



CONTACT INFORMATION  
Mining Records Curator  
Arizona Geological Survey  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701  
520-770-3500  
<http://www.azgs.az.gov>  
[inquiries@azgs.az.gov](mailto:inquiries@azgs.az.gov)

The following file is part of the

Reconstruction Finance Corporation Arizona Records

### **ACCESS STATEMENT**

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

### **CONSTRAINTS STATEMENT**

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of "fair use."

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

### **QUALITY STATEMENT**

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

No. 286 He

Phoenix, Arizona,

CHAS. A. DIEHL

Nov. 14, 1942.

# ARIZONA ASSAY OFFICE

Phone 3-4001

815 North First Street

P. O. Box 1148

This Certifies That samples submitted for assay by H. W. B. Scotland.

contain as follows per ton of 2000 lbs. Avoir.

B.M. #	SILVER		GOLD		TOTAL VALUE Of Gold and Silver	PERCENTAGE		REMARKS
	Ounces	Tenths	Ounces	Hundredths		GRAIN	STRENGTH	
1a	1.0		.14		\$4.00	.01	5.12	
2a	1.5		.42		\$14.70	5.02	5.43	
3a	1.1		.19		\$6.65	5.32	5.20	
4a	.6		.16		\$5.60	.40	5.01	
5a	1.1		.53		\$20.50	5.61	.30	

Charges \$ 20.00

Assayer ARIZONA ASSAY OFFICE

*B. A. D.*

MEMORANDUM REPORT OF SUPERVISING ENGINEER

Docket No. B-NB-4591 . . . Lawrence DeZee  
 Crown King  
 Arizona  
 Date of Examination . . . . . May 1, 1943  
 Date of Report . . . . . May 11, 1943

On May 1, 1943, I visited the above captioned mine in order to inspect the progress. This project was granted \$7,500.00 Development Loan to equip the mine and sink a shaft on the vein in order to mine the ore exposed in the floor of the adit level. Funds still available amount to \$3,001.10. The applicant has done no unnecessary work, but his progress has not been very satisfactory. He has not spent enough time on the job in the past, but assured me that from now on, he will devote all his time to the work.

Following is a breakdown of his capital from January 1, 1942, to April 15, 1943:

Payroll . . . . .	\$3,125.84	(Balance Salary, December 1942)
Equipment . . . . .	1,140.00	
Supplies . . . . .	270.00	
Insurance, taxes, etc. . . . .	427.36	
<b>Total . . . . .</b>	<b>\$4,963.20</b>	

The applicant has sunk the shaft 55' and intends to sink down over along the vein at this depth. Attached to this report is a sample taken across 36" in the shaft 55' below the adit level. Listed below are all of the assays taken in the shaft:

Depth Below Collar	Sampler	Width	Gr. Gold	Gr. Silver	% Lead	% Zinc
42'	DeZee	14"	1.50	2.10	10.0	6.38
50'	"	24"	0.18	3.42	11.80	4.38
56'	"	36"	0.28	2.64	6.30	6.28
55'	Highland	36"	1.09	1.0	1.70	1.91
<hr/>						
Average for 55'	- - -	24"	0.73	2.15	6.49	4.38

The applicant now has over 50 tons of ore stored in the bin. The nearby "Iron King" Guston Mill refused to accept the ore as it was partly oxidized and a lead penalty of 25% per unit would make the milling charge prohibitive.

## Del Pasco Group.

### Pine Grove district, Yavapai County, Arizona

W. Lindgren, in U.S. Geological Survey Bull 782 pp 167-168, 1926, states the following information about the "Del Pasco mine":

It is an old-tinic property which was worked in the early days and which has yielded a considerable production. Reynolds first mentioned it in his report of 1874.

The Del Pasco vein strikes north-northeast, like the other veins in this vicinity and dips  $70^{\circ}$  N. The main workings are on the south side of the ridge, at an altitude of 6300 feet.

