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325 Heard Building Phoenix, Arizona

Mr. Fred A. Bennett P. C. Box 93 Tucson, Arizona

Dear Mr. Bennett:

Re: Docket No. ND-5507

I have not heard from you since my last letter and I am wondering if you wrote to Washington in regard to the reduction on the loan on your property as we did not receive a copy of this letter.

If you have not written, and it meets with your approval, I suggest that it might be advisable to accept a loan of \$6,000.00 and do as much work as possible with this money and after the money has been spent, we will attempt to obtain for you an additional loan, if necessary, to complete the project. However, this is entirely up to you and I would like to know definitely what action you intend to take as I would like to pay you a visit before you start the project under loan funds. It is possible that I will be able to come down next week if you believe it advisable to accept the small loan.

I have the U.S.G.S. Report on your property and we can survey and map the geology that is not covered by their work and I think you will find that the \$6,000 will enable you to expose a considerable amount of ore which would, in turn, justify additional funds with which to build an ore bin, bunk-house, buy a truck, etc., etc.

In any event, please let we hear from you as soon as possible, as I understand that the loan funds are now available if you care to use them and make out the necessary papers.

Cincerely yours,

WM. B. MAITLAND Supervising Engineer

VIEW : MJ

Yorris & Malott

7-28-43

ND-5507

be in effect only until the loan is paid off, or until the RFC no longer has any interest in the property.

I was well pleased with the progress being made by Mr. Bennett as he had just completed shipping a carload of ore from the mine, and I believe his chances of developing further ore very good, and therefore I would appreciate any help you could give him in expediting the subordination suggested by him.

Very truly yours,

MM. B. MAITLAND Supervising Engineer

™**B**1≦−b

385 Noard Building Theonix, Arisona July 26, 1943

Morris & Malott Attorneys at law Globe, Arizona

Re: Fred Bennett- Rosemont Lease Docket No. ND-5507

MALLS (...

Gentlemon:

I have recently visited the Rosemont lease being operated by Mr. Fred A. Bennett, and he has turned over to me a letter from Mr. John C. Greenburgh of the Ratate of Molph Lewischn.

As you probably know, the HPC has requested Mr. Bennett to obtain a subordination of the \$10,000 annual payments before he can obtain hoan funds to develop the mine. It is one of the requirements of the HFC that loan funds cannot be used to make cash payments on a property. The letter from Mr. Greenburgh states that the Estate is willing to subordinate these payments provided that it meets with the approval of their attorneys.

I understand that it will take some weeks in order to have this approval put through the proper legal channels in New York, so it is our hope that in order to expedite the work of Mr. Bennett on the mine, that the RFC will allow him to start work with lean funds on the strength of the letter from Mr. Greenburgh and such approval from you as you would care to make, or a statement from you that you will offer no objections to such a subordination.

It is clearly understood by Fr. Bennett and this office that such a subordination applies only to each payments and does not in any way affect payment of royalty from all ore produced from the mine, and that such subordination would not alter in any way the terms of the lease covering work requirements or methods of payments of any royalties, and it would not affect the title to the property. Such a subordination also would

325 Heard Building Phoenix, Arizona

June 23, 1943

Tully - Ase't Chief - Mining Section - Washington Re: Fred A. Bennett - Docket No. ND-5507

Dear Charles:

Mr. Bennett received word that he had been allowed a \$6,000.00 loan on his copper mine in Pima County and immediately came to Phoenix with the statement he could not do anything with the money unless he was allowed additional preliminary and capital expense. I discussed this fully with Mr. Bennett and advised him to apply for a reconsideration, which I understand he will do. I have asked Mr. Maitland to cover the subject in support of Mr. Bennett, for we both agree that the loan, at least in the form set up by the Engineer Examiner, is inadequate. The purpose is to drive a tunnel to a specific point and Mr. Maitland outlines what is necessary to accomplish this purpose and gives his reasons, giving due consideration to the conditions peculiar to this particular project.

My suggestion would be that if you agree with our contention, you permit us to use some of the \$6,000.00 already approved for a truck, ore bin and for insurance deposits, etc. With the balance, we would drive the tunnel and very shortly have the applicant apply for a further loan of \$6,000.00, or such larger amount as the appearance of things at that time justifies.

I do not think the Borrower will accept the \$6,000.00 as it is now set up. He has no knowledge of the above suggestion I am making.

> W. B. COHRING Supervising Engineer

WBG:NJ

325 Heard Building Phoenix, Arizona

June 22,1943

Mr. Fred A. Bonnett > P. C. Box 93 Tucson, Arizona

Dear Mr. Bennett:

We have been advised that a loan of \$6,000.00 has been granted you instead of the \$15,000.00 applied for. As you remember at the time of my visit to the mine, we decided that your original \$20,000.00 application should be cut to \$15,000.00 and on that basis we outlined a definite development program.

If the new loan of \$6,000.00 does not appear sufficient to properly develop your mine, I suggest you write Washington and so inform them. As you remember, we agreed upon the following expenditures:

Bunkhouse .	0 7	* *	6 3	á à			ø	ø	4	
Steper and	trua	k o		2) 4	a 4		۵	8	\$	1,000.00
100 ton ore										1,500.00
Tunneling 4	•00	0 \$ 1 (5.00	per	17.	9 4	۵	ø		6,000.00
Stope props	rati	on, t	:1mb	erlu	z, ot	0.		物	\$	3,500.00
Insurance,										

Of these expenditures, only the \$6,000.00 item has been allowed. If you think it at all possible, I believe we could eliminate the expenditure for the bunkhouse and not include stope preparation under this loan, so the \$3,500.00 might be reduced to \$1,500.00, thus outting the amount of the loan down to \$12,000.00 with the understanding that it would be perhaps necessary to apply for a further loan before large scale stoping operations could be instigated. You stated that a truck would be absolutely necessary to haul supplies to the mine and the stoper was needed to drive short raises to explore for ore above the tunnel.

Since you intend to do as much of your development work as possible in ore, I think an ore bin is a matter Mr. Fred A. Bennett Page No. 2

June 22, 1943

of necessity and economy in order to save the expense of rehandling the ore and to allow you to ship development ore and thus cut expenses. Naturally, the bin is uscless without a road connecting it to the existing road.

You stated that the \$15.00 per foot cost included only direct labor and supplies and since you anticipate that heavy ground may be encountered an estimate of \$1,500.00 for timbering and vertical exploration does not seem out of line. You considered a \$2,000.00 reserve for compensation insurance, payroll taxes, repairs to equipment and incidental expense a necessary demand when we discussed the project and I assume you still hold this view. Therefore, it would appear to me that the \$3,000.00 loan granted would not be sufficient to reach your objective and that a minimum of \$12,000.00 would be necessary for this development project.

If the above analysis still meets with your approval, I suggest that you write Washington your ideas on this matter, not quoting the wording of this letter, but merely analyzing the situation in your own way and requesting a re-consideration of a \$12,000.00 Loan as being necessary. I intend to also write the Washington Office as to my views which were identical to yours when we examined the mine and these views are embodied in this letter.

If you believe the loan as granted is sufficient, please inform me at once, but in any event, I would be glad to have you send me a copy of your correspondence.

Sincerely yours,

WM. B. MAITLAND Supervising Engineer

VIRA : MJ

325 Heard Building. Phoenix, arizona

June 22, 1943

Tully - Ass't Chief - Mining Section - Washington Re: Jocket No. ND-5507 - Fred A. Bennett

The applicant, Mr. Bennett, visited this office after be had received word from Washington that his application for a loan of \$15,600.00 had been reduced to \$6,000.00. He informed us that he did not see how he could operate the property under a \$6,000.00 Loan, as he could not reach his objective with this small amount of money and in such a case, a second loan would be necessary within a very few months after the first one was granted. The applicant is also faced with a trip to New York in order to see the owners of the mine and obtain the necessary subordination of cash payments called for in his lease. If \$6,000.00 is all that will be granted his project, he did not think this trip to New York was justified, especially since he has personally spent nearly \$5,000.00 on the property. He is very anxious to obtain adequate Government financing in order to speed up the production of copper from this mine.

As covered in my first report on the property, the applicant is driving a 400° tunnel in order to intersect a high grade copper ore body formerly worked by winzes from an upper tunnel. His tunnel work to date has already intersected a number of good lenses of copper and zinc ore and other such ore bodies are to be expected in the future workings.

Following is the schedule of expenditures agreed open by Mr. Bennett and Hyself, after an inspection of the property. The original application called for \$20,000.00, but after paring all items to the bone, we both agreed that \$15,000 would be the minimum necessary. Also shown is the amount considered necessary by the Engineer Examiner.

