



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.

325 Heard Building  
Phoenix, Arizona  
February 11, 1944

TULLY - Ass't Chief - Mining Section RFC - Washington, 25, D. C.

Re: Kuno Mines Company - Docket No. C-ND-7821

Enclosed herewith please find my  
Supervising Engineer's Liquidation  
Report, in duplicate, on the above  
captioned project.

WM. B. MAITLAND  
Supervising Engineer

WBM:dem  
Encs. 2c Liquidation Report  
of Supervising Engineer

RECONSTRUCTION FINANCE CORPORATION  
MINING DIVISION  
LIQUIDATION REPORT OF SUPERVISING ENGINEER

Kuno Mines Company  
Docket No. - C-ND-7821  
February 14, 1944

1. NAME AND ADDRESS OF APPLICANT

Kuno Mines Company  
Holbrook, Arizona

2. LOCATION OF PROJECT (Gibson Mine)

Surveys No. 2848 and 2219, in the Summit Mining District, Gila County, Arizona - about 8 miles west of Globe, Arizona.

3. AMOUNT OF LOAN & DATE OF AUTHORIZATION

\$5,000.00 in October, 1942.

4. PURPOSES FOR WHICH LOAN WAS EXPENDED

To repair and rehabilitate two of the tunnels in applicant's copper mine.

5. EQUIPMENT

a. Equipment acquired with loan funds and cost thereof:-

Misc. Small Tools and Camp Equipment.....	\$ 257.69
630' of Mine Rails & Mine Car.....	110.00
1 - 8 x 10 Tent.....	30.00

b. No equipment on hand.

c. All the small tools, mine car, and rails were sold to Mr. E.A. Borge of Globe, Arizona, for \$200.00, and the tent and camp supplies were sold to Mr. Kuehne of applicant company for \$15.00. This sale was made in December, 1942 and the proceeds of these sales have been returned to the Federal Reserve Bank.

d. No remaining equipment.

6. PROPERTY

b. Borrower held property under lease of which I do not have a copy as it has been sent to the Washington Office. I do not know whether the lease has been formally cancelled but I believe that the borrower now has no interest in the property.

7. COMMENTS

Apparently this project has been properly and completely liquidated.

8. CONCLUSION

The proposed project failed to develop any material quantity of ore, and the workings upon which the money was spent are believed to contain no ore of value. Consequently, the loan should be considered a loss. Since the property contains many thousands of feet of caved shafts, other

parts of the mine not rehabilitated by applicant may contain small amounts of ore.

Amount of Original Loan.....	\$5,000.00
Less unused portion of loan returned to Federal Reserve Bank.....	2,790.69
Less amount from sale of equipment..	<u>215.00</u>
Total of Loss to R.F.C.....	\$ 1,994.31

9. RECOMMENDATION

It is recommended that this account be closed as the account is now liquidated.

WILLIAM B. MATTLAND  
Supervising Engineer

# Liquidation Report

Kuno Mines Co

CND 7821

Feb 14, 1944

26.94  
30.44  
~~73.49~~  
81.29  
4.90  
8.00  
10.00  
50.00  
36.00  
15.00  
2.37  
12.57  
7.12

## 1. Name and Address of Applicant

Kuno Mines Co.

Holbrook, Arizona.

## 2 Location of Project (Tibson Mine)

Surveys No 2848 + 2219, in the Summit Mining District, Yuma Co, Arizona; about 8 miles west of Globe Ariz.

## 3 Amount of Loan and Date of Authorization

\$5000 ~~was~~ Oct 1942

## 4 Purposes for Which Loan Was Expended

To repair and rehabilitate two of the tunnels in applicant's copper mine

## 5. Equipment

a Equipment acquired with loan funds + cost thereof:

Misc small tools + camp equipment 257.69

630' of mine rails + mine car 100.00

1- 8x10 tent 30.00

b. No equipment on hand.

c. all the small tools, mine car, and rails were sold to Mr. E. A. Borge of Globe Ariz for \$200.00 and the tent and camp supplies were sold to Mr. Kuehne of applicant company for \$15.00. This sale was made in Dec 1942 and the proceeds of these sales have been returned to the Federal Reserve Bank.

d No remaining Equipment

(1)

## 6 Property

6 Borrower held property under lease of which I do not have a copy as it has been sent to the Washington office. I do not know whether the lease has been formally cancelled but I believe that the borrower now has no interest in the property.