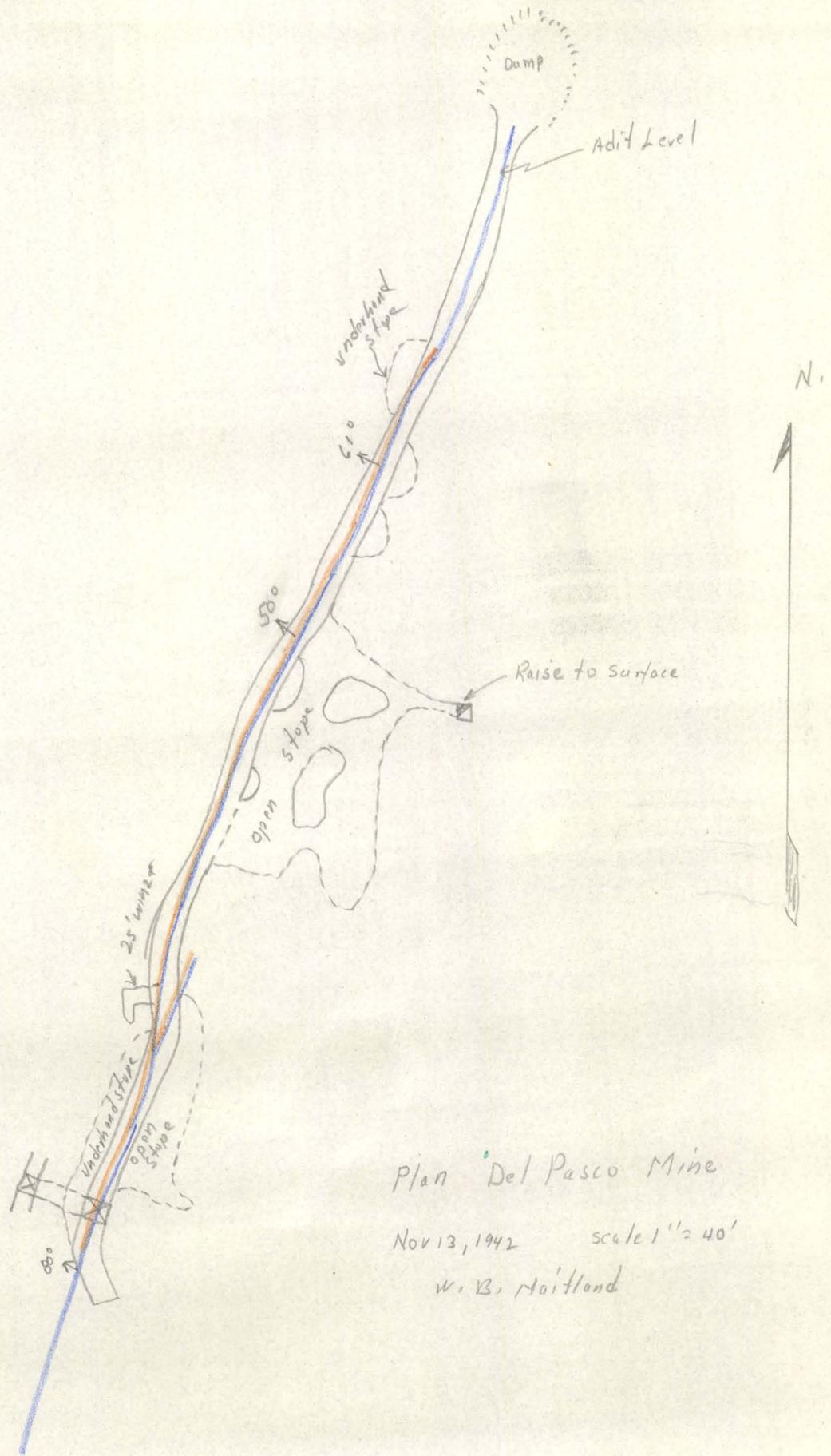
The ore is similar to the Weldflower ore with much sphalerite, pyrite and galena. Iron and some siliceous values are present.

This property was examined by W. B. Mallard on Nov 12 & 13, 1942 and on Dec 14, 1942 the RFC approved a loan of 7500 to continue development of the property. The development consisted of sinking a vein 80 feet from tunnel level and drifting along the vein from the surface (42'). Operations ceased at the property in Sept 1943 when the business was called into the armed services. The sulphide mineralization which was present in the shaft between 43' and 65' diminished below the 65' point and the vein below that point and in the level contained only small lead and zinc values.

Briefly, the Del Pasco vein consists of a fissure containing large amounts of galena and beryl and is in part a contact vein between diabase and a rhyolite porphyry dike. The vein consists of quartz occurring as a filling within the fissure. In the past, the oxidized ore which it vein in gold and contains minor amounts of silver was worked, but below the tunnel level heavy sulfides has appeared.

that is lower grade in gold but contains considerable amounts of lead and zinc. It also contains pyrite, minor chloropyrite and calcite. Only the thicker and wider parts of the vein have been stoped. Therefore the mine contains considerable amounts of low grade, oxidized ore above the tunnel level.

The vein will average about 2.5 feet wide, although at some places it pinches down to only a few inches. The face of the drift is not near the ore although the vein fissure continues on.