Expanditures	Supervising <u>Engineer</u>	Engineer Examiner
Bunkhouse	\$ 1,000.00	and a state state
Stoper & truck	1,000.00	are and
100 ton ore bin & 200' of road	1,300.00	
Tunneling 400' 6 \$15.00 per ft.	6,000.00	6,000.00
Stope preparation, timbering, etc.	3,500.00	190 GAN
Insurance, freight, contingencies	2,000.00	0100.0000
Totals	\$ 15,000.00	§ 6,000.00

June 22, 1943

Tully - Ass't Chief Page No. 2

The men are now living at a considerable distance from the mine and in crowded and unsanitary quarters. Since labor is scarce and very temperamental during these times, the applicant considered it necessary to provide adequate housing for his employees in order to keep them on the job. However, it is possible to eliminate this expenditure if the applicant is willing to risk the closure of the mine by labor troubles.

At the present time, the applicant is hiring a truck to bring in all small supplies such as dynamite. drill steel, rails, pipes, etc. This is a costly and alow procedure, as the truck crew is often delayed in waiting for delivery of supplies. The mine is located forty-one (41) miles from Tueson, the nearest source of supplies se I do not see how an economic operation can be carried on here without some sort of a cheap truck. The item of a stoper was considered as necessary and labor-saving. It must be remembered that the ore in this deposit occurs as irregular lenses in limestone. In many cases, the drift will pass just under one of these lenses so that only the bac of the drift will be in ore. It would seem good mining practice to drive a short raise up into such an ore body to determine its value, otherwise a rich lense of high grade chalcocite ore could be missed. Under present high labor costs, it is indeed expensive to drill even a short raise with juckhammers or drifters.

The applicant now has about 20 tons of ore piled on the dump and since some of the future tunneling work should be in ore, it is expected that considerable ore will be produced from development work. Since the tunnel portal is located in a canyon, there is no place to safely dump the ore and in any event, extra expense will be incurred later in loading this ore onto a truck. It was planned to ship all ore obtained from development work in order to bulk sample the mine and obtain additional revenue. The present road does not reach the tunnel portal, so all supplies must be packed in the remaining distance and of course, no ore can be shipped at all without a road.

The cost of \$15.00 per foot is the applicant's actual cost for labor and supplies and does not include compensation insurance, payroll taxes and freight on supplies. Also, the longer the tunnel, the greater the cost so for these reasons, it was thought necessary to include Item No. 6 for \$2,000.00. If this is not included in the loan, it will Tully - Ass't Chief Page No. 2

June 22, 1943

necessary to reduce the amount of tunnel footage as \$6,000.00 will not cover all the expenses of driving the tunnel 400⁴. It must be remembered we are driving this tunnel to intersect a known one body and if the proper distance is not reached, the purpose of the loan is defeated.

The expenditure of \$3,500.00 for stope preparation and timbering was thought necessary, as it is expected that the drift will pass through heavy ground that will require timbers. The \$15.00 per foot obviously does not include timbering. Also, the \$3,500.00 was to be used in part to drive short exploratory raises above the main tunnel so at least \$1,500.00 of this \$3,500.00 will be necessary if the tunnel reaches its objective. It is possible to reduce this item by \$2,000.00 if no stope preparation is done, but at least \$1,500.00 will be necessary to incure a reserve for timbering and vertical development.

Therefore, it is possible to reduce this original \$15,000.00 Loan to \$15,000.00 as above outlined, but in that event, it is highly probable that a future loan will be necessary before this project can become a shipper.

It is my opinion that a \$6,000.00 will not do sufficient development work on this project to disclose enough new information as to ore reserves upon which to base a request for additional financing which will surely be necessary before this project can obtain its objective.

> WM. B. MAITLAND Supervising Engineer

UDM:NG

Phoenix, Arisona 325 Reard Building July 15, 1944

TULLY - Ass't Chief Mining Division - RPC - Washington, D. C.

Re: Fred Bennett - Docket No. HD-5507

On July 2nd 1 visited this project to assist the applicant in his development work. Unfortunately I did not find Mr. Bennett there, but found that he was doing his development work in the wrong direction.

In regard to the sulphide orebody encountered in the Paylight adit it was apparent that he has now exhcusted all of the available ore in the winze stope and, as shown by the attached map, I have suggested that he drift to the southwest on the adit level along the strike of the orebody found below as I believe that he will pick up additional lenses of high grade ore in this direction and this drifting will be much cheaper than his present winze method.

In regard to the Marragansett orebody I found the applicant as shown by the attached map is driving to the west and to the south on the adit level and also raising above this level. All of the work in my opinion will be fruitless as it is very apparent that the ore occurs along the synchine plunging to the south and therefore new ore in this mine should be found to the south and below the adit level.

I have instructed the applicant by letter to stop his present method of development and start a winze to the south. He is doing a good job of actual mining and I believe that if he follows the advice given he will develop some very good orebodies in the future.

> Ym. B. Maitland Supervising Engineer

KEM/P

325 Heard Bldg. Phoenix, Arizona April 3, 1944

Dr. B. S. Butler Head, Dept of Geology University of Arizona Tucson, Arizona

Re: Fred A. Bennett Docket No. ND-5507

Dear Dr. Butler:

I was disappointed in not seeing you on my return trip to Phoenix, as 1 wanted to discuss some matters with you. One matter pertains to the work done by the Geological Survey in the Rosemont District.

On Friday, March 31, 1944, I accompanied Mr. W. B. Maitland, Supervising Engineer, from this office, on an inspection trip to the Daylight and Narragansett Mines. As you may know, the above captioned individual is working the Daylight mine under a loan from the Reconstruction Finance Corporation and that the principal work under this project was the driving of a tunnel to connect with the lower stopes of the Narragansett Mine. At the time of our visit a small connection had been made, thus revealing the structure of the sedimentary rocks. It appears that the structure is at variance with that projected by the Geological Survey.

Mr. Maitland understood that the Survey intended to return to this project and complete the work when the tunnel was completed.

I would appreciate your interest in visiting this property to confirm our observation and suggesting that the work be completed. We are not in a position to map the geology, but it does appear that the economic possibilities are connected with the structural features. The policy of the Survey in mapping certain areas in detail would be applicable here and of considerable help to Mr. Bennett.

When I am again in the vicinity I shall drop in to see you. Give my personal regards to Mrs. Butler.

Sincerely

CHARLES A. R. SOR Supervising Engineer

No. 411 Ma

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Arizona,	6,1944
Phoenix,	K pril
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	CHAS. A.

OFFICE

GOLD VALUE (02.) TOTAL VALUE Series for 00 2000 to Series Ouces Hundits 01 \$\$, 35 01 \$\$, 35 REMARKS Old \$\$, 35 050 \$.46 REMARKS	ONA ASSAY OFFICE 815 North First Street Mr Wm. P. Mattland
	FRED BENNETT. I has samples submitted for assay by
	5

AN S

MMS

325 Heard Building Phoenix, Arizona July 29, 1943

> In re: Fred Bennett ND - 5507

D M Rait, Chief Mining Section, RFC - Washington, D C

Attached herewith are three letters and the amended contract of the above captioned docket. The correspondence has to do with the subordination of the cash payments of this property, and while it will be necessary to advertise this amendment for two weeks before formal approval can be obtained from the Court, I am sending you these data in the hope that you will find it sufficient to meet the requirements of the RFC in order that disbursement under this loan may be granted without waiting for the formal consummation of the subordination.

The applicant is now developing his property under his own funds and has recently shipped a car of copper-lead-zine ore to a custom mill and it is contemplated that he will be able to ship another car very shortly. I have recently made a geological survey of the mine and will forward examination as soon as the maps are completed.

The present progress of the applicant under his own funds is slow, due to insufficient financing, but it is my opinion that as soon as the loan is granted he will be able to proceed much more rapidly and soon be on a permanent shipping basis.

Encs-4 l letter Morris & Supervising Engineer Malott to Maitland l letter- Maitland to Morris & Mallott (copy) l letter - John G. Greenburgh to Maitland (for Estate of Adolph Lewisohn) l-cc Amendment to Lease and Option.

₩**B**!⁄-b

MEMORANDUM

TO: W. B. Gohring - Supervising Engineer in Charge - Phoenix FROM: Charles A. Rasor - Supervising Engineer - Phoenix RE: Fred A. Bennett - Docket No. ND-5507

On June 14, 1943, the Borrower was approved a loan of \$6000.00 by the Corporation to drive hOO feet of tunnel to reach zinc-lead-copper ore beneath the stopes of the Daylight Mine; on February 2, 1944, an additional loan of \$6000.00 was muthorized to complete the project. Now that the Borrower has repaid the loan out of proceeds from the ore it is appropriate to review his operations.

The mine is a tunnel operation crosscutting steeply dipping limestone and shale formations that are complicated by intricate folding and faulting. However, most of the ore extracted came by winzing below the tunnel level.

Under the loan, the Borrower did 980 feet of tunneling, 300 feet of crosscutting, 240 feet of winzing and 120 feet of raising. In addition 954 wet tons of ore were extracted and sent to processing plants. The following table gives an analysis of matal produced and returns.