## 7. Comments

Apparently this project has been properly & completely liquidated.

## 8. Conclusion

~~any~~ The proposed project failed to develop any material quantity of ore, & <sup>workings upon</sup> the property is believed to

which the money was spent <sup>as</sup> believed to contain no ore of value. Consequently the loan should be considered a loss. Since the property contains many thousands of feet of cased shafts other parts of the mine not rehabilitated by applicant may contain small amounts of ore.

Amount of Original loan	\$5000.00
Less unused portion of loan returned to Federal Reserve Bank	2790.69
Less amount from sale of equipment	<u>215.00</u>
Total of loss to IPFC.	\$ 1994.31

## 9 Recommendation

It is recommended that this account be closed as the account is now liquidated.

Wm B Smith

2790.69 ✓  
2209.31  
-----  
000000

2209.31  
215.00  
-----  
1994.31

Docket No C-ND-7820

Date authorization for examination

Received Dec 21, 1942

Date of Examination Dec 29, 1942

Date of Report Jan 2/1943

1. Name and address of applicant

Name - <sup>Kuno</sup> Kuno Mines Company

Address - Holbrook, Ariz.

Correspondent - Louis O. Kuehne

Box 366

Globe, Ariz

2. Character of Project

~~To repair and rehabilitate two of the tunnels in applicant's copper mine in order to expose ore bodies for future stoping of ore.~~

To develop a copper property by means of two tunnels

Bellevue

3. Location of mine - Gibson or Bellevue mine.

Township, range, section - About T15, R14E, G+SRB+M

County + State - Summit Mining District, Gila Co, Ariz.

Name and distance by road nearest railway station - The

two lower tunnels rehabilitated by the applicant are 1/2 mile from the end of the road. The mine is reached by traveling 5 miles ~~so~~ west on paved Highway 60 from Miami a town on the Southern Pacific Railroad and then 4 miles south on a good dirt road to the upper workings of the mine

This road should be accessible at all times except for short periods of a

few days after infrequent snow storms as the elevation of the property is about over 4000 feet above sea level.

#### 4 Applicant

The applicant Louis O. Kuehne appears to be a competent practical mining man. He informed me that he had been operating small properties and doing prospecting work for the last 20 years and has been moderately successful.

#### 5 Loan Requested

No loan is requested for this project as both the applicant and this engineer do not believe that further work is justified on this property.

#### 6. Description of Project

This old copper property has been developed by numerous shafts, tunnels, and open cuts as evidenced by ~~large~~ many large dumps of waste. Since the workings are all located in a soft friable schist none of these old workings are now accessible except the two tunnels cleaned out by the applicant with preliminary loan funds.

I do not have a copy of the original data sent in with the applicant's request for a "C" loan but from an inspection of these surface workings and dumps I believe ~~that~~ could find but scant traces of copper mineralization. If one considers the

Large amount of work that has been done on this property, and apparently most of this work was drifting on so called veins, and then compare this work with the huge waste dumps containing only a faint copper stain on a few pieces of rock it is obvious that ~~there~~ very little low grade ore was found. <sup>of course</sup> Obviously ~~and~~ if small lenses of high grade copper ore were encountered in these workings no trace of such ore would be found on the dump.

Also near the main shaft at the top of the hill there is located numerous concrete foundations for a large mill. Below these foundations we find about a thousand tons of ~~low~~ mill tailings so little ore was run thru this mill in past years.

The whole property look like it was originally a stock promotion scheme.

