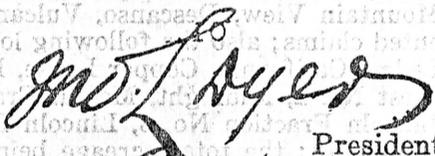
VERDE COMBINATION COPPER CO.,

By

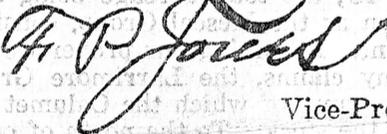
Approved:



Secretary and Treasurer.



President



Vice-President

EXTRACTS FROM DAILY REPORTS MADE BY MR. DAVID MORGAN, MINE
MANAGER, TO MR. JOHN L. DYER, PRESIDENT.

Letter No. 18, November 27, 1916.

"In running off Mescal tunnel southwesterly direction almost at line of contact of sheared zone, we have splendid mineral indications—seams of chalcopyrite and pyrite; in other words, feeders or stringers that will eventually lead us to an ore deposit."

Letter No. 19, November 29, 1916.

"Getting splendid action all over. Mescal tunnel S. W. X-cut very favorable formation, still carrying small seams of ore. Mr. Jerolomen, C. & A. Geologist, favorably impressed with tunnel formation."

Letter No. 20, November 29, 1916.

"Several places in Mescal tunnel very narrow; we are widening out, making room for 16 cubic ft. car, necessary to do some timbering. We are running southward on mineralized zone near line of contact, having spots of yellow metal and pyrite, certainly encouraging."

Letter No. 27, December 8, 1916.

"Up to date we find considerable scattered mineral in blue schist and diorite; in other words, disseminated here and there, lacking concentration. Our U. V. Extension during its infancy not having ore indications that we have in our Mescal tunnel."

Letter No. 32, December 14, 1916.

"Mescal No. 1 X-cut fairly hard formation. Still reopening No. 2. Following small stringers of ore at intersection of No. 1 and 3 raising. Following contact No. 4 not any too positive just yet. Splendid conditions contact drift No. 5. All conditions Mescal tunnel perfect as far as formation is concerned. Much better conditions than U. V. Extension had two years ago."

Letter No. 34, December 16, 1916.

"Mr. Engelder and I are also getting an up-to-date map Mescal tunnel and formation, working up all geology, such as fault line, porphyries, diorite schist, contacts, etc. Also aiming to get vertically under shaft winze Steamboat claim, and later raise up from tunnel to connect Steamboat claim shaft, which, in our estimation is much cheaper to raise than to sink. Conditions in our Mescal tunnel are perfect ore conditions."

Letter No. 35, December 18, 1916.

"Mescal tunnel No. 1 main X-cut fair contact of porphyry and diorite, splendid prospect for ore. Reopening No. 2; every indication that No. 2 touched the prominent North and South Fault line."

Letter No. 37, December 21, 1916.

"Everything splendid. Following contact Mescal tunnel No. 1, encouraging formation. Raising on No. 1 and No. 3 intersection, small bunch of pyrite, favorable. No. 4 running S. W. showing considerable specked mineral, perfect ore channel; conditions very favorable for ore. All our prospects are scientific (up-to-date) so far having perfect channels and seams, applying geology and mineralogy to the limit."

Letter No. 40, December 26, 1916.

"Mescal No. 1 tunnel following splendid contact of porphyry and schist diorite. Splendid prospect No. 5 following pre-cambrian schist and white intrusive. No. 6 very hard quartz porphyry and diorite. All of the above mentioned are what we term as positive ore channels."

Letter No. 42, December 28, 1916.

"Anyway, I certainly feel pleased as to the general conditions as to our development work. Mescal tunnel No. 1 S. E. improving daily showing much more mineralization, this point is between 400 and 500 feet from surface. It is also the most promising prospect. However, I feel confident of striking ore in our No. 1 or No. 4—possibly our raise may lead us to main ore channel. *Believe me, we have perfect conditions, formation of rocks justifying true ore conditions.*"

Letter No. 45, December 29, 1916.