TABLE I

ANALYSIS OF METALS PRODUCED AND RETURNS

954.21 wet tons 917.5735 dry tons Total zinc - 234,287 pounds Total lead - 133,529 pounds Total copper - 94,614 pounds Total silver - 2022 ounces Total gold - 11.826 ounces

Áv	orage V	'alua
-	Per To	n N
¢	27.27	
<i>.</i>	32.43	
\$	59.70	

 Solution
 \$25,020.50

 Total premiums
 29,756.46

 Total gross value
 \$51,776.95

Re: Fred A. Bennett Docket No. ND-5507

/

July 30, 1945

		Average Value Per Ton
Total gross value Mill and smelter treatment	\$54,776.96	\$ 59.70
charges	<u>13,513.96</u> \$41,263.00	\$ 44.73 \$ 44.97
Less freight charges	1,120,21 10,1142,79	1.22 43.75
Less hauling charges	2,245-49 37,897-30	2.45
less royalty	1,789.10 36,108.20	1.95 39.35
less sales tax on ore	319.18	<u>+35</u>
Net Proceeds for Ores	\$35,789.02	\$ 39.00

The operating costs in developing and mining sufficient ore to repay the loan are analyzed in Table II.

TABLE II

4	NALYSIS OF OPEI	LATING COSTS		
Development & Mining		Total Cost	5 of Total	Cost Fer Ton
Labor:	2			
Payroll	\$23,115,78			
Taxes	870.39	and the second second		
Industrial Insurance	2,212.05	\$26,198.22	78.80	\$27.45
Supplies:		•		
Gasoline	2,231.17			
Powder	2,071.72			
Steel, etc.	1,276.04	1		
Lumber	258.64	t		
Equipment	250.00	6,087.57	18.31	6.38
Overhead:		•		
Ramp rental	•			
Petty cash		· .	· .	
Assaying				
Stenographic				
Surveying	1. A		•	
Bank fees		960,10	2.89	1.01
TOTAL COSTS		\$33,245.89	100.00	\$34 .84

- 2 -

Re: Fred A. Bennett Docket No. MD-5507

The above analysis is interesting for it shows that most of the money was spent on labor costs. It is interesting to note also that Borrower never took one cent in salary and spent only \$200.00 in petty cash. Also you will note that only one piece of equipment was purchased for \$250.00. This has been an efficiently operated mine. The following figures show the amount of money returned to the Borrower which represents his profit, although it is probable that Borrower has one being processed the expense of which is already paid.

Total loan funds received		\$12,000.00
Net proceeds from ores		35,789.02
		47,709.02
Total operating costs	•	33.245.89
	* - *i	14,543.13
Return of capital		12,000.00
Profit		2,513.13
Interest charges on loan		630.30
Money retained to Borrower		\$ 1,912.83

This mine is a replacement in limestone of sulfides of coppor, lead and zinc. Ore was mined from a horizon in the limestones that was folded and faulted. Mining was not difficult and the ore was transed through a tunnel to the ore bin.

> CHARLES A. RASOR Supervising Engineer

CAR: gmk

Fred Bennett -2-Docket ND-5507 7-14-44

I also talked to Mr. Crabtree of the Eagle Pitcher in Tucson about your complex ore. He did not think that he could do much better than the Shattuck-Denn as far as milling the ore is concerned. However, it might be advisable for you to take some of your old settlement sheets and show them to either Mr. Crabtree or Mr. Morton and they may be able to work out some plan to save you a few dollars per ton.

If I can be of any further service to you, please let me know.

.

Sincerely yours,

Win. D. Maitland Supervising Engineer

Enc - sketch

WEN/bkb

ore horison, starting at the point at which you now have your tugger heist. In this way you will be able to prospect the ore horison much cheaper, and if you find ore you can then raise and sink from your adit level. Also this tugger hoist

> 325 Heard Building Phoenix, Arizona July 14, 1944

Mr. Fred Dennett P. O. Box 93 Tucson, Arisona

Re: Fred Bennett Docket No. ND-5507

Dear Mr. Rennett:

I stopped in at your mine on July 12th and was sorry that you were not there. I mapped all of the new work done since my last visit and I believe that in the old Marragansett workings you are away off of the ore. I am enclosing a small sketch showing the development work I think you should do in order to obtain ore on the old Marragansett vein. This work would consist largely of winzing done from your adit level along the drift of the syncline as it was along this syncline that all the ore in the past was taken out.

In regard to the lead-zine showing, it looks to me as though you were too far down in the winze to be able to do much mining and we have demonstrated that the ore does not extend beneath the contact in the bottom of the winze. After you have mined all of the available ore in this winze, it is my suggestion that you go back to the adit level and start a drift along the ore horison, starting at the point at which you now have your tugger hoist. In this way you will be able to prospect the ore horizon much cheaper, and if you find ore you can then raise and sink from your adit level. Also this tugger hoist will be necessary if you sink along the Marragansett syncline as I feel that the tugger should pull a loaded car up the incline.

I talked with Mr. Marlow Phelps, Engineer with the Eureau of Mines, about your project and he would be glad to help you in any way possible. It is my suggestion that next time you are in Tueson you contact Mr. Hedges, in charge of the Eureau of Mines, and ask him to send down an engineer to your property. Tell Mr. Hedges that we have all of the available maps and reports which they can use as a basis for their work. I do not believe that the U.S.G.S. will have time to do much for you. Landon F. Strobel -2-Re: Docket No. ND-5507 Fred Bennett

7-7-44

Mr. Bennett has proven himself to be an efficient and competent operator, and in the past has been successful in the operation of various mining projects. We therefore have a great deal of confidence in the ability and integrity of Mr. Bennett and we feel that the mine has a possibility of producing a large tonnage of copper ore as the geology is favorable and past production. from this property has shown that there was a large commercial body of ore mined in the past.

I have gone over Mr. Bennett's figures submitted to you in his letter of July 5 and find that they are in substantial agreement with our estimates on this job. I believe that this is a fairly high cost mining operation due to its isolation and due to the fact that most of the mining is done by means of winzes, and it is my opinion that without additional premiums on his copper it is doubtful whether the applicant can make sufficient money to keep in operation and will not repay his indebtedness to this Corporation.

I wish to thank you for your past courtesies on various other projects submitted to you and would be glad to send you any further data on this particular application that you would require.

Sincerely yours,

William B. Maitland Supervising Engineer

WEM-bkb

325 Heard Building Phoenix, Arizona July 7, 1944

Landon F. Strobel, Executive Secretary Quota Committee, Premium Price Plan for Copper, Lead and Zinc, WPB Department 7103 Washington, D. C.

Re: Fred Bennett Docket No. ND 5507

Wr. Fred Bennett has sent this office a copy of his correspondence with you in regard to his application for an additional premium on copper on the Daylight and Marragansett mines. He has requested me to write you in regard to this. Mr. Bennett has a \$12,000 development loan from this Corporation on the Daylight mine. The purpose of this loan was to enable the applicant to drive a long crosscutting tunnel on the Daylight property to intersect the apparent downward extension of rich ore formerly mined on the Marraganset mine and extending over onto the Daylight property. This ore occupies the contact between two limestone beds and is formed along a gently plunging syncline.

In the driving of this crossout the applicant encountered a small shoot of complex gold, silver, copper, lead, zinc ore which did not outcrop on the surface and apparently has no direct connection with the copper ore formed along the syncline. There have been five cars of this complex ore shipped from the Daylight claims by the applicant to the custom mill of the Shattuck Denn Company at Bisbee. Without doing some additional prospecting work, apparently this complex ore shoot has been nearly exhausted although there is a good possibility of developing further ore in the future.

It must be remembered that the primary objective of the loan was to develop the copper ore, worked by the method of winzes during the last war on the Marragansett claim and apparently extending over into the Daylight claims. Mr. Bennett has shipped to the Mayden smelter one car of copper ore and is now making application to you for an additional premium on this type of ore. It is obvious that the development cost on the copper ore will be high and due to the fact that the tunnel is about a thousand feet in length and the copper ore will also have to be mined from a winze off of this tunnel, his mining cost will also be comparatively high. CLAUDE E. MCLEAN P. O. BOX 1888

ARIZONA TESTING LABORATORIES ANALYTICAL AND CONSULTING CHEMISTS ASSAYERS, MINING ENGINEERS

823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

PHOENIX, ARIZONA_____

July 26. 194 3

Mr. N. B. Mettlend, Supervising Eng., RFC

325 Heard Building, Phoenix, Arisons WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$ 30 .00 PER OUNCE.

LAB. FORM 2

SILVER FIGURED AT S 0.70 PER OUNCE.

