



## **CONTACT INFORMATION**

Mining Records Curator  
Arizona Geological Survey  
1520 West Adams St.  
Phoenix, AZ 85007  
602-771-1601  
<http://www.azgs.az.gov>  
[inquiries@azgs.az.gov](mailto:inquiries@azgs.az.gov)

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01/29/97

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: ZULU MINE

ALTERNATE NAMES:

GILA MONSTER GROUP  
GREEN MOUNTAIN PROPERTIES

GILA COUNTY MILS NUMBER: 415C

LOCATION: TOWNSHIP 9 N RANGE 9 E SECTION 1 QUARTER N2  
LATITUDE: N 34DEG 09MIN 24SEC LONGITUDE: W 111DEG 23MIN 07SEC  
TOPO MAP NAME: NORTH PEAK - 7.5 MIN

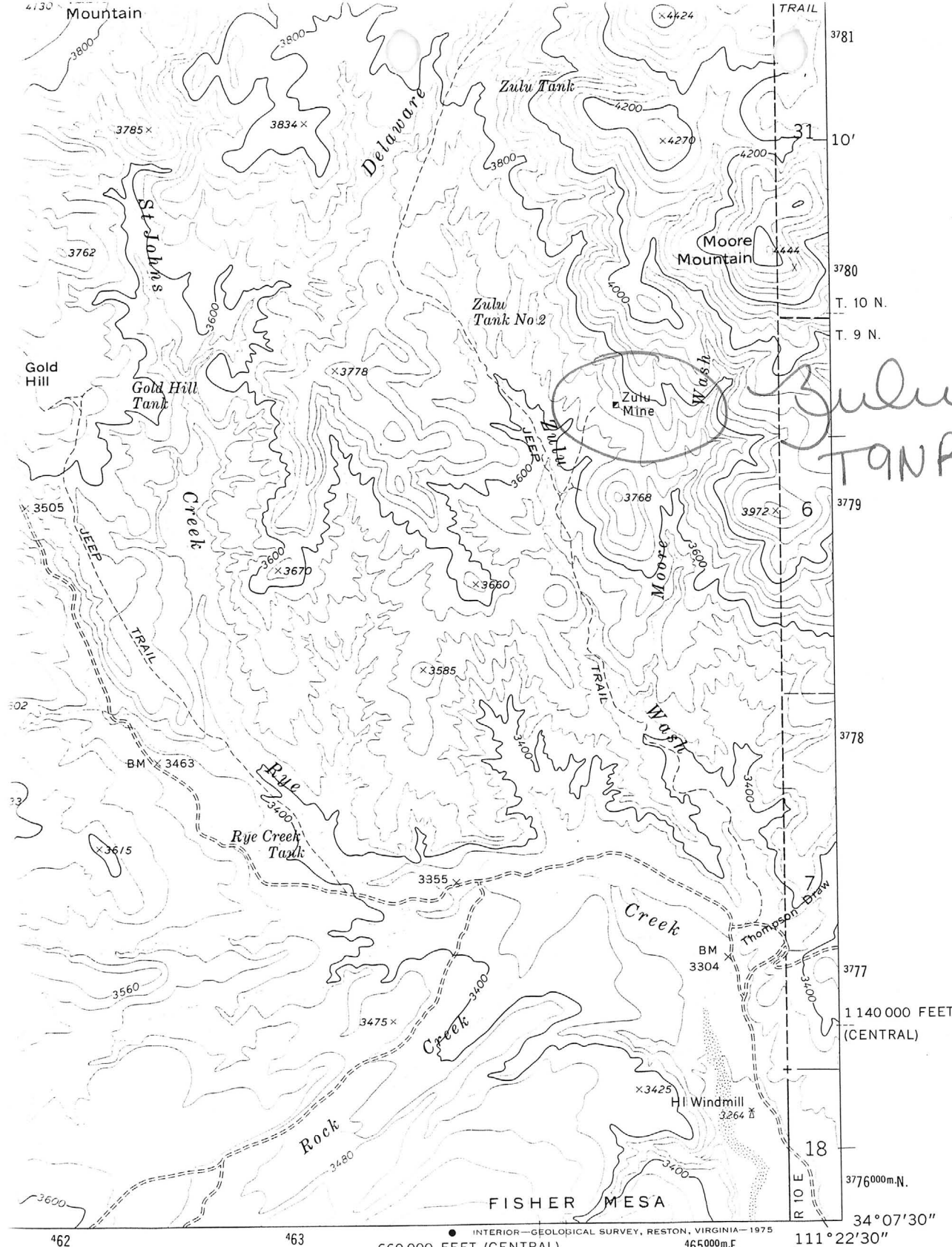
CURRENT STATUS: PAST PRODUCER

COMMODITY:

GOLD  
SILVER  
BARIUM BARITE

BIBLIOGRAPHY:

ADMMR ZULU MINE FILE  
LAUSEN, C. & E.D. WILSON, GOLD & COPPER DPSTS  
NEAR ~~HAIDEN~~ <sup>PAYON</sup>, AZBM BULL. 120, 1915, P.7,25,40  
STEWART, L.A. & PFISTER, A.J., BARITE DEPOSIT  
OF AZ., USBM RI 5651, 1960, p. 17-18



Zulu Mine  
TANK 9E Sec. 1

- ROAD CLASSIFICATION**
- Primary highway, hard surface \_\_\_\_\_
  - Light-duty road, hard or improved surface \_\_\_\_\_
  - Secondary highway, hard surface \_\_\_\_\_
  - Unimproved road \_\_\_\_\_
  - Interstate Route (circle with red border)
  - U. S. Route (rectangle with red border)
  - State Route (circle with black border)



**NORTH PEAK, ARIZ.**  
NW/4 PAYSON 15' QUADRANGLE  
N3407.5—W11122.5/7.5

7.5'

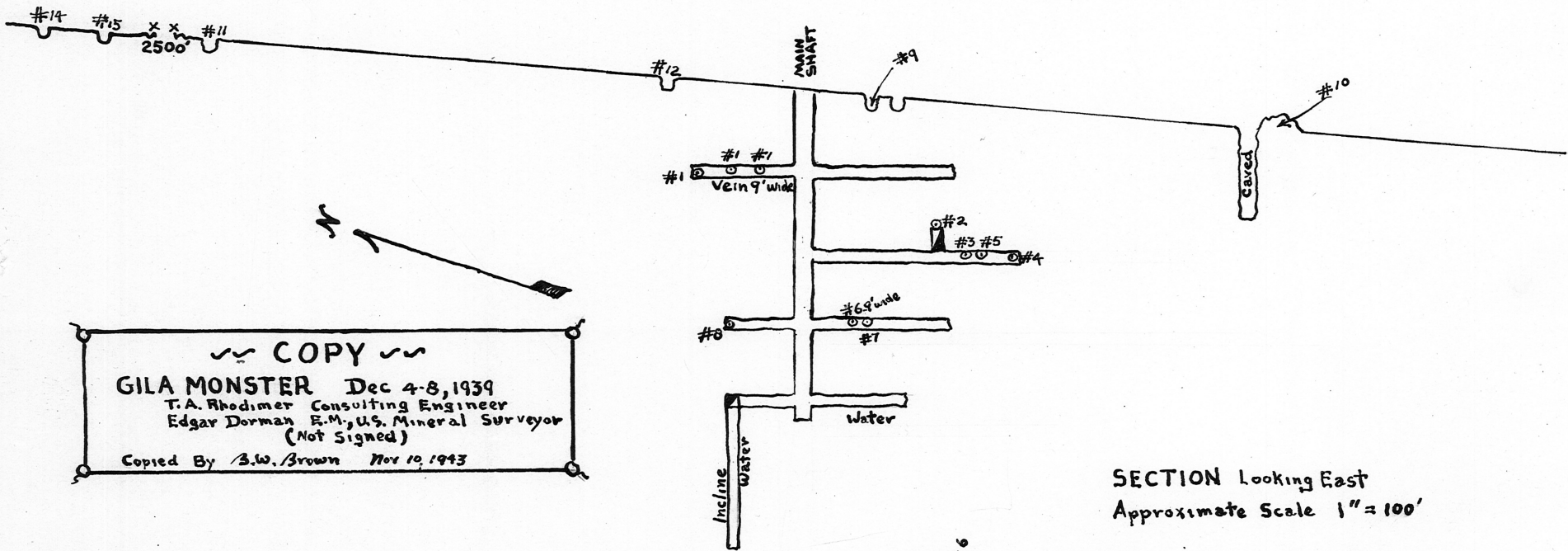
RECNO M241202  
REC TYPE S  
USER FIELD \*U94/5  
REP DATE 82 05  
FIL LINK USBM 0040070702  
REP STEINZIG, KATHRYN L. (GEST, DON E.)  
REP AFF ABGMT  
SYN GILA MONSTER GROUP, GREEN MOUNTAIN PROPERTIES, TORONADO MINE  
DIST GREEN VALLEY DISTRICT  
COUNTY GILA  
STATE CODE AZ  
CTRY CODE US  
PHYS 12 BASIN AND RANGE  
DRAIN 15060105  
LAND ST 41  
ELEV 3860 FT  
UTM N 3779365  
UTM E 463500  
UTM Z +12  
ACC ACC  
TOWNSHIP 009N  
RANGE 009E  
SECTION 01  
SECT FRACT NW OF NE  
MERIDIAN GILA AND SALT RIVER  
POSITION 1/2 MILE SW OF MOORE MOUNTAIN.  
LOCATION 15 MILES SW OF PAYSON, AZ. ; INFO FROM LAND.ST :(1978)  
SITE ZULU MINE  
LAT 34.1564  
LONG -111.3958  
CTRY NAME UNITED STATES  
COMMOD AU CU AG PB V  
ORE MAT CU CARBONATE, FREE GOLD, VANADATE MINERALS  
MAJOR AU CU  
MINOR AG PB  
CLH USE 94/08/17  
TRACE V  
PROD S  
STATUS 8  
DISC SAM HILL  
YR DISC 1878  
NAT DISC B  
YRLST PROD 1940  
OWNER WILLIAM CRAIG  
EXPL\_COM OPERATORS INCLUDED R.E. PHILLIPS, W.L. LOVELADY, LOUKS AND  
JACKSON, J. GARFIELD BUEL, JACK CUSHION, MOUNTAIN  
CONSOLIDATED MINING CO  
DEP TYPE VEIN  
DEP\_FORM STRINGERS  
MAX\_LEN 4000  
M L U FT  
MAX\_WID 20  
M W U FT  
DEP\_SIZE S  
STRIKE NORTHWEST  
QUAD250 HOLBROOK  
OV\_LEN\_WK 3750  
O L U FT  
OV\_WID\_WK 6500  
O W U FT