Under the applicants preliminary development loan program he ~~cleared~~ cleaned out two tunnels that are located at the bottom of a canyon and <sup>these</sup> are the lowest tunnels <sup>in elevation</sup> on the property. These tunnels are reached by a narrow horse trail from the end of the road. One of these

The following equipment is now on the property

- 800 feet of 8 and 12 lb. mine rail
- 1 ton ore car
- roller
- plain wheel
- mine hauler
- probable hauler
- total value of above \$15,000
- from appraisal \$5,000
- found tools
- total value of above \$2,700

→

tunnel is 285 feet long, runs N48E, and follows a minor shear zone in the schist. No samples were taken as no ore could be found in this tunnel. There has been no stopping above the tunnel. Mineralization in this drift consists of a faint malachite and azurite stain on the schist. The other tunnel is located a few feet from the drift already described and consists of a 30 foot crosscut and 40 foot drift along a parallel shear zone that also contains no ore but merely a faint <sup>green</sup> copper stain.

Comments of Supervising Engineer

This is one of the poorest looking mines I have inspected for the R.F.C. The geology of the deposit is unfavorable for ore deposition as the country rock consists of well metamorphosed schist with no traces of intrusions, dikes, gossan, etc. Past operation of this mine was apparently unsuccessful and probably highly promotional. No definite veins or ore bodies of shipping ore are exposed on the property. The applicant considers the <sup>mine</sup> property of little value, ~~and he~~ and he informed me that all the statements he obtained on the property at the time of his original "C" loan application were later proven to be grossly exaggerated. It is my opinion that the field engineer from the Department of Mineral Resources who made the original

mine inspection for the "C" Loan Application  
was greatly in error when he approved the  
project as surface indications alone are unfavorable.

It is my recommendation that no further  
~~and~~ money be expended on this property and that  
the project be abandoned.

Wm B. Muthard

Superintendent

Dec 29, 1942

Kuro Mines Co

C-ND-7820

Holtbrook Ariz

Gibson Mine (Bellme)

E on Highway from Miami  $\frac{5}{2}$  mi  
S of " on dirt road 4 mi  
 $\frac{1}{2}$  mile down hill by trail

J. R. Macdon  
C-ND-7751



270
3) 810

270
12
540
270
3240

800' of  $8\frac{1}{2}$ " Rail

1 car

1 miler tree wheel hammer

1

" "

Hard tools

R 14 E

T 1 S.

25.00	9.35
9.35	
<u>15.65</u>	

G + S R B + M

	Pb	Zn	Mn.
1 -	5.70	6.89	
2 -	5.00	14.58	
3 -	0.42	7.80	
4 -	.20	3.99	9.80
5 -	.20	6.20	16.39 ✓
6 -	.31	14.97	29.77 ✓

*Granted*

KUNO MINES CO. (Old Gibson)

September 28, 1942

Summit

Earl F. Hastings

Reconstruction Finance Corporation  
Preliminary Development Loan

Docket No.

C-ND-Phx 56

Date Application Received

September 26, 1942

Date of Report

September 29, 1942

1. Name and address of applicant (correspondent):  
Kuno Mines Co. (Louis A. Kuehne), Box 366, Globe, Arizona.
2. Character of project and estimated cost thereof:  
To reopen tunnels Nos. 3 and 4 and prepare for mining from both, \$5,000.
3. Location of property:  
Summit Mining District, 11 miles from Miami, Gila County, Arizona.
4. Applicant's interest in or ownership of property:  
Applicant is partnership which holds 5 year lease, beginning August 19, 1942, from owners.
5. Loan requested:  
\$5,000.
6. Loan recommended:  
\$5,000.
7. Comments:
  - (A) Affidavits and reports are indicative of commercial smelting ores in the area to be made accessible in sufficient quantity to warrant reopening tunnels Nos. 3 and 4.
  - (B) It is noted that considerable production has been made from the mine, however, there are no maps showing the exact stoping areas. It follows that large areas have been opened, and since the ground is reported to be extremely heavy, there will be difficulty encountered in new stope preparation and in making accessible those areas in which the ore was previously found too low for shipment. The loan may not be sufficient to reopen the entire length of both tunnels, but will open sufficient ground for mining, and further repair work can be carried on with proceeds from shipments.
  - (C) Added to the docket is correspondence between this department and the applicant in which he withdraws request for road funds. This amount, \$600, should not be deducted from his total request, but should be applied to underground repair work.

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Earl F. Hastings, Assistant Director  
and Projects Engineer