LAB. NO.	SAMPLE	GO	LD	SIL	VER		PERCENTAGES		
· · ·		Oz. PER TON	VALUE	OZ. PER TON	VALUE	COPPER	LEAD	Zing	
4:214	Pred Report #27	0.04	<u>\$1.40</u>	5.60	Ê 3. (2)	1.00%	13.07%	11.08%	
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RESPECTFULLY SUBMITTED. TESTING LABORATORIES ARIZONA A BY Maude E. Beloan ASSAYER

4.00 CHARGES \$ 1,152.5

CLAUDE E. MCLEAN P. O. BOX 1888

ARIZONA TESTING LABORATORIES ANALYTICAL AND CONSULTING CHEMISTS ASSAYERS, MINING ENGINEERS

823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

PHOENIX, ARIZONA_

۰.

May 19.

Mr. W. B. Moitland, Supervising Eng., RFC

325 Heard Building, Phoenix, Arizona

WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$_____ PER OUNCE.

LAB. F	ORM 2	SILVER FI	GURED AT \$	PER	OUNCE.				
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	Bennett	OZ. PER TON	VALUE	OZ. PER TON	VALUE	COPPER	LEAD	Zine S	<u>111ca</u>
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47723	#2 4 ft.					1.45	· · · · · · · · · · · · · · · · · · ·	0.30	
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47725	#4 Greb		·			4.60		5.40	
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Claude 2. McLean

BY

TELEPHONE 3-6272

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ASSAYER

RECONSTRUCTION FINANCE CORPORATION

MINING DIVISION

PROGRESS REPORT OF SUPERVISING ENGLIESE

Dockst No. 33-3507 Pred A. Bennett Date of Report: Sept. 19, 1944

On September 12, 1944, I visited this project. As of September 15, 1944, he had \$3126.70 remaining in the lean fund and in addition he has one car of copper one at the smelter and one car of complex one at the custom mill which have not as yet been paid for. Also Mr. Semmett informed me that he had received a special copper premium of 10% per pound on a zero quota, all retroactive to June 1, 1944.

In order to report the work accomplished since my last visit to the mine on July 2nd, reference is made to the plan map accompanying my progress report of July 15th. The face of the tunnel south of the "New Raise" was advanced 5'. One car of copper ore was obtained from a small stope at the top of the "New Raise." Just 5 feet north of the bottom of the "New Raise" and along the main drift a west crosseut was driven 14 feet and at right angles to the main drift. I believe this crosseut is above the ore horison and the "New Raise" follows a small hanging wall fissure which is the locus of minor oridized copper mineralization. The face of the main west drift marked "7/12/44" has been driven ahead 70' H 85 W. This work is still in limestone and if the U.S.G.S. map is correct the Bolsa Quartzite does not extend to this depth. The applicant showed me a muster of shallow surface workings containing some copper mineralization along the contact between the Naco limestone and the Bolsa quartzite and above the new tunnel below. While it is possible that ore may be encountered at depth along this contact it looks as if this work is prospecting as no cre was stoped on the surface from this contact.

I informed the applicant he should confine his work to following the main Marraganisett ore body with a winze to the south. He finally agreed that after a few more rounds in the west crosscut he would follow my advice. All in all the work is progressing satisfactorily and there are five men employed in the mine.

Mm. F. Maitland Supervising Engineer

RECONSTRUCTION FINANCE CORPORATION MINING DIVISION PROGRESS REPORT OF SUPERVISING ENGINEER

Botrower:	Fred A. Bennett
Docket No .:	ND-5507
Date of Visit:	June 19, 1945
Date of Report:	June 28, 1945

I made a cursory examination of Borrower's property on June 19, 1945, at his request regarding diamond drilling for extension of ore body. As you know, Borrower has a loan of \$12,000.00 and has repaid \$9,000.00. Also Borrower has \$6,883.04 in bank with a note coming due July 1, 1945. The procedure to do was to ask the Borrower to pay the outstanding note and take the remaining money and do what he wished - namely, to diamond drill. This I did and he may repay the note sometime in July.

However, the Borrower told me he borrowed the money to develop the mine and would like to use one thousand or more for drilling. If he paid off the note, there would not be enough, in his estimation, to drill and carry his labor costs by the time he got out more ore. He has no shipments for June at the mill or elsewhere.

The Borrower has been very economical with his loan and you may have noticed he has not taken any salary or other compensation for himself.

I am of the opinion that diamond drilling will be of no value except in certain areas and that the best way to develop is by drifting and raising.

My idea of the ore occurrence differs from that held by Mr. Maitland and the Borrower but only a thorough mapping of the old stopes will uphold that idea. I visited this property for a few hours with Mr. Maitland last summer and was able to see ore replacing a certain limestone bed that was intricately folded. This time when I examined the property, I wanted to map the stopes which have never been mapped but felt that possibly the time was not warranted. However, I did map the new work which is shown on Mr. Maitland's map made July 12, 1944. This new work consisted of two connected incline winzes which the Borrower has done. In going down the first winze the Borrower struck the extension of the old stopes, which he had hoped to strike and the rich copper ore which he has been sending to the Eagle-Ficher mill south of Tucson came from this stope. Borrower has mined out most of this ore but has ore faces going down which he has tried to cut by getting under with his winze.

I am of the opinion the Borrower has gone under the ore but Mr. Bennett does not think so. He believes he is over the ore.

I have made a section (see map) taken parallel to the winze through the stope. I am still certain the ore is associated with a limestone bed and the reason some stopes were higher and lower than others in the old workings is because of the different altitudes of this bed. The area of mineralization no doubt is in a syncline and it will be difficult to develop by diamond drilling other than short holes. The Borrower's property is attractive for development of additional ore.

The Borrower is going to Los Angeles, California, this week and will drop in at the Federal Reserve Bank to determine the interest on his remaining note provided he decides to pay off. Fred A. Bennett Docket No. ND-5507 Progress Report June 28, 1945

Should the Borrower decide not to pay off but use some of the money for drilling, will it be permissible?

CHARLES A. RASOR Supervising Engineer

CAR:gnk

Attachments: Maps

RECONSTRUCTION FINANCE CORPORATION

MINING DIVISION

PROGRESS REPORT OF SUFERVISING ENGINEER

Docket No. ND-5507 Pred A. Bennett April 12, 1944

On March 31, 1944, I examined the above project in order to determine the progress being made.

The applicant has completed his crosscut to the Marragansett mine workings and is stoping lead one discovered while driving this adit. Under loan funds the applicant has completed 645 feet of tunnel. This is more than was originally planned as the applicant did not follow a straight line in driving the tunnel. He also completed 100 feet of ventilation raise and has shipped 118 tons of complex gold, silver, copper, lead, zinc ore. Of the two loans totalling \$12,000 the applicant had a balance of \$5032.46 on April 1, 1944. This balance includes the returns on two ore shipments made under the loan. These shipments were as follows:

Lot No.	Lry Tons	Os Au	0 2 Az	A Cu	% I D	% In	Net Mill Returns Less mil ing, fre royalty	1.	Total Not Roturns
2	50. 013	0 .03 5	3,35	1.26	9.15	14.00	497.47	567.78	1065.25
3	68.210	0 .025	3.12	2.08	14.30	17.95	965.67	1103.00	2068.67
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1463.14 1670.78 3123.92

Total net value per ton \$26.50 before mining and trucking cost.

The applicant new has about 30 tons of complex ore in the bin and is going ahead with further mining operations. It must be remembered that this lead sine ore was not the original objective of the lean but was ore discovered while driving toward the copper bearing horizon.

The applicant has purchased and owns in fee simple the Marragansett claims and these claims are not covered by our loan altho I recommended that they should be in my original report. There are three men sorting the Marragansett dusp and the applicant has a special copper premium for the dusp ore. Mr. Bennett informed me that this work on the dump was not being paid out of loan funds. I can anticipate some confusion when the applicant starts mining his own ore on the Marragansett claims thru the crossout financed by this Corporation.

Attached to this report is a sketch map of the lead sinc stope.

WILLIAM B. MAITLAND Supervising Engineer

DECONSTRUCTION FINANCE CORPORATION MINING DIVISION

THOTHE CERTINOME

Re: Booket No. ND-5607 Fred A. Bonnett

TULLIY, ASST. CELEF, MINTHO SECTION, REC. MACHINGTON, D.C. Cot. 13, 1943

On October 9th I visited this project in order in inspect the new work accomplished. Mr. Bennett has advanced the main tunnel, since my last visit, 115 feet, and has completed 48 feet of inclined raise towards the surface for ventilation of the main tunnel. He has approximately 250 feet to go in the main crossout before he reaches the Narragansett vein, and about 50 feet to go in the raise until he reaches the surface.

Before the loan funds were granted the applicant shipped to the Shattuck-Denn Custom Mill at Disbee 64.6 dry tone of ore, which assayed as follows:

<u>au</u>	0.035
ag	4.00
ou	1.27
pb	12.65
2n	15.60

This first carload of ore with the regular premium netted the shipper before deduction for mining costs \$1,549.63. He is now installing a small tugger hoist in order to underhand stope additional ore of this type from the stope found in the main tunnel, and he expects another carload shipment of ore. It must be remembered that this is not the ore shoot the applicant is attempting to open up with the main crosscut, but is a small shoot of complex ore hitherto unknown by the old operators of the kind. He has completed a small ore bin on the surface and is now employing four men.