PRINTED FROM  
USGS MADS DDS 20

OV AREA\_WK 24,375,000  
O A U SQ FT  
DWORK\_COM PROPERTY HAS BEEN DEVELOPED BY A 2-COMPARTMENT SHAFT,  
UNKNOWN DEPTH. DUMP SIZE SUGGESTS SOME STOPPING OR DRIFTING  
DONE ON THE VEIN. SHAFT 200 FT DEEP IN 1920.  
MIN AGE PREC  
ARU AGE PREC  
ARU NAME PAYSON DIORITE  
CONT\_CODE NA  
GEOL\_COM SEE CONWAY, 1976, FOR REGIONAL GEOLOGY.  
GEN\_COM THIS RECORD CONTAINS DATA FROM DUPLICATE RECORD D000077 OF  
R.P. FISCHER WHICH HAS BEEN DELETED FROM MAIN MRDS. ;  
INFO.SRC : 1 PUB LIT; 2 UNPUB REPT  
REF ARIZ BUR MINES BULL, P. 40. |ADMR GILA MONSTER FILE. |USBM  
CLUSTER NO. 1076. |ABGMT/USBM PRODUCTION FILE DATA. |CONWAY,  
1976, PETROLOGY, STRUCTURE, AND EVOLUTION OF A PRECAMBRIAN  
VOLCANIC AND PLUTONIC COMPLEX, TONTO BASIN, GILA COUNTY, AZ:  
PHD THESIS, CAL TECH. |GALBRAITH, 1941, ARIZ. BUR. MINES  
BULL. 149, P. 65.  
CONT\_NAME NORTH AMERICA  
STATE\_NAME ARIZONA  
WORK\_TYPE U  
UPD\_DATE 94 03  
UPDATER ORRIS, GRETA J.  
COMMOD\_TYP M  
QUAD24 NORTH PEAK (1973)  
DATE\_ISSUE 95/5/18  
UPD\_AFF USGS  
PROF\_ID 100  
PROF\_LOC 100  
PF\_COMMOD 66  
PROF\_EXPL 75  
PFDESC\_DEP 50  
PFDESC\_WRK 100  
PROF\_GEOL 35  
PROF\_REF 100  
PROF\_ALL 69  
HR\_AGE\_MV PREC  
HR\_TYPE\_MV DIORITE  
DEP\_CODE 11000  
HUC 15060105

RECNO TC10246  
REC TYPE S  
USER FIELD \*U93/7  
REP DATE 91 06  
FIL LINK IMS, CIMRI  
REP KIBBE, R.D.  
REP AFF USGS  
DIST PAYSON  
COUNTY GILA  
STATE CODE AZ  
CTRY CODE US  
UTM N 3779399.  
UTM E 464510.5  
UTM Z +12  
ACC ACC  
TOWNSHIP 09N  
RANGE 009E  
SECTION 4  
MERIDIAN GILA AND SALT RIVER  
SITE ZULU AND GREEN VALLEY 1 AND 2 PROSPECTS  
LAT 34.1567  
LONG -111.3850  
CTRY NAME UNITED STATES  
COMM OD BA  
ORE MAT BARITE  
MAJOR BA  
CLH USE 93/10/14  
PROD S  
STATUS 4  
YRLST PROD 1954  
EXPL COM TWO TRUCKLOADS MINED AND HAULED IN 1954  
DEP TYPE VEINS  
DDESC COM PARALLEL VEINS IN QUARTZ DIORITE AT ZULU. SMALL AMOUNTS OF  
BARITE IN FRACTURES IN QUARTZ DIORITE AT GREEN VALLEY  
PROSPECTS.  
QUAD250 HOLBROOK  
NAME KIBBE, R.D. | ORRIS, GRETA J.  
DATE 06/01/91 | 12/01/92  
ED COM |  
CONT CODE NA  
REF PEIRCE, H.W., 1990, ARIZONA GEOLOGICAL SURVEY INDUSTRIAL  
MINERALS CARD FILE. | PHILLIPS, K.A., 1987, ARIZONA INDUSTRIAL  
MINERALS: ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES  
MINERAL REPORT 4, 185  
CONT NAME NORTH AMERICA  
STATE NAME ARIZONA  
WORK TYPE S  
ENV COM HYDROLOGIC UNIT CODE CALCULATED 3-94 USING GIS OVERLAY  
ANALYSIS WITH 1:1000000(EST) SCALE FEDERAL OWNERSHIP  
BOUNDARIES.  
UPD DATE 92 12  
UPDATER ORRIS, GRETA J.  
COMMOD TYP N  
QUAD24 NORTH PEAK  
DATE ISSUE 95/5/18  
UPD AFF USGS  
PROF ID 100  
PROF LOC 100  
PF COMMOD 66  
PROF EXPL 50

PFDESC DEP 25  
PFDESC WRK 100  
PROF REF 100  
PROF ALL 60  
HR AGE MV PREC  
HR TYPE MV QUARTZ DIORITE  
TYPE R|U  
AFFIL USGS|USGS  
DEP CODE 11000  
HUC 15060105



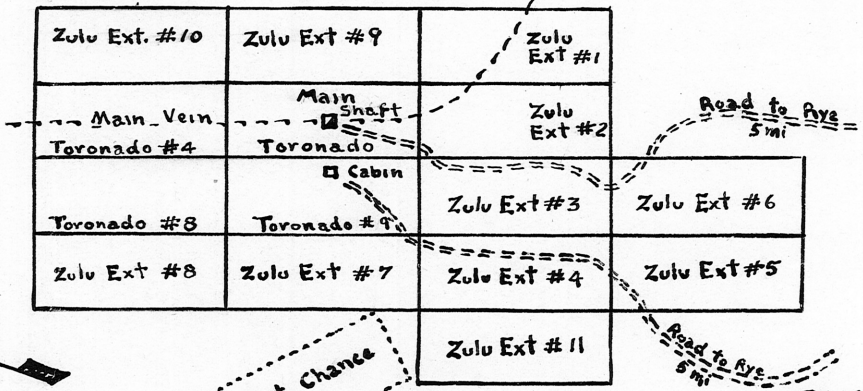
~ ~ ~ COPY ~ ~ ~

**GILA MONSTER** Dec 4-8, 1939  
 T.A. Rhodimer Consulting Engineer  
 Edgar Dorman E.M., U.S. Mineral Surveyor  
 (Not Signed)

Copied By B.W. Brown Nov 10, 1943

SECTION Looking East  
 Approximate Scale 1" = 100'

T 9N  
 Sec 11  
 R 10E  
 106



PLAT  
 Approximate Scale 1" = 1500'



*Miss Fik*

Gateway Sporting Goods  
Buys Gila Mines Stake

[REDACTED]

*WSS 1/3/19*

x

ZULU MINE

GILA COUNTY

NJN WR 6/17/88: Ron Polk of Dallas, Texas reported that a company called Firestone is trying to sell 16 packages of \$15,000 investments for the Zulu (file) Gila County. For this investment, investors are promised to receive 159 oz of gold, 15% of which they will receive in the first year. The principals involved are Don Hartedge, George Cove, and Don Ross.

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ZULU  
~~GILA MONSTER~~

GILA COUNTY

KAP WR 12/4/81: Floyd Bleak and Bob Rose (of Tombstone?) was reported to be operating a cyanide heap leach operation at the Zulu Mine in Gila County.

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RRB WR 4/23/82: Howard Wirtz of the Forest Service reported that the Zulu near Payson has been in operation for 6 to 8 months as a heap leaching operation. They claim to have ore of 2 oz. per ton Au.

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JHJ reported that Jim Matt, from State Mine Inspector's office reported that Bob Rose and Floyd Bleak have sold the Zulu (unconfirmed as Yet). 6/10/83

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NJN WR 12/2/83: Floyd Bleak, 4241 Winfield Scott Plaza, Scottsdale, AZ. Ph: 949-9820, visited and reported he owns the Zulu Mine (Gila Monster file) Gila, Co., and that he is starting a cyanide leach operation there.

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MG WR 4/12/85: The Zula property in Gila County is reportedly for sale. Owners say they have spent about \$2,000,000 exploring and developing the property.

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NJN WR 7/18/86: Rod Payers of the Forest Service Payson District Office, called and reported that Orotex (c) <sup>Byers</sup> i.e. Bob Rose (c), is active at their Gila Monster (file) Gila County, and have put a locked gate on the road to the property.

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NJN WR 7/24/87: Hilton Cass, Forest Service Zone Officer, reported that the Forest Service is asking the bond company to do the reclamation at the Zulu (Gila Monster - file) Gila County. The mine site contains an abandoned trailer, garbage, and mining equipment that needs to be cleaned up, as well as reclamation of the heap leach site. Bob Rose (card) has not responded to the Forest Service request for reclamation, thus their appeal to the holder of the reclamation bond.

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NJN WR 2/5/88: Rod Beyers, Forest Ranger, Tonto forest, Payson District, reported that the Forest Service is about to ask the bond company for the restoration money for the Bob Rose/Orotex/Floyd Bleak operation. They have not cleaned up their heap leach site at the Zulu (file) Gila County. If the Forest Service has to ask for the bond, it is unlikely the principals will be allowed to set up another operation on Forest Service land.