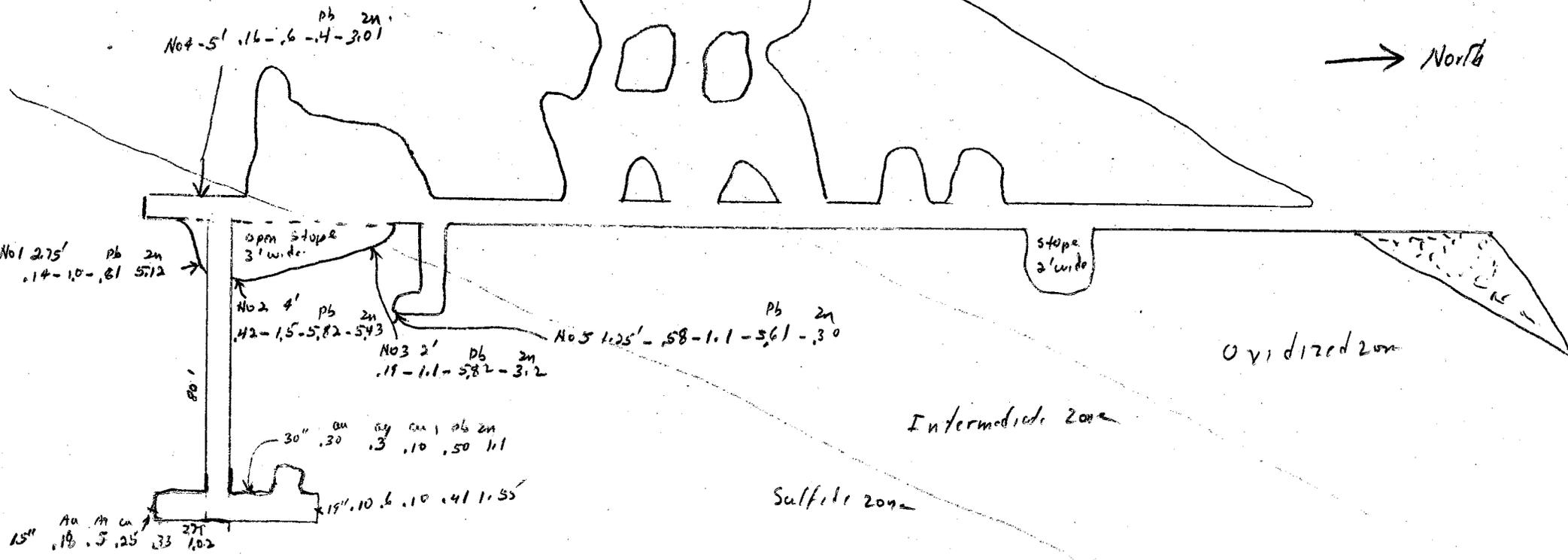
Plan Del Pasco Mine

Nov 13, 1942 scale 1" = 40'

W. B. Aitland

Oxidized zone

→ North



Oxidized zone

Intermediate zone

Sulfide zone

Vertical Section Along Strike of Vein

Del Paso Mine

Scale 1" = 40'

Nov 13, 1942

5 Sept 1943

# Report of Supervising Engineer

Docket No. BND-4591

Date Authorization for Examination Received Nov 10, 1942

Date of Examination, inclusive Nov 12, 13, 1942

Date of Report Nov 21, 1942

## 1. Name and address of Applicant

Name - Lawrence De Zee

Address - Crown King, Arizona

Correspondent - Same.

## 2. Character of Project

To develop at depths & producing, gold, silver, lead,  
Zinc mine

## 3. Location of mine

Township, Range, Section - T 10 N, R 1 W Gila and Salt River

County and State - The Del Paso mine is located <sup>Base + Meridian in the Pine Grove Mining District</sup> 5 miles from  
Crown King, Yavapai Co, Ariz

Name and Distance by road nearest railway station -

33 miles by graded dirt road to Mayer a  
town on the Santa Fe Railroad

Condition and Seasonal accessibility of road, mine to railway -

This road is a narrow winding mountain dirt  
road that is kept in good condition by

the county. It is all a down hill haul from  
the mine to Mayer. Since the De Paso

mine is at an elevation 6300 feet it is  
snowed in for about three months in every

year starting about the end of December.

De Zee informs me that if he were in constant  
production the county would keep the

road open for him by means of bulldozers  
they keep at Crown King. at the time

of my visit the road was in good condition but had to be taken slowly as the grades are steep and curves are sharp.

#### 4. Applicant

The applicant Lawrence De Zee is a young (about 36 years old) busy practical miner. He started mining about 1932 and has been engaged in mining and leasing since that time. When he started leasing on the Del Paso Mine about two years ago he was nearly broke. Since then he has shipped 326.5 tons of ore from the property that has netted him \$5413.79. This money has been used to buy equipment and supplies and improve his camp. He has had no technical training but appears to be a competent practical miner. De Zee is well thought of in that district and is considered one of the best workers in that the camp. I believe he can <sup>supervise</sup> operate this project efficiently and is honest and reliable. His brother also works with him at the mine.

#### (5) Loan Requested

a loan of \$20,000 has been requested although a disbursement of \$7500 is recommended under this project.

←

## 6 Description of Project

### A. General Features

1. There is no mill connected with this project nor is one contemplated <sup>at the present time</sup> under

2. There appears to be no legal discrepancies. There is no water rights connected with this project nor does there seem to be any water supply, except for domestic purposes, available on the claims

### B. Existing Development.

The property has been worked in the past by numerous shafts, drifts and crosscuts on the Jackson Strata vein a parallel vein to the Del Pasco vein but these old workings are now covered and inaccessible. The Del Pasco vein which is the one considered under this application has been opened up by a 333 foot drift along the vein. All ~~the work~~ of the drift and the stops are accessible.