Work is progressing satisfactorily on this project, and of the original \$6,000 granted him he has a balance of \$3,958.74 left. Unless the applicant encounters considerable amounts of shipping ore, the small loan already granted will not complete the project as originally planned in spite of the fact that the applicant's costs for drifting are low and he is not wasting any money.

> WILLIAN B. MAITLAND Supervising Engineer

when/b

RECONSTRUCTION FINANCE CONPORATION MINING DIVISION PROCHESS REPORT OF SUPERVISING ENGINEERS

> Docket No. ND S507 Fred Bennett

On June 14, 1943, a \$6000 loan was approved for this project, altho as yet funds have not been disbursed. The applicant had originally requested a \$12,000 loan to drive a crossout to a known ore body.

In order to determine the best direction in which to drive this tunnel, I visited the property on July SC, 31, 1943, and mapped the underground workings and geology and surveyed all of the small old workings above the applicant's crossout. The surface geology has already been mapped by the U.S.O.S. Copies of my map are enclosed horewith.

Before the loan was granted, and with private funds, the applicant had advanced his tunnel 125 feet by the time of my visit. He also had just shipped a car of lead, copper, sinc ore to a custom mill. Cost of handling this ore was high as the applicant had no ore bin so was forced to handle the ore three times before it could be loaded on the truck. I took a sample (No. 27) across three feet in the bottom of the underhand stope from which the ore was obtained and this sample ran \$1.40 in gold, 5.60 os of silver, 15 copper, 15.675 lead and 11.955 zinc. The face of the accessor was again in low grade lead, zinc sulfide ore and it is my opinion that a series of lead, zinc coppor lenses will be cut before the tunnel reaches the objective which is the contact upon which the old Marragansett Mine is located. The applicant intends to turn his tunnel more to the west in order to reach as soon as possible the contact between the Snyder Hill and Maco formations. The tunnel has already cut a number of interesting mineralized zones upon which the old harragansett workings as soon as possible and then dome

> NE. B. HAITLAND Supervising Engineer

RECONSTRUCTION FINANCE CORPORATION

MINING SECTION

REPORT OF SUPERVISING ENGINEER

Docket No. ND-5507 - - - - Fred A. Bennett Date authorization for examination

received - - May 5, 1943 Date of Examination, incl. - May 15, 1943 Date of Report - - May 28, 1943

1. NAME AND ADDRESS OF APPLICANT

' FRED A. BENNETT P.C. Box 93 Tueson, Arizona

Correspondent: Same

CHARACTER OF PROJECT 2.

To develop by means of a lower tunnel the probable extension at depth and laterally of a rich copper ore body that was profitably worked during the last World War.

(Daylight and Marragansett Mines) LOCATION OF MINE 3.

Township, range Section - About T18 S, R. 16 E. G. & S.R. B. & M.

County and State: Pima County, Arizona Name and distance by road to the nearest railway station: Vail, a siding on the Southern Pacific Railroad, is

22 miles by road north of the mine. Condition and seasonal accessibility of road from mine to Railroad: This road, with the exception of the last five (5) miles nearest the mine, is a well graded dirt road accessible at all times of the year. This last five (5) mile section is unimproved dirt road that would be accessible through the year, except after infrequent rain storms. This road would probably be improved by the county after shipping from the mine started.

APPLICANT 4.

The applicant, Mr. Fred A. Bennett, is about 73 years old, but is extremely active and intelligent. He has been mining for the last 20 years and is now operating a successful manganese mine near Globe, Arizona. Prior to that he operated a gold mine in Arizona. We is not technically trained, but is very practical and is ap-parently a good operator. I believe he is capable to operate this project and he now has employed at this project a good crew of four miners.

5. LOAN NEQUESTED

The original application calls for a loan of \$20,000.00. but after my examination of the property, the applicant agreed that \$15,000.00 would be sufficient as shown by the letter of May 19, 1943, attached to this report.

6. DESCRIPTION OF PROJECT

A. Legal Considerations

A copy of the applicant's lease is attached to the accompanying application. The lease calls for 120 shifts per month, a 10% royalty, and a minimum royalty of \$10,000.00 per year (first payment due December 23, 1943). The claim owners do not guarantee delivery of a good and merchantable title under their lease, and the lease contains an option to purchase within five (3) years for the sum of \$50,000.00, less royalties previously paid.

I have pointed out to the applicant that I felt certain that the Reconstruction Finance Corporation would demand a subordination of the \$10,000.00 per year minimum royalty payments to a Reconstruction Finance Corporation Loan. He informed me that a trip to New York would be necessary to obtain such a subordination and he felt confident he could obtain this concession but he did not wish to make this trip unless a loan was approved by Washington, subject to a lease modification.

The three (3) putented claims comprising the Daylight Mine" and covered by the attached lease, are owned by the Lewissohn Family (Miami Copper Co.) and they have refused to lease these claims in the past as they wished only to sell. It took the applicant many months to negotiate the present contract.

The applicant also holds a lease on the adjoining "Narragansett Mine" which produced several million pounds of copper during the last World War and the ore bodies on the Narragansett Mine extend over into the "Daylight Mine" as shown by the attached map. While the applicant intends to now work ore found only on the Daylight Claim, it is possible that work in the future might be done on the Marragansett Mine, so I believe that this lease should also be included in this loan as a protection to the Reconstruction Finance Corporation.

B. Published data on property:

* 2

The Mines Handbook for 1922 published the following data on the Narragansett' Copper Co.:-

W. R. Ramsdell, President Gross Barnings in 1918 were \$265,665.00 Production in 1918 was 13,248 tons shipped, which averaged 7.01% Copper and 1.15 oz. silver.

Production from 1915 to 1918, inclusive, was 34,331 tons shipped with a net emelter of \$835,880.00.

Development by tunnel with 3,000' of workings to a depth of 450', said to have exposed 80,000 tons containing 2-1/2-4% copper, including ore on dumps.

Production in 1917 was 1,611,429 lbs. of copper

Shipments continued through out 1919. In August, 1919, Albert Steinfeld & Company of Tucson, Arizona, recovered a judgment of \$330,000.00 (plus interest) against the Narragansett Copper Company.

In the U.S.G.S. Bulletin No. 582, by Frank C. Schrader, (1915), we find the following information:-

"Rosemont Camp - General Features

"These properties are chiefly in the Peleczbic limestone, which is, in places, highly garnetiferous and epidotized and which in the middle slope of the range, passes beneath Mesozoic sediments of wide extent. The limestone is, in general, much faulted and crushed, and the fault planes and structure dip steeply to the south. It is locally intruded by the Mesozoic granular rocks, some of which are heavily impregnated with pyrite, cupriferous pyrite and chalcopyrite.

"Narragansett Cleim

"The Narragansett Claim is located near the crest of the range at an elevation of 5,500 to 5,600' and joins the Eclipse group on the East. It is owned by J. K. Brown who discovered it in the late seventies. It is in limestone which is mostly crushed and altered and is opened near the center of the claim by several inclined shafts, tunnels and winzes to a depth of nearly 300'. The main incline, which is 125' deep, dips 40° S.W. It is on a 20' ore bod found on a fault plane and is in ore all the way down. The ore bed seems to be a mass of crushed and altered limestone impregnated with copper carbonates and iron oxides. It is locally parallel banded. The ore on the dump contains large boulders of iron ore and of copper glance coated with iron oxide."

C. Meology and Ore Deposits

Briefly, the mine is located in metamorphosed sediments intruded and underlain by a granitic batholith. The sediments have suffered considerable displacements by small, over-thrust faults parallel to the contact of the intrusives with the sediments. The ore occurs as replacement bodies in limestone and it usually follows definite garnet bands along the bedding of the limestone or along pre-mineral fault zones. There are no definite veins yet developed.

The ore minerals consist of copper carbonates and silicates with some sulphides of copper and zinc. The sphalerite occurs as separate masses in the copper ore, so I believe it could be easily picked out to avoid a penalty at the smelter. This process was used at the old mine because one can find many piles of zine ore on the old waste dumps.

The location of the mine in reference to other good mines in the district and in relation to the underlying granitic batholith, seems favorable for a large deposit of copper ore. Also, the surface of the claims over the proposed tunnel is dotted with old workings that contain small but apparently rich lenses of ore in the limestone.

My sampling as shown on the attached assay sheet and map does not show any blocked out or positive ore, but in the lower tunnel, the applicant has already cut two small copper ore bodies. One of these ore bodies (No. 5) sampled across 18", 6.25% Copper and 6.45% Zinc and the other (No. 6) sampled 8.40% Copper and no Zinc across a width of 2".