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GILA MONSTER

GILA CO.

KP/WR 8/11/78 - Clay Thorne reported he is planning to heap leach the Gila Monster, Golden Wonder or (85 Mine) and Oxbow Mine in the Green Valley Dis., Gila Co.  
1/4/79 a. p.

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CH/WR 3/28/79 - Bob Martin wanted info relating to Gila Monster claims near Payson, Gila Co. Wants to stake on the west end line of these claims. 4/30/79 a. p.

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CJH/WR 7/20/79 - Mr. Jim Walker has a financial interest in the Zula Mine, Gila Monster Claims, copied a portion of the mine file. 8/14/79 a. p.

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KAP WR 11/21/80: Jerry Clary, a stock broker and investment counselor with Shearson, Loeb, Rhoades, Countryside Mall, Suite 837, 2601 W. Highway 19 North, Clearwater, Florida, 33515, phone (813) 796-0606, called to advise that the other reported owners of the Gila Monster Mine, Green Valley District, Gila County, are Floyd Bleak and Dale Eckersley. His information was that they, along with Gateway Sporting Goods, 730 Fifth Avenue, New York, New York 10019, own the property. A field visit by Department engineers is planned on November 21.

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KAP WR 11/21/80: In the company of Dick Beard, a visit was made to the Zulu Mine (Gila Monster), Green Valley District, Gila County. While in the field we met Jerry Blech who reported that he has a claim on the Zulu Mine and owns the property.

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RRB WR 5/22/81 - Mr. Robert O. Rose, Rose & Crowley, CPA's, 4241 Winfield Scott Plaza, Scottsdale, Az. 85251, 949-9820, reports that he owns the Zulu-Gila Monster.

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KAP WR 7/31/81: An unsolicited report was received that Floyd Bleak has moved equipment onto the Zulu Mine, Green Valley District, Gila County. Mr. J. C. Duffy is the watchman.

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KAP WR 11/20/81: Mrs. George "Patty" Phillips reported that the Zulu Mine is "running".

*Abstracted 10/15/80  
mgw*

MEMORANDUM

To: John H. Jett, Director  
From: Ken A. Phillips, Mineral Resources Engineer *KAP*  
Subject: ✓ Gila Monster and ✓ Zulu Mines, Green Valley District, Gila County  
Date: October 3, 1980

• Jerry Clary, a stock broker and investment counselor with Shearson, Loeb, Rhoades, Countryside Mall, Suite 837, 2601 W. Highway 19 North, Clearwater, Florida 33515, phone (813) 796-0606, reported that he and a number of his clients own stock in ✓ Gateway Sporting Goods. Gateway Sporting Goods reportedly have a portion of Gila Monster and Zulu Mines in Green Valley District, Gila County, according to newspaper reports and annual stockholders reports of the company.

The latest announcement to stockholders involves a reported completed geological survey on the property, which is quoted as representing that the mine contains 33,000 to 40,000 tons of ore which shows from a trace to 1.5 tr.oz.Au/ton and 1 tr.oz.Ag/ton. Mr. Clary wondered out loud if the reports of favorable results on surveys of the mine were not merely a method to get startling news to attempt to manipulate the stock. He asked if there was any information as to current operations of the property. We had no information but plan a visit to the property in the third week of October.

KAP:mw



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

February 24, 1958

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

	(15 claims 15 miles	
ZULU	(SW Payson)	Gold
<hr/>		<hr/>
	(Property)	(ore)

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

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

*W. J. Lovelady*  
*P. O. Box 113*  
*Payson, Ariz*

*Frank P. Knight*  
FRANK P. KNIGHT,  
Director.

Enc: Mine Owner's Report *the ZULU Gold Mine is owned and operated by Earl Jackson Payson, Ariz*  
*Walter L. Lovelady*

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high grade as it is mined, and will not entail any extra expense. Then it must be taken into consideration that you have only reached one wall, except for some three places in your mine, and it is a known fact that so far the ore which has been taken from the foot wall of your mine is far better than the ore on the hanging wall, and with this fact known, you should, when you have your vein opened so you are able to mine the whole width which I firmly believe will average 20 ft, be getting mill heads from the ore as mined without blending, that will run as good as the figure I have mentioned above.

### Conclusions

I wish to impress upon you that you have, what appears to be a great mine with the small development work done so far, and with the further development of your present workings, and the opening up of the vein, at the outcroppings where samples were taken, on my visit to your property, I believe you can open one of the largest GOLD MINES in the State of Arizona.

I strongly recommend that you erect a 50 ton mill on this property, just as soon as possible, and get into production, and also ~~xx~~ start immediate development work on the unexplored outcroppings, where the values are shown by the attached assay map, since there is at this time great masses of ore in evidence on the surface at these points.

Report signed:  
T. B. Rhodimer

This report was partially copied by B. W. Brown on Nov. 10, 1943

X

ZULU MINE

GILA COUNTY

Payson, Arizona

Submitted by:

CHARLES R. WARD  
Mining Development & Mineral Recovery

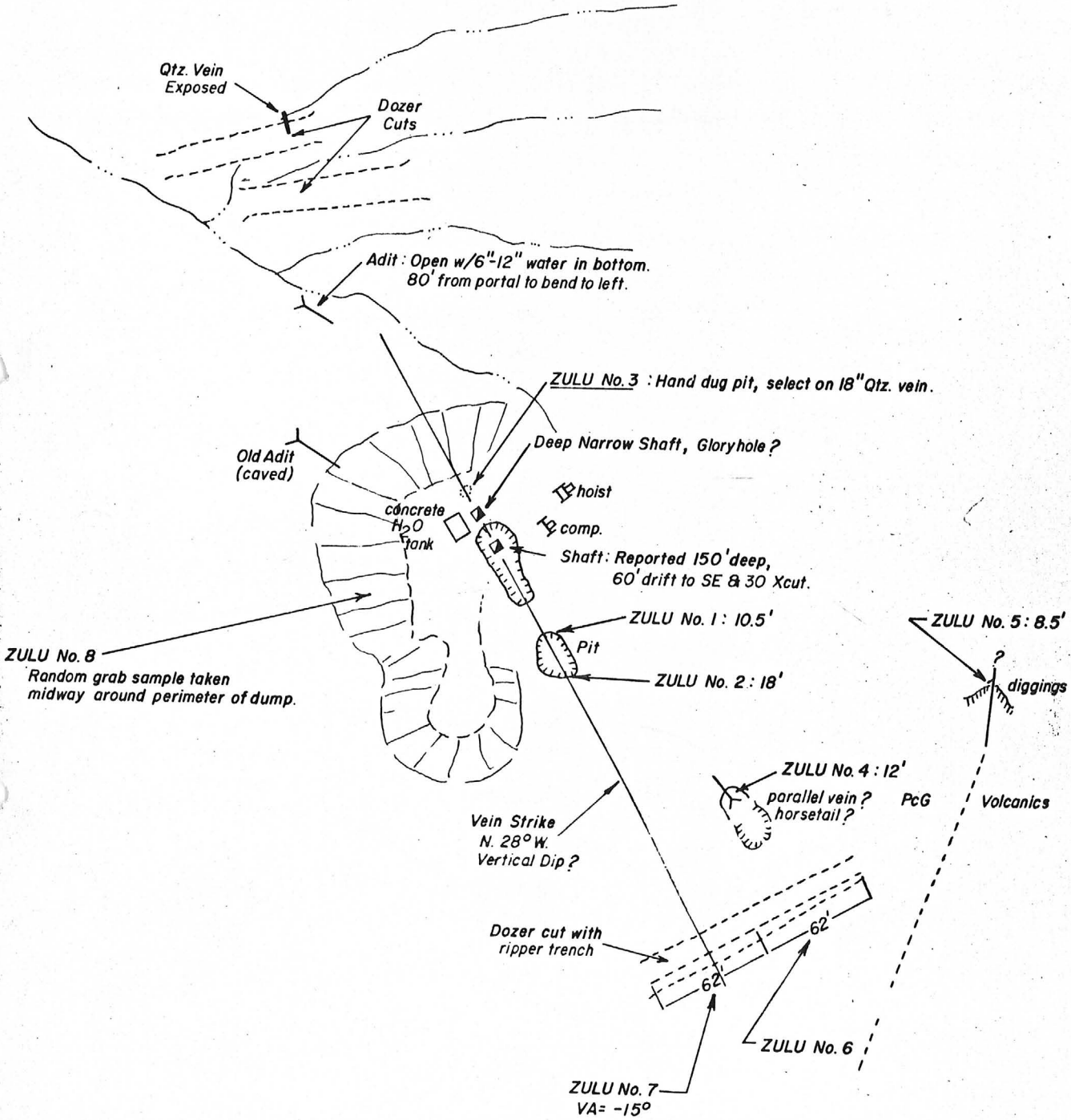
Telephone: 968,1275 --- 939-6834

Dated: July 1, 1978



ZULU No. 9 - Channel Chip

Taken from Qtz. vein on strike approx. 1 mi. to NW, 6' wide or approx. 3' true width.



ZULU MINE AREA  
Gila County, Arizona  
1" = 100' W.D.R. 5-78

# REPORT AND MAPS OF THE GILA MONSTER GOLD MINES

(ZULU)

PAYSON, GILA CO. AZ.

## FORWARD

On the 4th, 5th and 6th of December 1, 1939, I visited the Gila Monster Gold Mines, in the company of Mr. Edgar Dorman, E.M. and U.S. Mineral Surveyor, for the purpose of making a preliminary examination and maps. The facts and opinions expressed herein are based on a very careful inspection of the property together with a full composite sampling of all portions of the mine, which is open for inspection at this time. It was impossible to get to the 200 ft. level, as shown on the attached map, due to the fact that this level is now full of water.

All statements contained in the following report are concurred in by both Mr. Dorman and the writer, and we believe we are being very impartial and conservative in all statements made.

## THE PROPERTY

The Gila Monster Gold Mines consist of fifteen unpatented mining claims, consisting of a total of 300 acres, more or less.