Attached to this report is a plan map of the drift and also a vertical section along the strike of the vein. On this section are shown the stoped areas or <sup>well</sup> assays ~~of~~ taken by me, also also attached to this report is a tabulation of the smelter shipments from this drift

In the U.S. G.S. Bull 782 by W. Lindgren we find the following information on the Del Pasco Mine: -

1. an old property with considerable production
2. First reported on in 1874
3. Ore is similar to the Wildflower ore with sphalerite, pyrite, galena, gold, and silver
4. Vein strikes N-NE like other veins in the district and dips 70° W

(3)

Briefly the Del Paso vein consists of a fissure vein containing large amounts of gangue and breccia and it is in part a contact vein between diorite and rhyolite porphyry. The vein consists of quartz ~~ore~~ occurring as a ~~vein~~ filling within this fissure. In the past the oxidized ore which is rich in gold and contains minor amounts of silver was worked but below the tunnel level heavy sulfide ~~ores~~ has appeared that is lower grade in gold but ~~rich in~~ ~~of some~~ contains commercial amounts of zinc and lead. The ore also contains pyrite, minor chalcopyrite, and calcite, and only the richer and wider parts of the vein have been stoped as the fixed charges including hauling, freight, smelter charges, etc amount to about \$16 per ton thus precluding the stoping of low grade ore. Therefore the mine contains considerable amounts of low grade, oxidized mill grade ore above the tunnel level. ~~al~~ Below the adit level and away from the tunnel portal the ore contains both lead and zinc sulfides so this type of ore altho high grade also cannot be shipped to the smelters.

The vein will average about 2.5' wide altho at some places it pinches down to only a few inches. The face of the drift is now not now in ore altho the vein fissure continues on. This is characteristic of this vein and the applicant intends to drive the main adit ahead while he is waiting for ~~more~~ further information on his loan application. I believe new ore shoots will be found when this tunnel

is driven ahead.

The floor of the adit from a point 100' in from the portal to the feet from the face is all in ore, most of it sulfide.

The average calculated value of the ore shipped to the smelter was \$43.40 per ton, the average of De Zee's assays was \$97.74, and my average assay value was \$24.34. For this report I have assumed that the average value of the ore in place will average \$24.31. Since the ore to be shipped to a nearby mill will be sorted I have assumed that the smelter payments for the metals in the ore will make the value of the shipped ore <sup>without</sup> about \$24.31.

For every four tons mined, <sup>about</sup> one ton will be sorted out as waste. At depth zinc values ~~will~~ replace gold values.

In order to estimate the probable depth to which the ~~ore~~ new mill extend we can compare the Del Paso with surrounding properties: -

Crown King worked to a depth of 500'  
Gladstone " " " " " 700'  
Wildflower " " " " " 500'

all these properties ~~are~~ of have a similar type of ore and were are located within a mile of the Del Paso. This area has produced several million dollars in metal with the chief products in the part from gold.

### C. Proposed Development

I have recommended and the applicant is in complete agreement that the following method of development will be employed:-

1. From a point about 20 feet back from the adit face a wing will be sunk on ore from the bottom of the present 15-foot underhand underhand stope for a depth of 100 feet below the adit level. ~~It~~

2. Then from the bottom of this wing it is planned to drift for a total length of 200 ft along the vein. Unless subject of course to conditions found at depths it is planned to drift 50 feet to the south and 150 feet to the north on the lower level.

3. Ore should be produced from this development work as it is planned to do all work along the vein.

4. Future production will come from stopes above this lower level and ore produced from this block of ore should finance further development at <sup>greater</sup> depths.

## D. Equipment

1. Present equipment on the property consists of the following:-

1. - 210' Port 2 cylinder Compressor and  
four cylinder gas engine - poor shape.
- 600' of 1" air line
- 800' of 3/4" water line
- Air hoses
- 7/8 and 1 inch drill steel.
- 900' of single rail
- 1 ore car.
- 1 - 50 ton ore bin
- 1 - Cochise jack hammer - poor shape
- 1 - large air receiver
- 1 - Chevrolet 3/4 ton pick up truck
- 3 - cabins for camp.
- 1 - 30,000 gal water tank

All of the above equipment can be used for this project.

2. There is no mill on the property nor is one contemplated under this project.

## E. Cost Estimations

It is estimated that the following costs will prevail:-

Sinking Winze 100 feet	\$20 per foot
Draftering a lower level 200 feet	\$12 per foot
Stripping out above lower level	\$5 per ton

### Milling and Marketing

Since future ore produced will contain, gold, silver, lead, copper, and zinc. it will be necessary to treat this ore at a selective flotation plant to separate the zinc from the lead - gold - silver. This factor has seriously hindered the development of this mine and in fact the whole district. In the future there are three possibilities for milling

this ore i.e.

1. Crown King Mill - The Crown King mill has been completely rehabilitated for selective flotation and has promised to receive custom ore but for some unknown reason is not yet operating.