Sample No. 6 was taken in a definite fissure vein between a silicified garnet rock footwall and a limestone hanging wall. This vein strikes east and west and dips dO^O south and unless a better looking ore body is found in future work of driving this tunnel ahead, I believe that this vein should be followed west as it is in this direction that the old workings of the Narragansett Mine are found. The applicant is now actually driving his tunnel parallel to and in the footwall of the Marragansett ore body. I have told him of his mistake and he now intends to swing the tunnel to the west at the present face. The face of this tunnel is now in limestone that is well stained with copper and it is now passing through a much better mineralized country rock than the first part of the tunnel.

In the old workings of the Narragansett Mine, it is difficult to obtain adquate samples. On this property a long adit was driven into this ore body, but it was found that most of the ore lay below this level. Hence, small crocked winzes were sunk from the adit level and the ore mined from these winzes. Many of the stopes were filled and some of them are caved, so only a few pillars could be sampled. It was not possible to sample or examine the very bottom of the winzes, although there is no reason to believe the ore does not extend deeper. A study of the stopes reveals that the ore occured as small, discontinuous lenses of ore along a garnet replacement zone. All of the ore was mined and little, if any, low grade was left on the walls of the stopes. Small pieces of ore picked up in the stopes indicates that the ore was extremely rich chalcocite, with associated malachite, azurite and chrysocolla. were also some small areas of chalcopyrite and There bornite ore found in these stopes.

Samples No. 1, 2, 3 and 4 were taken in the old Marragansett workings. The new tunnel now being driven by the applicant will intersect the Marragansett workings at about their lowest point so any future ore stoped from this new tunnel must come from the lateral margins of the mined areas in the Narragansett or from ore developed below the level of the lower tunnel, i.e., from winzes. I also believe that new and hitherto undiscovered ore bodies will also be found in this lower tunnel.

Since there is no developed ore in the mine, it is difficult to estimate the grade of ore that should be produced by this mine. Attached to the original application, is a letter from Hawley & Hawley, to the applicant and they state that the ore shipped in the past averaged about 10% copper. An average of my

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seven samples ran 0.02 oz. of gold, 1.20 oz. of silver, 5.72% copper and 2.62% zinc. On this basis, there would be no payment for the gold content and no penalty for the zinc, if the ore is shipped to the Hayden Smelter.

Estimated emelter payment :-

Fixed charges for marketing ore

Smelter base rate . . . \$3.50 Trucking to Railroad, 22 miles - mine to Vail, Ariz. 2.00 Freight - Vail to Smelter 1.40 Royalty 10% on \$10.28 . . 1.03

Estimated not profit on ore at mine bin before deductions for mining cost, taxes, interest, etc. 7.25

While the above figures are based only upon a very meagre sampling of the ore, they indicate that this grade of ore can be mined and marketed at a profit, as the mining costs should not exceed \$5.00 per ton. Past production records indicate that the ore previously mind on the Marragansett property ran about 10% in copper.

7. MAISTING DEVELOPMENT

The applicant informed me that he has spent about \$4,500.00 in each on this property and this does not include the following equipment, already owned by applicant:-

- 1 210 cu.ft. Ingersol-Rand compressor with engine;
- 1 4'x8' air receiver
- 1 200 gal. water storage tank
- 1 100 gal. pressure tank
- 2 tram cars
- 2 drifters
- 2 jackharmers
- 550° double 84 lb. rails
- 550' 2" air pipe
- 550' 1" water pipe
- Miscellaneous tools, hoses, etc.

At the present time, there are two shifts working with two men, a miner and a helper on each shift. In two shifts,

- 5 -

the applicant states he advances the tunnel 4' if no timbering is necessary and so far, only a few sets of timber have been needed. Applicant estimates the cost of the tunnel has been \$14.00 per foot, as there is no overhead chargeable to this operation. At the time of my visit, the applicant had advanced the lower tunnel 180' and all work has been well done, except for the fact the applicant made a mistake in calculating the strike of the Marragensett ore body and hence, was driving his tunnel in the wrong direction.

8. PROPOSED DEVELOPMENT

As shown by the attached letter to the applicant from this Engineer, the amount of the loan requested has been reduced from \$20,000.00 to \$15,000.00 and this lesser loan will be spent in the following manner:-

At the present time, there is no ore bin on the property and since it is expected that most of the proposed new tunnel will be in the form of drifts along ore bodies now exposed in the mine, this ore bin will be necessary almost immediately to handle ore produced from development work.

There are no living accommodations now at the mine and in order to out down on traveling time to and from work, the applicant feels that a small bunk house is necessary.

At the present time, the applicant is contracting for the hauling of supplies to the mine but since this is a costly and often slow process, he wishes to purchase a used truck to haul in his own supplies.

Since there is no definite ore body developed in the lower tunnel a precise development program can not be projected at the time. Instead I believe that at the time a loan is granted, a Reconstruction Finance Corp.Engineer should again visit the property in order to inspect the new developments since my last visit and at that time a definite program should be formulated. Meanwhile I have estimated that 400° of tunnel should be sufficient to adequately expose the expected ore bodies in the lower tunnel.

Aside from the stoper and truck, no new equipment should be necessary and no increase in the number of men is contemplated until actual stoping operations begin.

9. OBJECTIONS TO FROJECT

The chief objections to this project are the terms of the applicant's lease as already discussed, but he informs me that this can be altered.

A second objection might be the fact that there are no definite ore shoots now exposed in the lower tunnel, so we can not consider that the mine now contains any positive ore.

10. TIME SCHEDULE

Within four months all of the tunnel development (400') should be completed and the stoping of ore should commence within a month thereafter. Hence, we can consider that the mine could be able to start steady shipping within six months after a loan is granted.

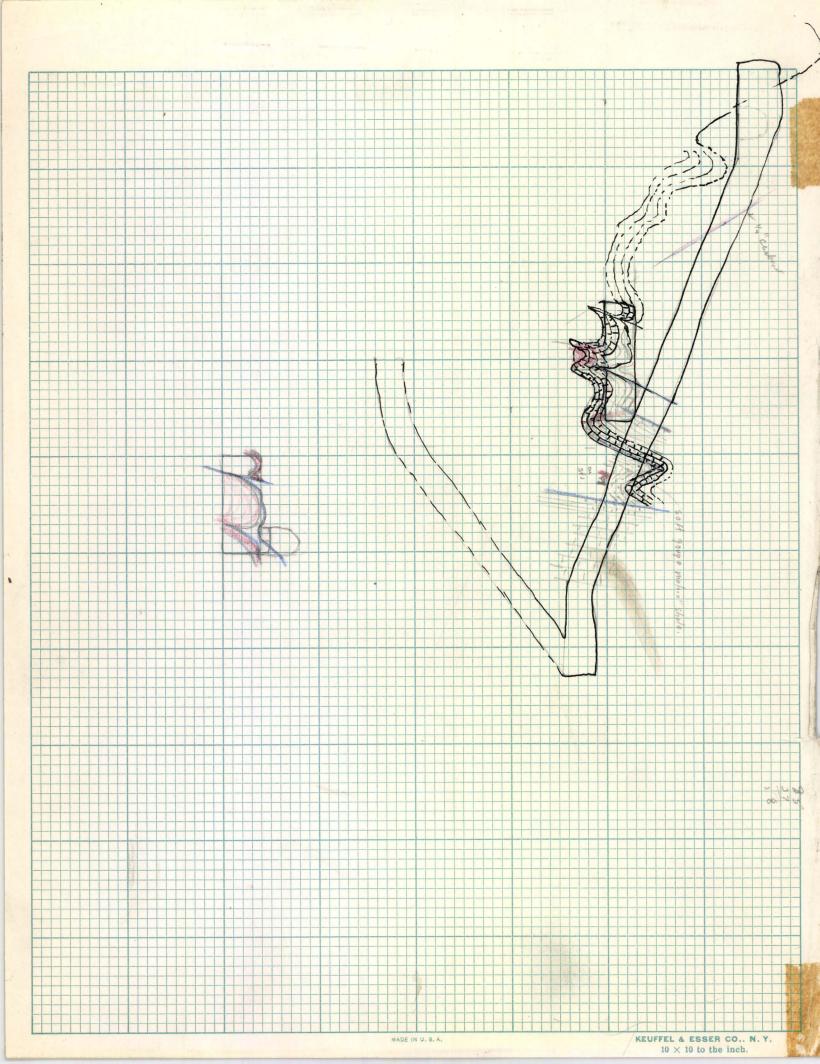
At this point, I might make a suggestion that while I recommend a loan of \$15,000.00, I believe that the first \$10,000.00 should be spent in tunneling operations in order to develop a substantial tonnage of ore and the remaining \$5,000.00 would only be spent if sufficient ore is developed.