## LOCATION

The Gila Monster Gold Mines are located about fifteen miles from the town of Payson, Gila County, Arizona, in a Southwesterly direction. They can be reached over a good gravel road, to a point about five miles from the property, and a good dirt road for the last named distance. The town of Payson is reached over a good gravel road, at a distance of 120 miles from the city of Phoenix, Arizona. Globe is the county seat of Gila County.

## GENERAL INFORMATION

The Gila Monster Gold Mines were discovered at the turn of the present century, by a man named Vogel who retained ownership of the property until a few years ago, when it came into the hands of the present owners. The writer visited this property when it was only a raw prospect in the year 1907, at which time the locater had sunk a shaft to a depth of 62 feet at the point of discovery. This shaft was sunk on the West Wall, and followed a very rich ore shoot about 20 inches in width. At the depth of 62 feet the owner crosscut for about 30 feet

to the East to locate the East Wall and located another rich ore shoot lying on the East Wall of about the same size as the one on the West Wall, but of a higher grade. The filler between these two ore shoots was of composition of altered granite and porphorsy, and was all a good mill grade ore, making a vein of milling ore about 30 feet wide. This old shaft is now all caved in, and there is no way of knowing how much ore was taken out, or the extent of the ore body still remaining in the ground at this point. It is reported, by what I believe to be a good reliable authority, that more than \$200,000.00 has been taken from this property in years past. Since this has been done by stake miners or high graders, there is no definite record of production. At the time of my visit to this property in 1907, the owner was offered \$40,000.00 cash for this property and turned it down, with the remark that he could take that much highgrade out in a year with a pick and a pan.

### **TOPOGRAPHY AND CLIMATE**

This property lies in gentle rolling hills, allowing excellent camp site, and at the same time having grade enough for a proper mill site, with ample room for all tailing disposal.

The climatic conditions are excellent for year round operation. Since the property lies at an altitude of 4000 feet, it is not too hot in the summer nor is it too cold in the winter, and there is never any handicap from heavy snow fall.

### **GEOLOGY**

Since there are full geological reports by the State of Arizona covering all mining districts, there is no use taking up time and space discussing it here.

### **LABOR CONDITIONS**

There are plenty of experienced miners to be had locally. At this time, the going wage for miners, which I am informed, is from \$3.50 to \$4.00 per day in this district.

### **WATER**

There is plenty of water to be had at the mine, by digging shallow wells in the creek bottom, one of which is already dug and cemented. This well produces a fine grade of water throughout the entire year. Since I had no way of testing the supply of this well, I am not in a position to say the amount of water per minute available for mining at this time.

## VEIN STRUCTURE

The strike of the vein is slightly Northwest and the main strike continues through this property for a distance of about 4000 feet. It is traceable by outcroppings, all carrying values for a distance of several miles. The vein where developed on the property will, I believe, average 15 feet wide and is all of good quality mill ore. In several places, where exposed by outcroppings, it is much wider than the figure above. This vein is well defined between walls of altered granite and stands nearly perpendicular down to the depth now explored. In addition to the main vein structure, there are several veins of various sizes that can be picked up on the surface, and on one of these smaller veins, it is reported that several dollars in picture rock was taken out very near the surface. The old workings are still in evidence where this gold was supposed to have been taken out, and since the dump in no way corresponds to the size of the hole "still in evidence", there must have been a lot of ore removed from the workings. Since any ore removed had to be picked out, it is only natural to assume that the ore removed was of a very high grade quality.

There is also a very large ledge West of the developed vein which runs parallel thereto. However, as far as can be determined from the outcroppings the vein is very low grade. I believe it will run about 20 feet wide, with values from \$1.00 to possibly \$2.00 per ton on the surface. My opinion is that this vein deserves to be and should be prospected to a reasonable depth to determine the values contained therein, and the extent of the possible ore shoots. The main vein, on which development and prospecting has been done is the only vein shown on the map prepared by Mr. Edgar Dorman, E.M. and U.S. Mineral Surveyor.

## DEVELOPMENT WORK

The present development work consists of well timbered shaft with hoist way and man way, which is fully described on the attached map, by Mr. Dorman. There are numerous shallow shafts, pits and open cuts, which in all instances expose the vein structure, as shown in the main working shaft.

## PRESENT EQUIPMENT

The present equipment consists of a good camp, all new buildings except one, gasoline driven air compressor, gasoline hoist 2500 lbs. lifting capacity, air hammer 150 lbs. capacity, still hoist, house fully equipped blacksmith shop, pumps and power to operate. New head frame and ore bin, ore car and buckets and all necessary hand tools and equipment.

## ORE RESERVES

As nearly as can be determined, there is now developed about 40,000 tons of mill grade ore. The above figures are arrived at by figuring the depth of 200 feet as shown on the attached map and discounting the average width of the vein down to 15 feet and then allowing 15 cubic feet to the ton of ore. I believe these figures to be more conservative. The value of this ore reserve can be determined by the assay map by Mr. Dorman with Assays the Western Assayers of Los Angeles. It is humanly impossible to estimate the potential ore on this property, since everywhere you sample an outcrop it will pan free gold. At this time the porphyry carried in this main vein appears to be continuous, as far as we are able to determine. Because the present working sand has a continuous vein structure running for a distance of over 4000 feet, through property width of at the very lowest 10 feet, the possible potential ore bodies are tremendous. It is only reasonable to assume that rich ore shoots of picture rock will be encountered in the future as they have been in the past and there is some of this character ore now in evidence.

## RECOMMENDATIONS

I would advise the erection at this time, of a mill with at least 50 tons daily capacity, based on a 24 hour day. This mill should be of either the ball or rod design, equipped with amalgamation to make their recovery of the free gold, and jigs and concentrating cables to recover the concentrates. It has been determined by the treatment of ore hauled from this property that treatment of the ore is simple, and has been accomplished by the use of plates and ordinary concentration table, with a result of a very high recovery. One man to whom I talked, told me that the mill people where he had sold ore from this mine, had advised him that there recovery was about 95% and that he received 95% of the assay value of his ore, less the milling charges.

When a mill has been placed in operation, then the further development of ore should be pushed ahead in the present workings, and in addition there should be minor like prospecting done on the main vein at the different outcroppings to add to the production from your present developed ore body.

There is also another very cheap way of prospecting this property, and that is by using a bulldozer to trench the hillside on which the developed vein occurs. I believe from what can be seen on the surface, that this procedure will open some very large ore deposits, very close to the surface of your property.

All the local people I have talked to are of the opinion that your property contains many large free or oxidized gold deposits very close to the surface, to say nothing of the sulphide ore

to be found at more depth. The fact that a large amount of surface gold has been mined in this locality and the miners have quit when they encountered the base ore, appears to bear out the opinion of these local people who know the country.

You should employ some good reliable operating mining engineer to handle this development work for you. The mining department of the State of Arizona or our own California Department of Mines would be very happy to assist you in selecting the right man for the job of erecting and operating your mill and the future development of your mine.

ASSAY SHEET by WESTERN ASSAYERS

The following samples were taken by Edgar Dorman E.M. and bonded U.S. Mineral Surveyor, and the writer.

Sample No. & Width cut	Samples averaging 10 lbs.	Value
1. 9 ft.	Composite, from No. Drift of 50' level, Vein 9' wide	\$ 7.13
2. 15 ft.	Top of Raise, 15' Height on 100' level, 94' from ctr. of Main Shaft	26.07
3. 7 ft.	On Vein 100' level 18' So. of Sample No. 2	2.16
4. 7 ft.	Face of drift on 100' level 26' So. of Sample No. 5	1.54
5. 6 ft.	On Vein, 100' level, 6' So. of Sample No. 3	5.71
6. 9 ft.	On Vein 9' wide, 150' level 27' So. of ctr. of Main Shaft	56.24
7. 5 ft.	On Vein 150' level, 5' So. of Sample No. 6, ore 9' wide	208.32
8. 5 ft.	On Vein, 150' level, No. Drift 45' N. of Main Shaft 5' wide	20.54
9. 3 ft.	Bottom of shaft 12' deep, 45' So. of Main Shaft, 3' wide	35.75
10. DUMP	From dump discovery shaft 60' deep (caved) 250' So. of Main Shaft	21.32
11. 20 ft.	From open cut, 350' No. of Main Shaft, vein 20' wide	4.46
12. 6 ft.	Surface outcropping, 75' No. of Main Shaft, 6' wide	4.85
13. 15 ft.	On bottom 15' shaft 35' So. of Main Shaft, 15' wide	50.90
14. 15 ft.	Cut on vein 15' wide 2500' No. of Main Shaft	7.57
15. 30 ft.	On vein as above, 30' So. of Sample No. 14	8.64

SAMPLE	GOLD OZ. PER TON	VALUE	SILVER OZ. PER TON	VALUE
No. 1 Bin	0.76	\$ 26.60	None	\$
No. 2 Stope	0.12	4.20	0.08	0.05
No. 3 Surface	0.44	15.40	None	

GOLD		
SAMPLE	OZ. PER TON	VALUE
No. 1 Bin	0.16	\$ 5.60

GOLD		
SAMPLE	OZ. PER TON	VALUE
No. 1 Bin Zulu Mine	0.68	23.80

GOLD		
SAMPLE	OZ. PER TON	VALUE
No. 1 Bin 5 tons	4.80	168.00

GOLD		
SAMPLE	OZ. PER TON	VALUE
No. 1 Bin	0.28	28.70
No. 2 Bin	0.04	1.40

GOLD		
SAMPLE	OZ. PER TON	VALUE
Tails	2.64	92.40



GROCH ENGINEERING COMPANY

GOLD PER TON		SILVER PER TON		TOTAL GOLD & SILVER
OZ. TRAY	VALUE	OZ. TRAY	VALUE	
0.20	\$7.00	0.32	\$0.20	\$ 7.20

ASSAYER: Harold Nelson  
Date: April 13, 1939

Owners mark of description	GOLD PER TON		SILVER PER TON	TOTAL GOLD & SILVER
	OZ. TRAY	VALUE	OZ. PER TON	
1. Ore Shoot 50' level South drift Zulu Mine	0.60	\$ 21.00	0.26	\$ 21.26
2. Ore Shoot Rise 50' level South drift Zulu Mine	0.04	31.90	0.26	31.18
3. New top of shoot South Drift 100' level	0.02	0.70	0.32	1.02
4. Ore shoot cross cut 50' Level with drift	0.04	1.40		1.40
5. Ore Shoot new rise South Drift 100' level	0.04	1.40	0.10	1.50
6. Grab sample 50 ton Hoisted from 50' level	0.32	11.20	0.24	11.44

Sample Quartz from South drift  
Fifty foot level Zulu Mine

GOLD PER TON	
Oz. Per Tray	Value
815.628	\$28,546.98
	per ton in gold

Value of Gold Button recovered from 81 grms. is \$2.54 equal \$14.27 per lb. of ore.