Hauling to Crown King Mill 5 miles \$1.50/ton  
Probable milling charge + concentrator cost 4.00  
" Total milling cost \$5.50/ton

2. Crown King Mill, Humboldt, Ariz. This mill is now in operation and is receiving custom ore.

Hauling to Humboldt 42 miles \$5.00/ton  
Milling charge (per De Zee) 3.50  
Probable total milling cost \$8.50/ton

3. A future mill to be built on the property if ore developments justify same.

Probable milling cost \$3.50/ton  
Hauling concentrate to Mayer (SPRR) <sup>33 miles</sup> 0.50  
Probable total milling cost \$4.00/ton

24.31  
) 14.75  
9.56

Estimation of smelter + freight charges and <sup>is</sup> for concentrates (to be used in calculating marketing costs for concentrates) <sup>above</sup> \$4.31

Fabulated costs Estimated for Crown King Mill

Mining	\$5.00 per ton
Milling + hauling ore	5.50
Marketing concentrates	4.35
Total estimated costs	<u>\$14.85</u>
Average estimated value of ore	24.31
Estimated net profit	\$9.50 per ton

⑧

Technically ~~there are~~ <sup>no</sup> ~~deposits~~ <sup>blocked out ore</sup> ~~reserves~~ left  
in the mine as the ore has been shipped  
as soon as opened up for stoping. However  
if we assume that ~~of~~ the 100' wings and  
the 200' of drifting from the bottom of this  
wing are all in ore 2' wide we could expect  
a double block of ore of 2500 tons (after allow-  
allowance for ~~porting~~ <sup>porting</sup> ~~factor~~ <sup>2/4</sup>) Assuming a profit  
of \$9.50 per ton we can estimate that an  
expenditure of \$7500 would block out  
on these sides ore worth \$23,750 net or  
three times the amount of the loan. At  
the present time there is not enough  
positional ore ~~to~~ exposed in the mine to  
repay the loan.

## 7 Employment

at the present time only De Zee and  
his brother are working the mine.  
Under the project De Zee plans to  
hire four men: -

L. De Zee Miner and boss	\$200/mo.
1 miner	\$8/day.
2 muckers	\$6.50/day.
1 cook and handy man	\$40/mo.

The applicant already has these men  
available as they are former employees  
of his.

It is planned to work one shift  
per day.

## 8 Objections to Project

Following are the main objections to this project :-

1. There is no mill on the property or in operation nearby to treat the lead, zinc ore.
2. Due to the presence of zinc the sulphide ore at depth cannot be shipped to a smelter at a profit.
3. There is not sufficient positive ~~ore~~ in the mine to guarantee repayment of the loan.
4. The property is isolated and at a high elevation (6300 ft) so costs will be high and preparations must be made to work the mine while it is snowed in for 3 months.

5.

## 9 Time Schedule

after loan funds are granted it will take about 10 days to cut a station and prepare for shaft sinking the wings.

100 feet of wing at 3 ft per day / shaft 35 days

200 feet of drift at bottom of wing

3 feet per day, 1 shaft 70 days

Total time for development 115 days

If this loan is ~~to be~~ approved by Washington I would suggest that the funds be made available as soon as possible because of the approaching winter season. If the camp can be established and supplies moved in before Christmas the projected development work can be carried on while the camp is snow bound otherwise it may be necessary to wait until the end of March before starting.

## 10 Estimated cost of Project

### Camp

Five pup cabins for 5 men for winter \$250.00 70

### Machinery + Equipment

Pants for cochise jackhamer \$100.00

400 feet of single rail, pipe

fittings, etc 100.00

1 - extra Cochise jackhamer 125.00

1 - trigger hoist + cable 175.00

2 sinking buckets 50.00

550 7

### Underground Work

100' of wing @ \$20/ft 2000.00

200' of drift @ \$12/ft 2400.00

Cutting station on adit lined 250.00

4650 62

### Misc Expense

Insurance deposit 150.00

Incidental expense 400.00

\$550 7

Reserve for purchase of compressor + engine if present compressor breaks down 1500 20

Total cost of Project \$7500 100%

(11)

12 Comments of Supervising Engineer  
I recommend that the Loan be granted  
for the following reasons: -

1. The amount of money required is not large
2. With a small Loan it is probable that a large tonnage of valuable Lead and zinc ore can be developed
3. Development work will start in progress and all future work will be done on the same vein. ~~Lead shall be~~
4. The history of this district has shown ore to a depth of at least 600 feet
5. Lead and zinc values approximately decrease with depth and Lead - zinc values increase with depth
6. The mine has already produced profitably 27 tons of Lead and 3 tons of zinc from the surface workings as well as gold and silver payable, and that another
7. The equipment approximately be experienced, capable, and that another
8. The applicant has been operating this mine at a profit for the last two years despite of hardships due to lack of capital and equipment
9. 62% of the loan funds will be spent in direct mining development
10. The completion of this project should not be delayed by lack of equipment or labor.
11. The first development work should produce ore.
12. All the necessary mining timber can be cut on the property.

13. All some future data of conditions must be on old survey from the cleared tract and advanced some 200 feet so that it will intersect the Dal Pass vein at ~~some~~ <sup>about</sup> 300 feet below the

present adit level.