"Raise still in minerals if anything a shade stronger. No. 4 southwest very favorable, specked mineral and a perfect ore channel."

Letter No. 46, January 2, 1917.

"Considering the amount of development work done in the month of December, we have demonstrated and substantiated sufficient evidence that our Mescal group of claims are ore bearing formations. You will note on map that I sent you that there is space enough on Monmont or Steamboat claims for an ore body as large as U. V. Extension, or U. V. Copper Company. *Our scheme of development is clean cut and scientific, giving our stockholders a splendid run for their money.*"

Letter No. 50, January 6, 1917.

"No. 1 Raise very encouraging, small stringers of commercial ore; consequently it will solve something relative to the main ore body. No. 10 S. E. seems to be the permanent hanging wall of large schist bar between No. 8 and No. 10, following contact of white intrusive and small stringers of quartz to left and positive schist formation to right. *On the whole it is safe to say that conditions towards prosperity are daily improving, very, very favorable.*"

Letter No. 51, January 8, 1917.

"Verde Combination showing coming to front, gradually rising in prominence. Mescal No. 1 Raise encountered much better conditions, much more copper; safe to say a good sized stringer of concentrated chalcopryrite; a splendid channel which eventually will lead us to main ore body."

Letter No. 53, January 10, 1917.

"Condition of affairs much better our prospects far more encouraging. No. 5 E. or S. E. splendid ore formation, decomposed porphyry and schist. Necessary to run No. 3 due west on same ore-bearing schist that we have in No. 1 Raise, ore stringers in raise much stronger than west side of raise, in other words, No. 3 West will encounter same, giving us an idea of a down hill pull, No. 4 S. W. still following intrusive acid dyke, some water, very favorable formation. No. 8 S. E. contact disseminated mineral in a splendid schist formation. No. 9 cross-cut broken schist, contact material due anytime. No. 10 S. E. extreme hanging wall of sheared schist zone, much of an intrusive white dyke over schist."

Letter No. 54, January 11, 1917.

"Everything splendid. No. 5 S. E. a genuine contact of decomposed porphyry and pre-cambrian schist, expect to intersect famous N. W. and S. E. fault line any time. Our new No. 3 West carrying considerable pyrite. No question as to striking same ore that we have in our No. 1 Raise. No. 1 Raise very encouraging. Safe to say there is 2 feet, 3.28 per cent copper, of a fair mixture of disseminated ore in schist; a positive ore channel that will eventually lead us into main ore channel. Concluding, everything far more favorable, conditions improving daily, our chances for a mine are good, whereas at starting point 60 days or so ago, we were taking just a gambling chance."

Letter No. 56, January 13, 1917.

"Our No. 3 West very favorable, considerable disseminated pyrite and Chalcopyrite. An excellent prospect. Positive channel leading us to main ore body. It is a certainty we are much closer to ore conditions, ore indications much more favorable; we are daily improving conditions, governed according to daily development work. *Everything coming our way.*"

Letter No. 57, January 15, 1917.

"Average sample taken out of No. 1 Raise face 2.9 copper. This is certainly encouraging. No. 3 West much the same, carrying some mineral, perfect ore channel. Things are coming our way as well as can be expected. *I sincerely believe the best prospect in the district.*"

Letter No. 58, January 16, 1917.

"No. 1 Raise to date, still in a fair mixture of ore, we encountered ore 25 feet below present working face. Quality daily improving, not over 2½ to 3 feet wide. Every indication that we are getting closer to main ore channel."

Letter No. 59, January 18, 1917.

"Our No. 4 S. W. finally encountered two feet of good looking quartz, heavily mineralized with iron pyrite; quartz and mineral running in a northwesterly direction; have decided to follow quartz on ledge calling it No. 11 N. W. drift. Later on, continue No. 4 S. W. same direction, aiming to catch main No. 8 quartz porphyry footwall. Quartz encountered in No. 4 signifies a positive ore channel and absolutely "Silica" that brought up mineral ore-bearing solutions. No. 1 Raise still continuing in the same mixture 3 feet or so low grade ore."