ASSAYER: Franck Groch  
Date: June 6, 1939

Zula Mine N. 50 ft. level raise

GOLD PER TON		SILVER PER TON		TOTAL GOLD & SILVER
OZ. TRAY	VALUE	OZ. TRAY	VALUE	
5.00	\$175.00	0.44	\$0.31	\$175.31

The samples from which the foregoing assays were made, can well be considered as representative of the character of ore to be expected and you should be able to supply your mill with heads that will average \$25.00 per ton. This can be done by blending the lower grade with the high grade as it is mined, and will not entail any extra expense. Then it must be taken into consideration that you have only reached one wall except for some three places in your mine, and it is a known fact that so far the ore which has been taken from the foot wall of your mines is far better than the ore on the hanging wall, and with this fact known, you should, when you have your vein opened, so you are able to mine the whole width, which I firmly believe will average 20', be getting mill heads from the ore as mined without blending, that will run as good as the figure I have mentioned above.

### CONCLUSIONS

I wish to impress upon you that you have what appears to be a great mine with the small development work done so far, and with the further development of your present workings, and the opening up of the vein, at the outcropping where samples were taken on my visit to your property, I believe you can open one of the largest Gold Mines in the State of Arizona. I strongly recommend that you erect a 50 ton mill on this property, just as soon as possible, and get into production, and also start immediate development work on the unexplored outcroppings, where the values are shown by the attached assay map, since there is at this time just masses of ore in evidence on the surface at these points. You should not hesitate to spend from \$50,000.00 to \$75,000.00 on the development of this property. This may sound like a lot of money, but when you stop to consider that you now have about 40,000 tons of developed ore, which shows by the foregoing sampling, a very conservative average value of \$25.00 per ton, and it is my judgment, that you have yet to open your best ore bodies. Once more I wish to urge you to put a competent man in charge at your mines and push your development work to the limit.

It is my firm belief that any one wishing to get into mining would be passing up a great opportunity if they failed to take advantage of a property such as you have.

Dated at Hollywood, California December 9, 1939

THOMAS A. RHODIMER

## I N D E X

- A. Values
- B. Production at 100 tpd
- C. Mining cost by the ton value
- D. Mine labor
- E. Milling cost
- F. Milling labor
- G. Mine and mill cost against gross production
- H. Mine development
- I. Mine equipment cost
- J. Mill erection cost
- K. Mill equipment
- L. Office force
- M. Office equipment
- N. Housing
- O. Explosives storage or magazine
- P. Fuel — power labor for six months

# ZULU MINE

Payson, Arizona

June 4, 1978

This report is based upon the performance of a 100 ton per day (tpd) modern mining and milling operation. All milling based on a twenty-four hour basis = 100 tpd = 24 hours.

The values used here were determined from taking a total average from the geologist report made in 1939. Gold at that time was \$35.00 per ounce against \$180.00 (plus) today. In this production report the price of \$160.00 per ounce should be used to compensate for a recession in the precious metals market.

Please note that no mention of any by-products have been made, such as silver copper, iron and such. These by-products were ignored in those days if the percentages were low. No mention of them were made in the known report. Although if found in any degree, they will be a big help in reducing the operating cost. All milling here will be based on a seven day week - thirty-day month operation.

- A -

The values average .78 of an ounce of gold per ton of ore = \$124.80 a ton of ore.

- B -

100 tpd x \$124.80	Gross Daily	\$12,480
	Days per month	<u>30</u>
	Gross Monthly	\$374,400
	Steady six-month operation	<u>6</u>
	Gross Extracted	\$2,246,400

from 18,000 ton of ore.

MINING:

Mining a 20' to 30' vein (in report) should not exceed \$16.00 per ton.

BREAKDOWN:

A. Office	\$ .66 a ton
B. Mine labor and insurance	5.70 a ton
C. Geologist, assays, timbering, rail, etc.	4.18 a ton
D. Explosives, pumping and water system	2.40 a ton
E. Equipment insurance, safety and ventilation	1.25 a ton
F. Miscellaneous overhead (wear & tear)	<u>1.81 a ton</u>
Total Mining Cost	\$ 16.00 a ton

MINE CREW - LABOR

- 1 Shift Boss (shifter)
- 6 Miners
- 2 Muckers (labors)
- 2 Trammers (pushing ore cars)
- 1 Hoistman
- 1 Mechanic, Welder, Electrician

15 men x \$6.65 per hour x 40 hour week x 4 week month = \$15,960  
\$ 63,840 <sup>4 months</sup> only

Wages vary according to job but average \$6.65. Mine crew working a 40 hour week will have to produce 150 tpd to support mill working 7 days a week.

MILLING COST:

A. Labor	\$ 2.52 a ton
B. Supplies and upkeep	3.27 a ton
C. Power -- electric	.40 a ton
D. Assaying	.80 a ton
E. Water, grinding, chemicals	2.15 a ton
F. Office	.66 a ton
G. Refinery & Shipping	1.80 a ton
H. Insurance, plant & crew	.90 a ton
	<u>Total</u>
	\$ 12.50 a ton

MILL CREW -- LABOR:

1 Metalurgist, chemist assayer  
1 Mechanic, welder, electrician  
6 Millmen, 2 each 8-hour shift  
1 Parts and supply man  
2 Relief mill men  
1 Handyman  
-----  
12 men x \$4.42 hour x 40-hour week x 4 weeks = \$8,294.40 month  
4 months  
Labor Costs. . . . . \$ 33,177.60 only

PROFIT & LOSS:

Mining	\$ 16.00 a ton
Milling	\$ 12.50 a ton
Gross to mine & mill	<u>\$28.50 a ton</u>

PRODUCTION:

100 tpd x \$28.50

daily gross	\$2,850.00
Days per month	30
Gross Monthly	<u>\$85,500.00</u>
Six-month operation	6
Gross/6 months	<u>\$513,000.00</u>

Daily Income \$ 12,480.00

Daily mine & mill expense \$ 2,850.00

Net income daily \$ 9,630.00

30-day month income \$ 374,400.00

30-day month expense \$ 85,500.00

Net income/30 day month \$ 288,900.00

6-months income \$ 2,246,400.00

6-months expenses \$ 513,000.00

Net income 6 months \$ 1,733,400.00

Royalty payments and taxes must be deducted from net income figures.

- H -

Mine Development: includes Design Engineering

Sink new shaft 200' deep

6.6" wide x 13.6" long = approx. 975 tons

Contract basis for this job is \$250.00 per foot deep

\$50,000.00

This will include head frame and all timbering.

Mine ready to produce within 60 days.

- I -

MINE EQUIPMENT FOR 140 TPD PLUS PER 8-HOUR SHIFT:

Hoist room, mine shop, change room, complete

with showers, locker, heat 24' x 36'

\$6,500.00

Shop equipment, tools, welder, etc.

2,500.00

1 mine hoist with motor complete

3,500.00

1 600 CFM compressor & receiver tank

7,500.00

400' 4" pipe - AIR line

1,200.00

1 steel ore bin with grizzly 25 ton capacity

500.00

1 ore bucket 2-3 ton capacity

750.00

1 man cage 4-6 capacity

750.00

1 fresh air fan/500' 12" pipe

2,500.00

18 mine lamps & charger (battery)

1,750.00

18 hard hats, safety gear, clothes

1,750.00

Water system for drilling

350.00

1 bobcat front end loader, diesel/scrubber

5,000.00

6 jacklegs

5,000.00

Drill steel 2'-4'-6'-8' with bits

3,750.00

Sump pump & pipe 1" 1 each air & electricity

4,000.00

Explosives equipment, detonators, etc.

1,000.00

Mine equipment - tools, shovels, picks

1,500.00

Main hookup to electric power for mine & mill

15,000.00

Mine electrical, supplies for lights, pump, etc.

1,500.00

Marine telephone

500.00

Total

\$66,800.00



MILL ERECTION:

Engineering	\$2,000.00
Cat dozer & back hoe work	7,500.00
Crane rental	2,500.00
Lumber & supplies - nails - plywood, etc.	2,250.00
Plumbing supplies	765.00
Electrical supplies	3,550.00
Electrician 2 weeks @ \$10.00/hour	800.00
1 Foreman 4 weeks	1,000.00
2 Carpenters @ \$6.00/hour for 2 weeks	1,920.00
2 Laborers @ \$4.00/hour for 4 weeks	1,280.00
1 Welder-mechanic @ \$6.00/hour for 4 weeks	960.00
Cement	4,500.00
1/2 Rebar - reinforcing Iron	500.00
2 ton flatbed dump truck (buy)	9,500.00
	<hr/>
Total	\$37,025.00

Water system & sewage	1,500.00
	<hr/>
Total	\$40,525.00

MILL EQUIPMENT:

Auto feed from 25 ton bin to crusher 4' x 18"	\$1,000.00
8 x 12 jaw crusher/motor	3,500.00
conveyor, bucket/motor 40' x 6' x 12" buckets	1,500.00
300 - 500 ton one bin	5,000.00
1 auto feed/motor 18" x 6'	1,000.00
Cone crusher/motor	4,500.00
Shaker screen/motor 3' x 5'	1,200.00
Crushing rolls/motor 18" x 12" wide	1,250.00
90 - 100 ton fine ore bin	1,000.00
Auto feed/motor	750.00
Dry Reagent Feeder/motor	200.00
Ball mill-self classifying, 75 - 100 ton	5,000.00

continue . . . . .