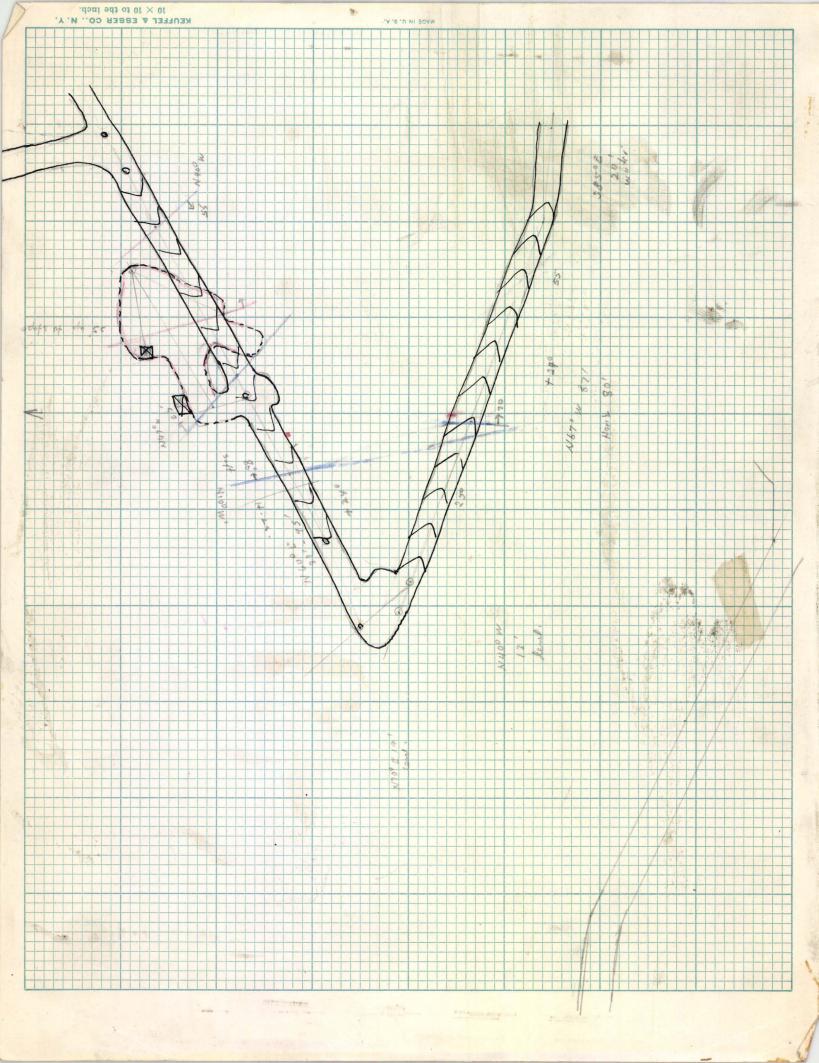
11. COMMENTS OF SUPERVISING ENGINEER

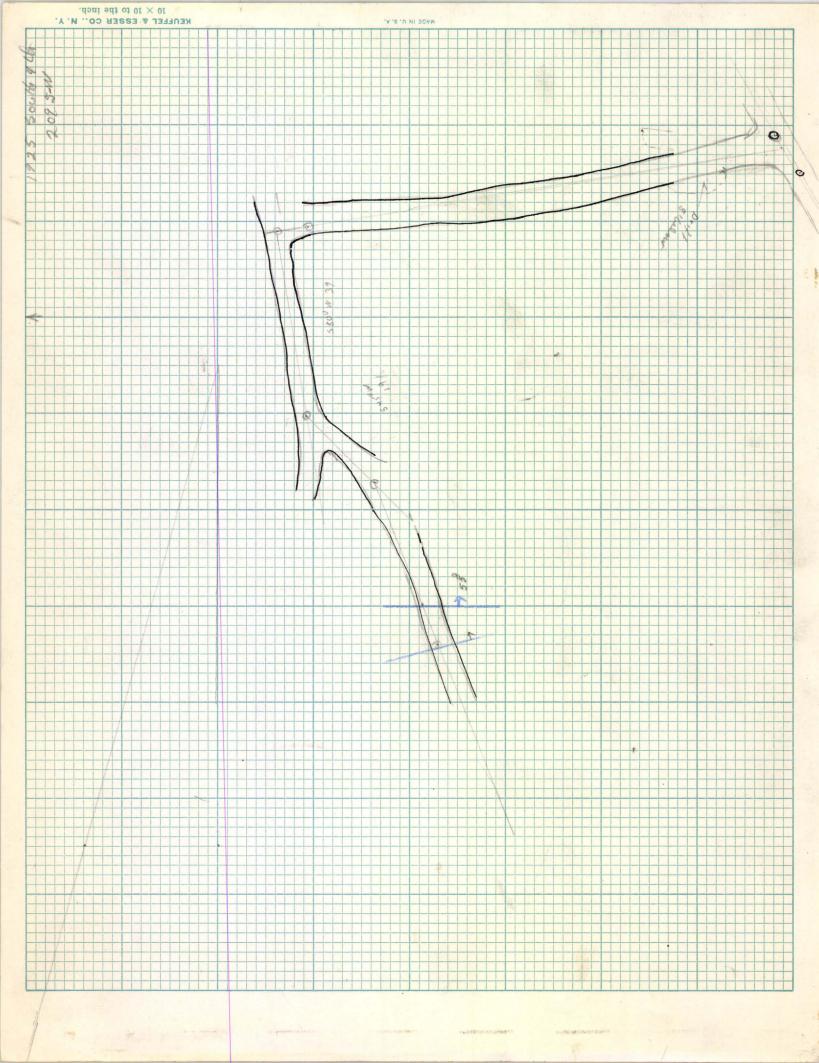
I recommend that a loan be granted this applicant for the following reasons:

- A. No additional men would be required for this project.
- B. Practically no new equipment would be purchased.
- C. The applicant is now conducting a well managed and efficient operation with his own funds and seems capable of supervising this mine under a loan.
- D. The mine is located in a productive area and has, itself, produced a large tonnage of high grade copper ore.
- E. The geology of the property appears favorable for the development of a number of large lenses of copper ore.
- F. While this ore is not high in silica (30%), it can be readily smelted so no mill would be necessary.
- G. The assays taken by this Engineer indicate the presence of shipping ore that should show a profit at present prices.

WM. B. MAITLAND Supervising Engineer



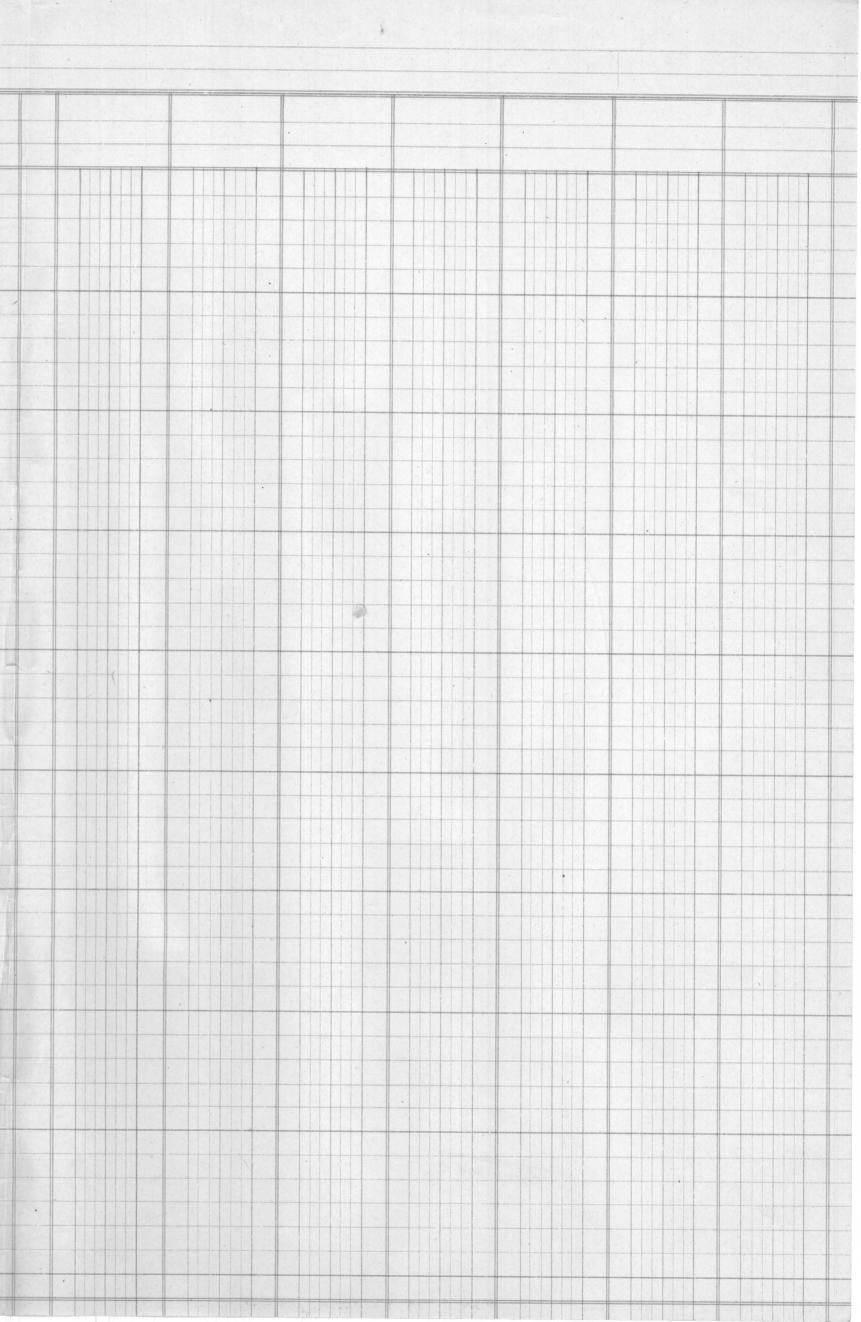




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RECONSTRUCTION FINANCE CORPORATION MINING DIVISION PROGRESS REPORT OF SUPERVISING ENGINEER