---

William B. Matthews  
Engineering Engineer

# Assay Record.

## Average of L. De Zee assays:-

No of assay	Average Width	Oz Gold	Oz Silver	% Lead	% Zinc	Total Value
9	2.4'	0.78 @ \$35/oz \$27.30	1.84 @ \$0.70/oz \$1.29	2.54 @ \$0.0925/lb \$4.70	6.57% @ \$0.11 /lb \$14.45	— — \$ 47.74

## Average of Mantlands Assays

No of assays	average width	oz Gold	oz Silver	% Lead	% Zinc	Total Value
5	3.0'	0.27 @ \$35/oz \$9.45	1.02 @ \$0.70/oz \$0.71	3.08 @ \$0.0925/lb \$5.70	3.84 @ \$0.11 /lb \$8.45	— — \$ 24.31

RECONSTRUCTION FINANCE CORPORATION

MINING DIVISION

MEMORANDUM REPORT OF SUPERVISING ENGINEER

Docket No. B-ND-4591 . . . Lawrence DeZee  
CrownKing  
Arizona  
Date of Examination . . . . . May 1, 1943  
Date of Report . . . . . May 11, 1943

On May 1, 1943, I visited the above captioned mine in order to inspect the progress. This project was granted a \$7,500.00 Development Loan to equip the mine and sink a winze on the vein in order to mine the ore exposed in the floor of the adit level. Funds still available amount to \$3,001.10. The applicant has done no unnecessary work, but his progress has not been very satisfactory. He has not spent enough time on the job in the past, but assured me that from now on, he would devote all his time to the work.

Following is a break-down of his expenditures from January 1, 1943, to April 15, 1943:

Payroll . . . . .	\$2,132.84	(DeZee Salary to-date: \$673.80)
Equipment . . . . .	1,160.00	
Supplies . . . . .	778.68	
Insurance, taxes, etc. . . . .	<u>427.38</u>	
Total . . . . .	\$4,498.90	

The applicant has sunk the winze 65' and intends to drift both ways along the vein at this depth. Attached to this report is my sample taken across 36" in the winze and 65' below the adit level. Listed below are all of the assays taken in the winze:

Depth below Collar	Sampler	Width	Oz Gold	Oz. Silver	% Lead	% Zinc
43'	DeZee	14"	1.50	2.10	10.0	6.38
50'	" "	24"	0.18	3.42	11.80	4.38
56'	" "	24"	0.28	2.64	6.30	6.68
65'	Maitland	36"	1.09	1.0	1.70	1.91
<hr/>						
Average for 65'	- - -	24"	0.73	2.15	6.49	4.32

The applicant now has over 50 tons of ore stored in the bin. The nearby "Iron King" Custom Mill refused to accept the ore as it was partly oxidized and a lead penalty of 25¢ per unit would make the milling charge prohibitive.

The Metals Reserve Company has financed the rehabilitation of the "Crown King" Mill located about two miles from this property. The operator, Mr. Douglas Corner is not now running this mill, but he intends to operate it in the future as a custom mill. He has informed Mr. DeZee that he would be glad to have the ore stockpiled at the mill for future treatment, but since the opening date of this mill, is not definite and Corner can not see his way clear to make any advances on such stockpiled ore. Mr. DeZee does not have sufficient funds remaining to finance such a nebulous plan.

I have requested the applicant to write to both the International Smelting and Refining Company and the U.S. Smelting and Refining Company of Utah to attempt to obtain a market for his ore.

WM. B. MAITLAND  
Supervising Engineer

WEM:MF

RECONSTRUCTION FINANCE CORPORATION  
MINING DIVISION  
LIQUIDATION REPORT OF SUPERVISING ENGINEER

---

Re: Lawrence De Zee  
Docket No. B-ND-4591  
March 23, 1944

1. Name and Address of Applicant

Lawrence De Zee  
Crown King, Arizona

2. Location of Project

Twp. 10 N, Range 1 West, G&SR B&M, Pine Grove Mining District,  
Yavapai County, 5 miles from Crown King, Arizona.

3. Amount of Loan and Date of Authorization

\$7500. Authorized on December 14, 1942.

4. Purposes for which Loan was Expended

To further develop a lead-zinc property by means of a winze  
and lower drifts along the vein.

5. Equipment

a. Equipment purchased with loan funds, and the cost thereof:

1 Ledgerwood air hoist . . . . .	\$200.00
1 Schramm 2 cylinder, 6x6 Air Compressor No. CCD-1429, powered by Buick engine No. 2399346	
1 Air hose	
1 Water hose	
1 Pressure tank . . . . .	\$685.00
600' 10 $\frac{1}{2}$ " mine rail	
1 1/2-ton ore car . . . . .	60.00
1 Ingersoll-Rand No. G.I.S. 49-421247 jack- hammer . . . . .	140.00

---

Totalling .....\$ 1085.00

b. All of the above equipment is still located on the property  
and it is estimated that the re-sale value of this equip-  
ment will be as follows:

Air hoist . . . . .	\$120.00
Compressor and engine with air hose, water hose and pressure tank . . . . .	411.00
600' 10# mine rail and ore car . . . . .	36.00
Ingersoll-Rand Jackhammer . . . . .	84.00
	<hr/>
Total . . . . .	\$651.00

Due to the isolated location of this property, it is estimated that the re-sale value will be 60% of the original price paid by the applicant.