MILL EQUIPMENT (continue)

Ball storage	1,250.00
Mill balls, grinding 10 ton load	4,000.00
Recovery tables & equipment	7,500.00
Floatation Cells	\$7,500.00
Refinery & Lab	\$15,000.00
To assembly component for portable mill - ball mill - cone crusher screening trailer - welding etc.	\$8,600.00
Recovery tables & floatation recovery trailer	<u>\$4,600.00</u>
Total	<u>\$74,350.00</u>

- L -

OFFICE STAFF:

1 General Supt., \$7.50 hour plus pickup & housing	\$1,200.00 monthly
1 Bookkeeper - Acct.	800.00 monthly
1 Secretary/Receptionist	450.00 monthly
1 Engineer, geologist part-time	500.00 monthly
Office supplies	75.00 monthly
Telephone & electrical	<u>250.00 monthly</u>
Total	\$3,275.00 monthly
	x 6 months
	<u>\$ 19,650.00 total .....</u>

- M -

OFFICE EQUIPMENT:

1 Desk & chair for secretary	\$200.00
1 Electric Typewriter	800.00
1 Adding machine	250.00
1 File cabinet	50.00
1 Desk & room fixtures	100.00
1 Phone	
3 guest chairs	<u>75.00</u>
Total	<u>\$1,475.00</u>

OFFICE EQUIPMENT (continue)

Desk & chair for bookkeeper acct.	\$350.00
1 Electric typewriter	800.00
1 Adding machine	250.00
2 File cabinets	100.00
1 phone	
1 Desk & Fixtures	100.00
2 Guest chairs	50.00
	<hr/>
Total	\$1,650.00

1 Map table with light for mining engineer/geologist	\$150.00
1 Map file	200.00
1 Desk - 6 chairs	300.00
1 File cabinet	40.00
1 Phone	
	<hr/>
Total	\$690.00

Desk & chair for supt.	\$300.00
2 Extra chairs	100.00
1 Phone	50.00
1 File cabinet 2 Drawer 1 Calculator	250.00
	<hr/>
Total	\$650.00

Coffee Den	
Coffee mate coffeemaker	
Refrigerator	\$ 400.00
1 Vac. cleaner	
Misc. equip - Light bulb's etc.	

- N -

HOUSING & TRANSPORTATION

2 - 1/2 ton pickups - Supt. & supply	\$15,000.00
1 24'x36' Office trailer or building	7,500.00
1 12'x45' Trailer or bldg. for permanent guard	4,500.00
1 24'x36' Trailer or house for General Supt.	7,500.00
1 12'x45' Trailer or house metalurgist	4,500.00
Sewage & water systems	2,500.00
	<hr/>
Total	\$41,500.00

EXPLOSIVES STORAGE, CONCRETE:

8' wide x 10' long x 8' high inside measurements with  
6" reinforced walls - covered with 24" dirt  
36" wood door with 1/2" steel plate outside cover &  
double padlock

\$ 2,500.00

MINE & MILLING COST FOR SIX MONTHS:

Mine development/2 months	\$ 50,000.00
Mine production/4 months	179,200.00
Mill erection/2 months	40,525.00
Mill operation/4 months	150,000.00
Mill equipment	74,350.00
Mine equipment	66,800.00
Total	<u>\$ 560,875.00</u>

FREIGHT ON EQUIPMENT AND SUPPLIES:

From day 1 - 6 months:

Moving machinery, mine and mill

Explosives, housing, etc. \$ 9,500.00

Total cost of equipment & labor/6 months \$ 560,875.00

Electricity - Fuel - Pickups - Trucks/6 months \$ 2,750.00

\$ 573,125.00

15% contingency \$ 85,968.75

Gross investment/6 months \$ 659,093.75

1ST SIX MONTHS:

2 months for development & erection

1 month shakedown = balance production

3 months full production = gross profit 100 tpd x 124.80 x 90 day \$1,123,200.00

3 month operating cost — mine & mill plus contingency 15% \$ 285,225.00

Operation in the black . . . . . \$ 866,700.00

Price of development of mine and mill, plus 1 month shakedown \$ 285,225.00

For 100 tpd production = approximately \$2,852.25 per ton capacity.

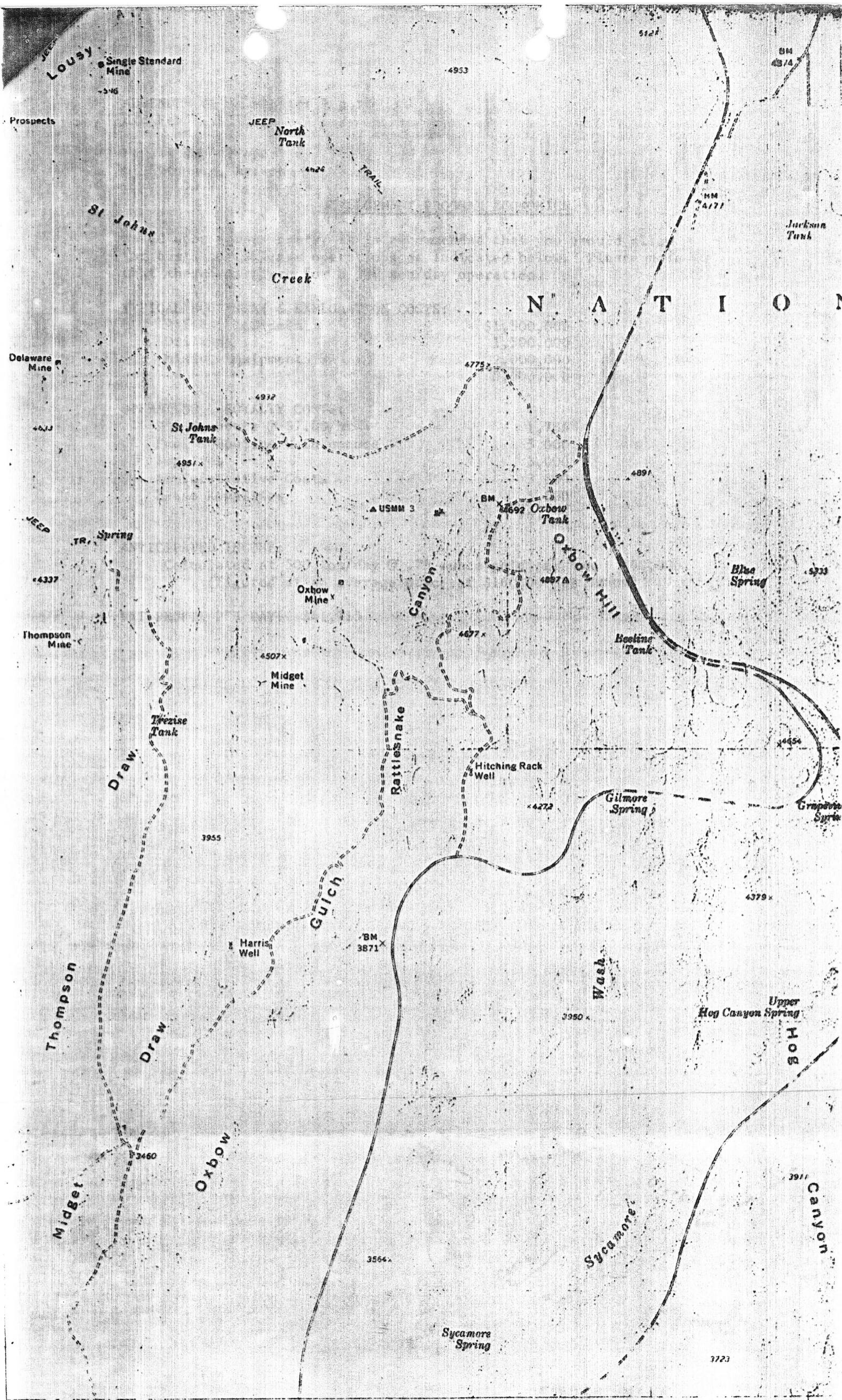
Terms for purchasing of property are not included in the above figures.

All figures are estimates only and are subject to change at any time.