Letter No. 61, January 20, 1917.

"Everything splendid and encouraging. No. 8 S. E. contact improving wonderfully, showing small stringers of chalcopryite, in a real schist formation. No. 1 Raise certainly remarkable, still continuing upward in the same 3 ft. of ore mixture. Every indication of a positive ore channel. This raise may be the appropriate location for Main Shaft."

Letter No. 63, January 23, 1917.

"General conditions of prospects daily improving, unquestionably to date the best prospect in the district."

Letter No. 64, January 24, 1917.

"We have encountered sufficient number of ore stringers here and there in our various working faces which justifies the fact that Mescal tunnel workings are beyond doubt ore bearing formations. Furthermore, stringers of sulphide ore with so much disseminated mineral in its primary state proves the fact that this mineral did not come from the "sky." It is certainly gratifying to feel that we have a possible chance of a producing mine—beyond a gamble."

Letter No. 65, January 25, 1917.

"I feel that Verde Combination Copper Company is gradually coming to the front, ore indications daily improving, conditions very favorable. No. 3 West just at present seems to be the choice prospect, have encountered soft schist bar, carrying bunches of concentrated pyrite."

Letter No. 67, January 27, 1917.

"Everything favorable. Just a question of time."

Letter No. 68, January 29, 1917.

"Everything splendid. No. 3 West improved; better ore indications, stringers of pyrite and chalcopryite more numerous, schist bar also much wider."

Letter No. 69, January 30, 1917.

"Mescal tunnel reminds me of an old saying: 'Where there is smoke there is fire.' The old saying is a splendid comparison to our conditions. Mineral disseminated and scattered almost in every working face, so there must be a body of concentrated ore somewhere. Summing up the situation, everything more favorable, and *it seems to me that we are absolutely playing a winning game.*"

Letter No. 71, February 1, 1917.

"No. 3 West Drift much stronger, more mineral, positive channel leading to main footwall, very, very favorable. No. 1 Raise same as reported yesterday; 3 ft. fair mixture pyrite and chalcopryite ore, still low grade. No. 13 and 14 X-cuts showing considerable disseminated mineral."

Letter No. 72, February 3, 1917.

"Close to 300 ft. development work January month. No. 1 Raise much stronger, 4 ft. low grade, No. 3 west very favorable, same ore channel. No. 9 N. approaching Famous Fault line, No. 13 very favorable, disseminated chalcopryite."

Letter No. 73, February 5, 1917.

"Survey from Mescal tunnel 100 ft. winze not quite finished. Necessary to check same survey to be positive that new surface shaft location is vertically over our 100 ft. winze shaft. We are leveling off for new shaft, possibly start in sinking tomorrow morning. Have given order to Sullivan Machine Company for Compressor and Electric Motor. Mr. Sutor promising quick delivery. No. 1 Raise almost 4 ft. of mixed ore this A. M., very favorable. No. 3 W. drift also favorable, streaks of sulphide in a very soft schist. No. 8 S. E. encouraging, splendid contact of schist and porphyry contact carrying disseminated mineral."

Letter No. 75, February 7, 1917.

"We are still leveling for new shaft, also building road to meet Mescal and Gadsden road. Mescal winze Raise almost in shape to raise to meet new shaft. No. 1 Raise 4 ft. of low grade ore, certainly encouraging. No. 7 S. E. softer schist, some pyrite, favorable formation for another ore chute. No. 13, S. E. encouraging, full of pyrite, disseminated in schist. No. 14 N. E. favorable, splendid chalcopryite in a quartz diorite formation."

Letter No. 76, February 8, 1917.