- c. None of the equipment purchased with loan funds has been previously sold.
- d. Due to the fact that the applicant is now in the armed services and correspondence with him is slow and difficult, and due to the fact that the mine is now being operated under a lease by Mr. Douglas C. Corner, no steps are being taken at the present time to liquidate the equipment.

Also, during the winter months, it has been impossible to move the equipment due to the condition of the roads. Mr. Corner is now operating the mine, and it was felt that the equipment would be safe at its present location until it will be more convenient for us to remove the equipment for re-sale.

#### 6. Property

Applicant owns a two-thirds interest in the seven unpatented claims, and since December, 1941, had an option to purchase the remaining one-third interest for \$2,000, payable on or before June 15, 1943. I do not know what further payments the applicant has made on the property, although all of the original contracts are on file in Washington.

#### 7. Comments

Operations terminated on this property in September, 1943, and the property was last visited by Mr. T. P. Lane, Supervising Engineer, on June 17, 1943.

#### 8. Conclusions

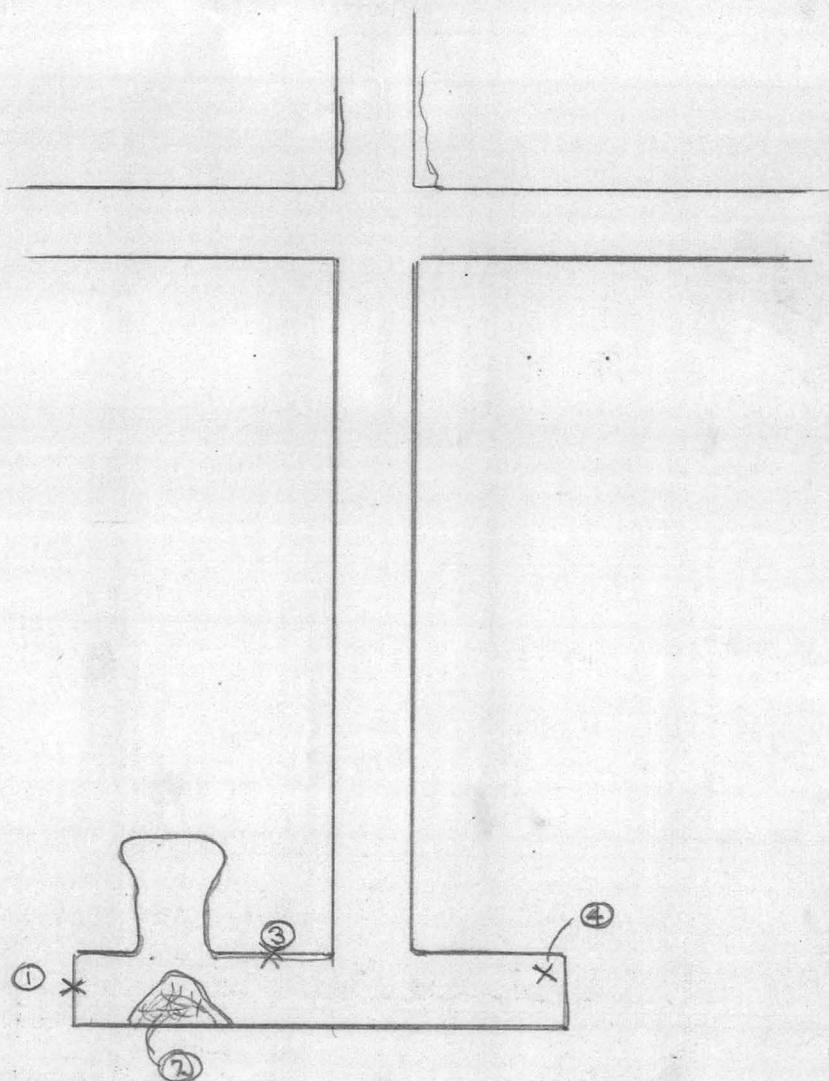
The proposed project failed to develop a material quantity of ore and, with the exception of the remaining equipment worth salvaging, the property is believed to be of no value. Consequently, except for the salvageable equipment the loan should be considered a loss.

9. Recommendations

It is recommended that this account be closed when the remaining equipment, acquired in whole or in part with loan or operation funds, which is considered worth salvaging, has been liquidated and proceeds applied on borrower's indebtedness.

However, this Corporation still owns an equity, payable from royalties on the operation now being conducted on the property by Mr. Douglas C. Corner. A copy of these leases was sent to Washington on October 8, 1943, and approved by Mr. Morton MacCartney on October 15, 1943. It is doubtful, however, if the operations contemplated under this lease to Mr. Corner will produce sufficient money payable on royalties to reimburse the RFC for their loan.