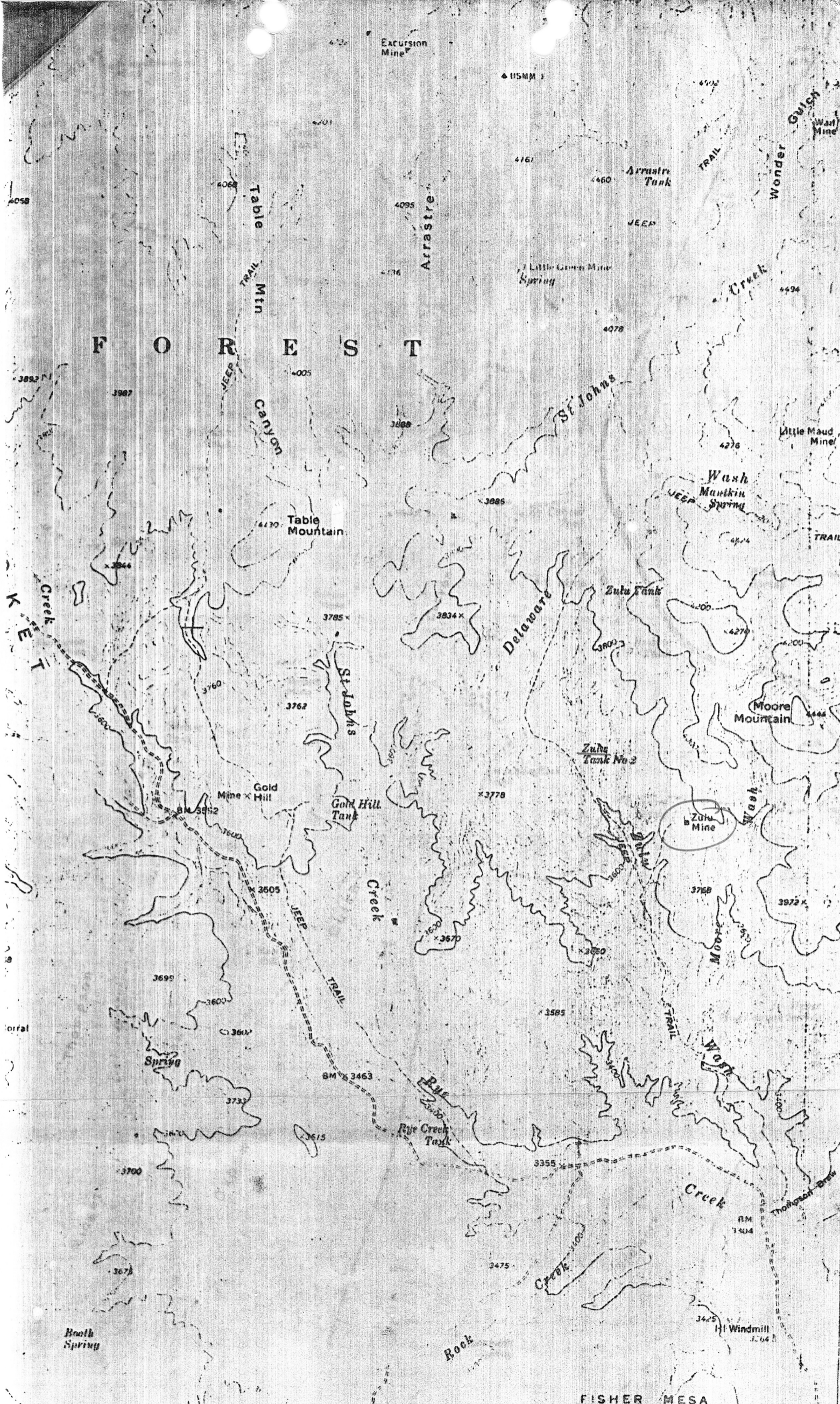
**NOTES**

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**CHARLES R. WARD**  
**Mining Development & Mineral Recovery**



22'30" 65 140 000 FEET 68 69 20' 70



F O R E S T

FISHER MESA

Excursion Mine

Arrastre Tank

Table Mtn

Little Green Mine Spring

Table Mountain

Wash Mantkin Spring

St. Johns

Zulu Tanks

Gold Hill Tank

Zulu Tank No. 2

Zulu Mine

Creek

Rye Creek Tank

Wash Moore

Spring

Creek

Booth Spring

Ht Windmill

Rock

Thompson

Walt Mine

Wonder Gulch

Little Maud Mine

Moore Mountain

3972 x

BM 1404

1264

4058

3892

3997

3892

3699

3678

361

4201

4068

4095

4176

4005

3888

3785 x

3834 x

3760

3762

3699

3600

3733

3700

3615

3475

3585

3355

3778

3880

415MM

6532

4494

4078

4276

4274

4200

4270

4200

4276

4444

3972 x

BM 1404

1264



**Scott Fairbetter**  
CONSULTANT GEOLOGIST

*Payson Valley Dist*  
*MSB*

GEOLOGY

LEASING

February 3, 1978

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES  
MAKES NO REPRESENTATION AS TO THE ACCURACY  
OF THE CONTENTS OF THESE DOCUMENTS.

Floyd R. Bleak  
P. O. Box 192  
Flagstaff, Arizona 86002

Re: Payson Gold Properties  
Gila County, Arizona

Dear Mr. Bleak;

The following report is hereby submitted pertaining to my visit to your gold properties near Payson, Arizona;

MINING LEASES:

According to state records, your mining ownership in Gila County, Arizona is as follows: (all leases are dated April 14, 1976) (Primary term is for 5 years and continue so long thereafter as any mining development, exploration or prospecting is conducted upon any of said mining properties).

<u>LEASE DESCRIPTION</u>	<u>DOCKET</u>	<u>PAGES</u>
✓ Rail 1 thru 3	374	546 thru 548
✓ Crown 1 thru 6	374	549 thru 554
✓ Lost Cause 1-10	375	795 - 799 729 - 733
Zulu 5-14	395	496 - 505
✓ Black Prince	386	329 - 336
✓ Old Mexican 1-6	390	677 - 682
✓ Dutchman 1-4 (8-9N-8E)	Being Recorded	
✓ Welchman 1-7 (8-9N-8E)	Being Recorded	

<u>LEASE DESCRIPTION</u>	<u>DOCKET</u>	<u>PAGES</u>
Blue Goose 1-15	372	770 - 784
Silver King 1-13	374	555 - 567
Lucky Strike 1-3	385	713 - 715
Green Queen 1-3	372	767 - 769
Zulu 1	49	316
Zulu 2	49	317
Zulu 3	49	317
Zulu 4	50	90
Zulu Millsite	49	316

The above leases provide the lessors a total minimum royalty of \$150,000 per year. Royalty interest is 10% of net proceeds received from sale of ores mined from the properties.

GENERAL INFORMATION

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES  
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 OF THE CONTENTS OF THESE DOCUMENTS.

The Payson Mining properties are located about fifteen miles southwest of Payson, Gila County, Arizona. The roads are paved except for the last four miles which is a good gravel road.

The property lies in gentle rolling hills. There are several excellent locations for mill site with ample room for tailing disposal.

The climate conditions are excellent for year around operations. Altitude of this property is around 4,000 feet. The summer heat is not excessive nor can you expect any handicap from heavy snowfall.

GEOLOGY

The property under your claims is located on the southwest side of the largest decomposed granite structure in the world.

The gold deposits are in the precambrian formation in the form of uplifted quartz and dikes. The nature of this uplift tends to allow for great depth of the gold bearing veins.

The gold is more prominent in the quartz and red Hemite iron veins. These veins are altered which produced veins and voids thereby providing more ideal conditions for the presence of the gold ore. The host rock is a decomposed granite.

The dikes have a lower grade of ore but are much larger than the veins. The dikes present on these properties are from 100' - 300' wide whereas the veins are of higher grade but extend from 5 to 30' wide.

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES  
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OF THE CONTENTS OF THESE DOCUMENTS.

While in the area I had opportunity to visit with some of the old timers in the area. They related to me that in the 1930's some of the old mines produced 2 to 3 oz. gold.

While visiting your properties, I observed at least two surface veins. This being of special interest because of the ease of mining this ore, I measured the surface area of these deposits. One measured 100' wide and 2000' long before it dipped into the mountain. I estimate this ore to produce .25 oz. of gold per ton. This vein would easily produce 3000 ton per day. Reserves for this vein are 7 million tons. An even better vein measured 30' X 2500' with the ore averaging .30 to .50 per ton. Reserves for this vein are approximately 5 million tons.

The Zulu mine was drilled in the 1920's. At that time over \$400,000 worth of gold was produced at \$32.00 per ounce. This abandoned mine is on one of your properties. This mine has proven up at least 40,000 tons of .75 ore. Estimated reserves

for this mine area is 750,000 tons.

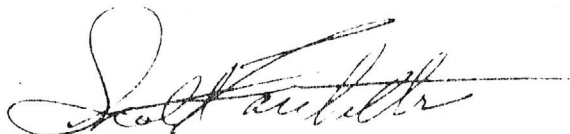
RECOMMENDATIONS:

Considering the cash flow and economics aspect of commencing production from a project of this size and nature I would recommend you achieve rapid sales income by initially setting up a 500 ton per day mill. This will provide your company with cash income while you are expanding your milling operations throughout the various veins of ore existing on your properties. Proper expansion of your mining operations will result in your having at least thirty operations, each operating at an average of 200 -

500 tons per day. **THE ARIZONA DEPARTMENT OF MINERAL RESOURCES  
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It was observed that considerable placer gold is present to the south of your property. You should immediately stake claims on these properties. I would estimate that even processing the placer present in the creek that runs south of your claims would produce an economical mining operation.

Attached is a map showing the location of your properties with a relative location of observed veins and dikes.



SCOTT FAIRBETTER  
Consulting Geologist

DEPARTMENT OF MINERAL RESOURCES  
STATE OF ARIZONA  
FIELD ENGINEERS REPORT

Mine GILA MONSTER also known as ZULA

Date November 10, 1943

District Green Valley Mining District, Gila Co.

Engineer B. W. Brown

Subject: MEMORANDUM

Attached is a partial copy of a report by T. A. Rhodimer on the Zula Gold mine. This copy was made by myself from the signed original which is now in the hands of Mr. Walter Lovelady of Payson, Arizona, owner of the property.

I have been on the Zulu property but my visit was very brief. I did pan some ore which I took from an undeveloped outcrop below the main shaft which I found to pan a very nice string of colors. I did not at that time attempt to take any samples. I believe the shaft is inaccessible now--the ground around it is subsiding badly.

The water picture is not as happy as Mr. Rhodimer painted it but there was a small amalgam mill on the property many years ago and they did find water enough to run it.

I wish to call your attention to the fact that although Rhodimer speaks of himself and Mr. Edgar Dorman in the same breath, Mr. Dorman's signature does not appear anywhere on the report.

After studying this report and from my own limited knowledge of the property I believe this mine merits consideration and careful investigation by anyone interested in opening up a large gold milling operation.