"No. 3 W. X-cut finally encountered hard quartz diorite footwall, conditions much better, more mineral, ore channel much stronger, very much more so in bottom of X-cut. No. 1 Raise very favorable, more copper than usual. Raising up over 100 winze to meet new shaft, two shifts. Considerable leveling done new shaft site. Digging downward this a. m. expecting to crowd shaft three shifts after putting in collar set and bearing timbers. No. 14 N. E., considerable specked chalcopryite in diorite."

Letter No. 77, February 9, 1917.

"Arizona Power Company, having agreed to furnish power to Gadsden and Combination Copper Company same time. Both companies getting power off same line. Being that we are satisfied with our mineralogy and geology Mescal tunnel,—trend of ore body, etc., it is necessary to push the above as hard as possible, especially sinking from surface and raising from tunnel to meet main shaft."

Letter No. 78, February 10, 1917.

"We are raising two shifts to meet shaft from tunnel. Shaft sinking three shifts. New shaft formation a green stained porphyry to go on. Raise below disseminated mineral in schist. Contact of porphyry and schist somewhere midway, may develop an independent ore body additional to No. 3 west ore body. No. 1 Raise just as strong as ever, 4 ft. wide."

Letter No. 79, February 12, 1917.

"While in the act of stripping four to six feet of surface made ground, striving to reach solid rock for our new shaft site, we have unearthed a well defined outcrop of oxidized quartz and oxidized porphyry, stained with Malachite and Azurite, also a soft sand yellow material—yellow oxidized possibly carrying some gold values. During progress of actual surface development, leveling for Power Plant, etc., east and west of new three compartment shaft, which work is still necessary to do, fortunately we are longitudinally uncovering a positive oxidized quartz vein copper material. (Such a decided surface showing is certain indication of an ore body below. Three shifts sinking new shaft. Eight men building road from shaft to Mescal tunnel. Raising from Mescal tunnel two shifts under shaft, calculating latter to work three shifts raising. No. 1 Raise splendid showing, 4 ft. low grade material, which is considerable distance south of surface outcrop, and unquestionably a stringer from main ore body. According to latest developments and applied geology, No. 13 and 15 also No. 1 Raise are close to main ore zone."

Letter No. 81, February 14, 1917.

"We are beyond the prospecting stage and are now in the development stage, and positively certain that greater depth means an ore body. We expect to find main ore body between contact of porphyry and schist."

Letter No. 82, February 15, 1917.

"Some ore in our No. 15 N. W. drift, splendid contact of hard quartz porphyry footwall and schist vein matter. Expecting to hit ore in No. 15 any old time, a positive ore channel."

Letter No. 86, February 20, 1917.

"Sixty Horse Power Electric Motor at Santa Fe Depot, Clarkdale. Getting splendid action main three compartment shaft, putting in almost a set of timbers daily, formation still an oxidized mass of porphyry and decomposed quartz, splendid ore formation."

Letter No. 91, February 26, 1917.