WILLIAM B. MAITLAND  
Supervising Engineer.



DOCKET NO. B-ND-4591

LAWRENCE DE ZEE

June 17, 1943

Scale: 1" = 20'

Samples ①

Sample	Width	Oz Au	Oz Ag	% Cu	% Pb	% Zn
NO. 1	19"	.10	.6	.10	.41	1.55
2	Muck	.46	1.0	.15	.20	2.55
3	30"	.30	.3	.10	.50	1.10
4	15"	.18	.15	.25	.33	1.02

Smelter Shipments June 14, 1940 to Oct 13, 1942  
 mostly partly oxidized ore

	Dry Tons	Oz of Au per ton	Total oz of Gold	Oz of Ag per ton	Total oz of Silver	Lead %	Tons of Lead	Zinc %	Tons of Zinc	Gross Value \$/ton	Net Returns
1	27,690	.90	24.92	3.9	107.99	14.95	4.14	0.1	0.03	42.95	703.46
2	38,739	.665	25.76	2.5	96.85	9.2	3.56	1.2	0.46	28.82	599.02
3	30,792	.76	23.40	3.5	107.77	12.8	3.94	0.9	0.28	36.26	588.28
4	23,711	.435	10.31	2.0	47.42	8.95	2.12	2.0	0.47	21.32	311.6
5	34,251	.65	22.26	2.5	85.63	8.3	2.84	2.8	0.96	28.05	315.49
6	36,099.5	.33	11.91	1.9	68.59	7.2	2.60	7.0	2.53	16.32	311.23
7	31,606.5	.81	25.60	2.45	77.44	7.2	2.28	0.1	0.03	31.86	552.84
8	27,226.5	1.07	29.13	2.7	73.51	10.1	2.75	0.2	0.05	42.69	775.91
9	27,641	0.60	16.58	2.45	67.72	—	—	—	—	21.00	388.82
10	20,834	.78	16.25	2.7	56.25	10.85	2.26	2.5	0.52	34.64	370.93
11	1,315	1.48	1.95	4.5	5.92	11.2	0.15	—	—	56.45	46.75
12	0,901	0.85	0.77	3.7	3.33	12.4	0.01	—	—	36.18	16.60
13	5,072	1.69	8.57	3.7	18.77	2.5	0.13	—	—	56.64	162.35
14	4,185	1.50	6.28	4.1	17.16	7.3	0.31	—	—	55.37	120.73
15	9,547	1.76	16.80	2.4	22.91	—	—	—	—	58.05	370.24
16	6,854	2.42	16.59	3.8	26.05	—	—	—	—	80.15	391.14
16	326.5 tons	0.79	257.08	2.71	883.31	9.59%	27.09	1.23	3.33	\$32.70	\$5,413.79
		@ \$35/oz	@ \$35/oz	@ \$0.70/oz	@ \$0.70/oz	@ 0.665/ton	@ \$130/ton	@ \$0.825/ton	@ \$165/ton	326.5 tons	total or
		\$27.65/ton	\$8997.80	\$1.90/ton	\$618.32	\$11.82/ton	\$3521.70	\$2.03/ton	\$549.45	\$10,676.55	\$16.58/ton smelter payment

- ① For 16 shipments totaling 326.5 tons the total metal value of the ore at above prices is \$13,687.27
- ② Smelter prices for 326.5 tons is 10,676.55
- ③ Smelter net payments for above \$5,413.79
- ④ Total amount spent in hauling, freight, royalty, smelter charges & deducts \$5,262.76
- ⑤ Calculated value per ton of ore shipped on above prices \$43.40
- ⑥ Smelter payments per ton of ore shipped before deducts 32.70
- ⑦ Net Smelter payments per " " " " after all deducts 16.58
- ⑧ Average total value of ore from Matthews 5 assays (new metal price) 24.31
- ⑨ " " " " " De Zees 9 assays (new metal price) 47.74
- ⑩

De Zee Bol Pasco Mine

Field Office  
Date

PRODUCTION REPORT

Period covered  
From to

Project	Docket No.	Name Smelter or Mill	Ship-ment Lot No.	Dry tons shipped (ore or conc.)	Settlement Assay					Net pay. less Frt & treat-ment	M.R.C. bonus	Total Payment	Metal Content					Are more Shipments Expected?
					Au	Ag	Pb	Cu	Zn				Ozs.Au	Ozs.Ag	lbs.Pb	lbs.Cu	lbs.Zn	
1	7-9-43	El Paso Texas	1560 <del>75845</del>	45,8615	.30	1.3	5.1	-	4.5	128.07								
2	12-1-45	Wickenburg	1999	12,858	1.25	1.0	-	-	-	358.16								
3	12-1-45	"	2000	6.45	1.06	1.0	-	-	-	149.94								
4																		
5																		
6																		
7																		
8																		
9																		
10																		
11																		

Note: Pertinent remarks concerning any project may be made on the reverse side and identified by referring to line number.

Signed:

Supervising Engineer