B. W. Brown--BROWN

W. F. Kime  
Payson, Arizona

Kime has taken  
under option the Zulu mine near Payson  
and owned by Walter Lovelady, also of  
Payson. MINING JNL - 1-15-42 - p. 17

References: ABM Bull, # 120;  
p. 7, 25, 40

AmJ, 5/20, p. 59  
(Zulu)

GILA MONSTER

Au

Gila

4 - 1

T 10 N, R 9 E

Walter Lovelady, Payson

'43

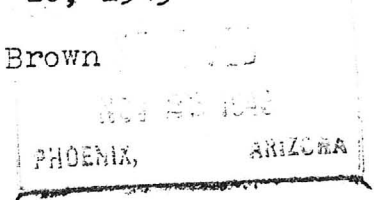
ABM Bull 120 p. 25, 40

DEPARTMENT OF MINERAL RESOURCES  
STATE OF ARIZONA  
FIELD ENGINEERS REPORT

Mine GILA MONSTER also known as  
ZULU  
District  
Green Valley Mining Dist, Gila county  
Subject:  
MEMORANDUM

Date November 10, 1943

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I have been on the Zulu property but my visit was very brief. I did pan some ore which I took from an undeveloped outcrop below the main shaft which I found to pan a very nice string of colors. I did not at that time attempt to take any samples. I believe the shaft is inaccessible now-- the ground around it is subsiding badly.

The water picture is not as happy as Mr. Rhodimer painted it but there was a small amalgam mill on the property many years ago and they did find water enough to run it.

I wish to call your attention to the fact that although Rhodimer speaks for himself and Mr. Edgar Dorman in the same breath, Mr. Dorman's signature does not appear anywhere on the report.

After studying this report and from my own limited knowledge of the property I believe this mine merits consideration and careful investigation by anyone interested in opening up a large gold milling operation.

  
B. W. Brown - FIELD

C O P Y

Copy of a report by T. A. Rhodimer, the report being on the Gila Monster Group otherwise known as the Zulu mine, which is located in the Green Valley Mining District of Gila County, Arizona near the town of Payson. Partially copied.

Forward: On the 4th, 5th and 6th of December 1939, I visited the Gila Monster Gold Mine in company with Mr. Edgar Dorman, E. M. and U. S. Mineral Surveyor, for the purpose of making a preliminary examination and maps, and the facts and opinions expressed herein are based on a very careful inspection of the property, together with a full composite sampling of all portions of the mine, which is open for inspection at this time. It was impossible to get into the 200 ft level as shown on the attached map, due to the fact that this level is now full of water.

All statements contained in the following report were concurred in by both Mr. Dorman and the writer, and we believe we are being both very impartial and conservative in all statements made.

The Property: The Gila Monster Gold Mine consists of 15 unpatented mining claims, consisting of a total of 300 acres, more or less.

Location: The Gila Monster Gold Mine is located about 15 miles distant from the town of Payson, Gila County, Arizona, in a Southwesterly direction, and is reached over a good gravel road, to a point about five miles from the property, and a good dirt road for the last named distance. The town of Payson is reached over a good gravel highway, at a distance of 120 miles from the City of Phoenix, Arizona. Globe is the county seat of Gila county.

General Information: The Gila Monster Gold Mine was discovered at the turn of the present century, by a man named Voget, who retained ownership of the property until a very few years ago, when it came into the hands of the present owner. The writer visited the property when it was a raw prospect, in the year 1907, at which time the locater had sunk a shaft to the depth of 62 feet at the point of discovery. This shaft was sunk on the West Wall and followed a very rich ore shoot, about 20 inches in width. At the depth of 62 feet the owner crosscut for about 30 feet to the East to locate the East Wall and located another rich ore shoot lying on the east wall of about the same size as the one on the West Wall, but was of higher grade. The filler between these ore shoots was of a composition of altered granite and porphyry, and was all a good mill grade ore, making a vein of milling ore about 30 feet wide. This old shaft is now all caved, and there is no way of knowing how much ore was taken out, or the extent of the orebody still remaining in the ground at this point. It is reported by what I believe a good reliable authority, that more than \$200,000 has been taken from this property in years past, but since this has been done by stake miners, or high graders, there is no definite record of production. At the time of my visit to this property in 1907, the owner was offered \$40,000 CASH for the prospect and turned it down, with the remark that he could take that much high grade out in a year with a pick and a pan.

Topography & Climate: This property lies in gentle rolling hills, allowing excellent campsite, and at the same time having grade enough for a proper mill site, with ample room for all tailing disposal.

The climatic conditions are excellent for a year round operation, and since the property lies at an altitude of 4,000 feet it is not too hot in summer nor is it too cold in winter, and there is never any handicap from heavy snow fall.

Geology: Since there are full Geological reports by the State of Arizona covering all mining districts, there is no use taking up time and space discussing it here.

Labor Conditions: There are plenty of experienced miners to be had locally, at the going wage for miners, which I am informed is from \$3.50 to \$4.00 per day, at this time, in this district.

Water: There is plenty of water to be had at the mine, by digging shallow wells in the creek bottom, one of which is already dug and cemented. This well produces a fine grade of water throughout the entire year. Since I had no way of testing the supply of this, well, I am not in a position to say the amount of water per minute available for milling at this time.

Vein Structure: The strike of the vein is slightly West of North, and the main strike continues through this property for a distance of about 4,000 feet, but is traceable, by outcroppings all carrying values for a distance of several miles. The vein, where developed on the property, will I believe, average 15 feet wide, all of good quality mill ore, and where exposed by outcroppings is in several places much wider than the above figure. This vein is well defined between walls of altered granite, and stands nearly perpendicular down to depth now explored.

In addition to the main vein structure, there are several veins of varied sizes that can be picked up on the surface, and on once of these smaller veins it is reported that several thousand dollars in picture rock was taken out very near the surface. The old workings are still in evidence, there must have been a lot of ore removed from the workings and since any ore removed had to be packed out, it is only natural to assume that the ore removed was of a very high quality.

There is also a very large ledge West of the developed vein which runs parallel thereto, this however, as far as can be determined from the outcroppings, is very low grade. The vein, I believe will run about 20 feet wide, with values of from \$1.00 to possibly \$2.00 per ton on the surface. My opinion is that this vein deserves to be and should be prospected to a reasonable depth to determine the values contained therein, and the extent of the possible ore shoots. The main vein, on which developing and prospecting has been done is the only vein shown on the map prepared by Mr. Edgar Dorman, E. M. & U. S. Mineral Surveyor.

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Assay sheet by Western Assayers

Sample No. & Width Cut	From Samples averaging 10 lbs.	Value
1 - 9 ft.	Composite, from N drift of 50 ft. level, vein 9 ft. wide	\$ 7.13
2 - 15 ft.	Top of raise, 15 ft. high, on 100 ft level, 94 ft. from center of main shaft	26.07
3 - 7 ft.	On vein 100 ft. level, 18 ft S of sample #2	2.16
4 - 7 ft.	Face of drift on 100 ft level 26 ft S of sample #5	1.54



5	-	6 ft.	On vein 100 ft. level 6 ft S of sample #3	\$ 5.71
6	-	9 ft.	On vein 9 ft. wide, 150 ft. level 27 ft S of center of main shaft	56.24
7	-	5 ft.	On vein 150 ft. level 5 ft. S of sample #6, ore 9 ft. wide	208.32
8	-	5 ft.	On vein, 150 ft. level, N. drift 45 ft. N main shaft, 5 ft. wide	20.54
9	-	3 ft.	Bottom of shaft 12 ft. deep, 45 ft. S of main shaft, 3 ft. wide	35.75
10	-	Dump	From dump, discovery shaft 60 feet deep (caved) 250 ft. S. of main shaft	21.32
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12	-	6 ft	Surface outcropping, 75 ft. N of main shaft 6 ft. wide	4.85
13	-	15 ft.	On bottom 15 ft. shaft 35 ft. S of main shaft, 15 ft. wide	50.90
14	-	15 ft.	Cut on vein 15 ft. wide 2,500 ft. N of main shaft	7.57
15	-	30 ft.	On vein as above, 30 ft. S of sample #14	8.64

The samples from which the foregoing assays were made can well be considered as representative of the character of ore to be expected and you should be able to supply your mill with heads that will average \$25.00 per ton. This can be done by blending the lower grade with the high grade as it is mined, and will not entail any extra expense. Then it must be taken into consideration that you have only reached the wall, except for some three places in your mine, and it is a known fact that so far the ore which has been taken from the foot wall of your mine is far better than the ore on the hanging wall, and with this fact known, you should, when you have your vein opened so you are able to mine the whole width which I firmly believe will average 20 ft, be getting mill heads from the ore as mined without blending, that will run as good as the figure I have mentioned above.

Conclusions: I wish to impress upon you that you have, what appears to be a great mine with the small development work done so far, and with the further development of your present workings, and the opening up of the vein, at the outcroppings where samples were taken, on my visit to your property, I believe you can open one of the largest Gold Mines in the State of Arizona.

I strongly recommend that you erect a 50 ton mill on this property, just as soon as possible, and get into production, and also start immediate development work on the unexplored outcroppings, where the values are shown by the attached assay map, since there is at this time great masses of ore in evidence on the surface at these points.

Report signed:  
T. A. Rhodimer

This report was partially copied by B. W. Brown on Nov. 10, 1943

## C O P Y

Copy of a report by T. A. Rhodimer, the report being on the Gila Monster Group otherwise known as the Zulu Mine, which is located in the Green Valley Mining District of Gila County, Arizona near the town of Payson. Partially copied.

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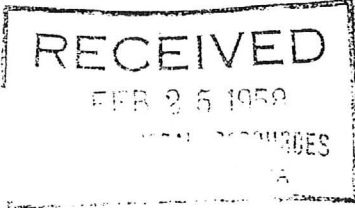
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ARIZONA DEPARTMENT OF MINERAL RESOURCES  
MINERAL BUILDING, FAIRGROUNDS  
PHOENIX, ARIZONA



~~December 10, 1957~~

February 18, 1958

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

1 / Gila Monster (15 acres - Gold  
(Property) 15 - map to be furnished) (ore)

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

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

FRANK P. KNIGHT,  
Director.

Enc: Mine Owner's Report

*I do not own a  
Mining claim by the Name of  
Gila Monster  
Walter L Lovelady*