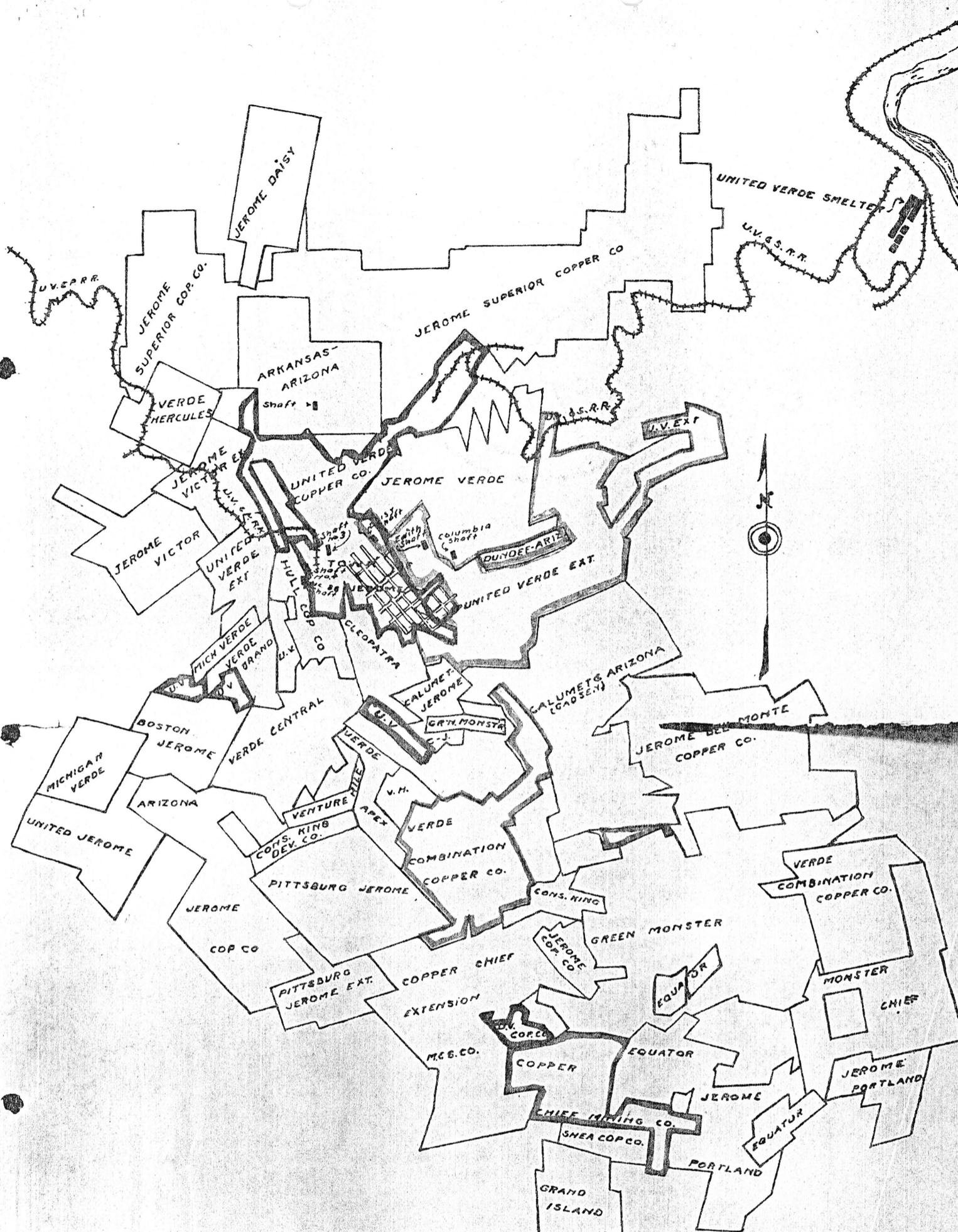
"Everything favorable. New shaft formation a genuine oxidized porphyry. Getting splendid action, making good progress. This quartz porphyry is a positive winner at depth, ideal ore formation. Shaft raise much easier breaking ground, blue schist, carrying stringers of quartz and some disseminated mineral. Three shifts sinking and three shifts raising."

Letter No. 94, March 2, 1917.

"Main three-compartment shaft beginning to show some mineralization, little chalcopryite disseminated in porphyry. Splendid formation, good speedy ground. Shaft raise below quartz stringers and schist, and expect connection to main shaft before the 25th of this month. Leveling off for Power Plant and head frame. Excavating for Powder Magazine. Doing considerable surface work, building, etc."

Letter No. 98, March 7, 1917.

"Nothing startling. We are still crowding to the limit shaft and raise connection. Shaft raise much softer ground; splendid schist formation. Fifteen men per 24 hours sinking. Seven per 24 hours raising."



**MAP OF THE
VERDE MINING DISTRICT**

YAVAPAI COUNTY ARIZONA

JEROME PACIFIC MINING CO.
BIO JEROME

*Accompanying
M. C. DePue
of Phoenix
Feb 26/17*