Borrower:	Fred A. Bennett
Docket No.:	ND-5507
Date of Visit:	June 19, 1945
Date of Report:	June 28, 1945

I made a cursory examination of Borrower's property on June 19, 1945, at his request regarding diamond drilling for extension of ore body. As you know, Borrower has a loan of \$12,000.00 and has repaid \$9,000.00. Also Borrower has \$6,888.04 in bank with a note coming due July 1, 1945. The procedure to do was to ask the Borrower to pay the outstanding note and take the remaining money and do what he wished - namely, to diamond drill. This I did and he may repay the note sometime in July.

However, the Borrower told me he borrowed the money to develop the mine and would like to use one thousand or more for drilling. If he paid off the note, there would not be enough, in his estimation, to drill and carry his labor costs by the time he got out more ore. He has notshipments for June at the mill or elsewhere.

The Borrower has been very economical with his loan and you may have noticed he has not taken any salary or other compensation for himself.

I am of the opinion that diamond drilling will be of no value except in certain areas and that the best way to develop is by drifting and raising.

My idea of the ore occurrence differs from that held by Mr. Maitland and the Borrower but only a thorough mapping of the old stopes will uphold that idea. I visited this property for a few hours with Mr. Maitland last summer and was able to see ore replacing a certain limestone bed that was intricately folded. This time when I examined the property, I wanted to map the stopes which have never been mapped but felt that possibly the time was not warranted. However, I did map the new work which is shown on Mr. Maitland's map made July 12, 1944. This new work consisted of two connected incline winzes which the Borrower has done. In going down the first winze the Borrower struck the extension of the old stopes, which he had hoped to strike and the rich copper ore which he has been sending to the Eagle-Ficher mill south of Tucson came from this stope. Borrower has mined out most of this ore but has ore faces going down which he has tried to cut by getting under with his winze.

I am of the opinion the Borrower has gone under the ore but Mr. Bennett does not think so. He believes he is over the ore.

I have made a section (see map) taken parallel to the winze through the stope. I am still certain the ore is associated with a limestone bed and the reason some stopes were higher and lower than others in the old workings is because of the different altitudes of this bed. The area of mineralization no doubt is in a syncline and it will be difficult to develop by diamond drilling other than short holes. The Borrower's property is attractive for development of additional ore.

The Borrower is going to Los Angeles, California, this week and will drop in at the Federal Reserve Bank to determine the interest on his remaining note provided he decides to pay off. Fred A. Bennett Docket No. ND-5507 Progress Report June 28, 1945

. .

Should the Borrower decide not to pay off but use some of the money for drilling, will it be permissible?

CHARLES A. RASOR Supervising Engineer

CAR: gmk

Attachments: Maps

-

RECONSTRUCTION FINANCE CORPORATION

MINING DIVISION

PROGRESS REPORT OF SUPERVISING ENGINEER

Docket No. ND-5507 Fred A. Bennett April 12, 1944

On March 31, 1944, I examined the above project in order to determine the progress being made.

The applicant has completed his crosscut to the Marragansett mine workings and is stoping lead ore discovered while driving this adit. Under loan funds the applicant has completed 645 feet of tunnel. This is more than was originally planned as the applicant did not follow a straight line in driving the tunnel. He also completed 100 feet of ventilation raise and has shipped 118 tons of complex gold, silver, copper, lead, sine ore. Of the two loans totalling \$12,000 the applicant had a balance of \$5032.46 on April 1, 1944. This balance includes the returns on two ore shipments made under the loan. These shipments were as follows:

Lot No.	Dry Tons	Oz Au	Oz Ag	% Cu	% PD	% 2n	Net Mill Returns Less mil ing, fre royalty		Total Net Returns	
2	50.013	0.035	3.35	1.26	9.15	14.00	497.47	567.78	1065.25	
8	68.210	0.025	3.12	2.08	14.30	17.95	965.67	1103.00	2068.67	
	118,223			a a de la companya de	•		1463.14	1670.78	3133.92	

Total net value per ton \$26.50 before mining and trucking cost.

The applicant now has about 30 tons of complex ore in the bin and is going ahead with further mining operations. It must be remembered that this lead zinc ore was not the original objective of the loan but was ore discovered while driving toward the copper bearing horizon.

The applicant has purchased and owns in fee simple the Narragansett claims and these claims are not covered by our loan altho I recommended that they should be in my original report. There are three men sorting the Narragansett dump and the applicant has a special copper premium for the dump ore. Mr. Bennett informed me that this work on the dump was not being paid out of loan funds. I can anticipate some confusion when the applicant starts mining his own ore on the Narragansett claims thru the crossout financed by this Corporation.

Attached to this report is a sketch map of the lead sinc stope.

WILLIAM B. MAITLAND Supervising Engineer RECONSTRUCTION FINANCE CORPORATION

FROGRESS REPORT

Re: Docket No. ND-5507 . Fred A. Bennett

TULLLY, ASST. CRIEF, MINING SECTION, RFC, WASHINGTON, D.C. Oct. 13, 1943

On October 9th I visited this project in order in inspect the new work accomplished. Mr. Bennett has advanced the main tunnel, since my last visit, 115 feet, and has completed 48 feet of inclined raise towards the surface for ventilation of the main tunnel. He has approximately 250 feet to go in the main crossout before he reaches the Marragansett vein, and about 50 feet to go in the raise until he reaches the surface.

Before the loan funds were granted the applicant shipped to the Shattuck-Denn Custom Mill at Bisbee 64.6 dry tons of ore, which assayed as follows:

au	0.035
ag	4.00
ou	1.27
pb	12.85
zn	15.50

This first carload of ore with the regular premium netted the shipper before deduction for mining costs \$1,548.63. He is now installing a small tugger hoist in order to underhand stope additional ore of this type from the stope found in the main tunnel, and he expects another carload shipment of ore. It must be remembered that this is not the ore shoot the applicant is attempting to open up with the main crosscut, but is a small shoot of complex ore hitherto unknown by the old operators of the kind. He has completed a small ore bin on the surface and is now employing four men.

Work is progressing satisfactorily on this project, and of the original \$6,000 granted him he has a balance of \$3,958.74 left. Unless the applicant encounters considerable amounts of shipping ore, the small loan already granted will not complete the project as originally planned in spite of the fact that the applicant's costs for drifting are low and he is not wasting any money.

> WILLIAM B. MAITLAND Supervising Engineer

whm/b

Phoenix, Arizona 325 Heard Building July 15, 1944

TULLY - Ass't Chief Mining Division - RPC - Washington, D. C.

Re: Fred Bennett - Docket No. ND-5507

On July 2nd I visited this project to assist the applicant in his development work. Unfortunately I did not find Mr. Bennett there, but found that he was doing his development work in the wrong direction.

In regard to the sulphide orebody encountered in the Daylight adit it was apparent that he has now exhausted all of the available ore in the winze stope and, as shown by the attached map, I have suggested that he drift to the southwest on the adit level along the strike of the orebody found below as I believe that he will pick up additional lenses of high grade ore in this direction and this drifting will be much cheaper than his present winze method.

In regard to the Marragansett orebody I found the applicant as shown by the attached map is driving to the west and to the south on the adit level and also raising above this level. All of the work in my opinion will be fruitless as it is very apparent that the ore occurs along the syncline plunging to the south and therefore new ore in this mine should be found to the south and below the adit level.

I have instructed the applicant by letter to stop his present method of development and start a winze to the south. He is doing a good job of actual mining and I believe that if he follows the advice given he will develop some very good orebodies in the future.

> Nm. B. Maitland Supervising Engineer

WBM/b

325 Heard Bldg. Phoenix, Arizona April 3, 1944

Dr. B. S. Butler Head, Dept of Geology University of Arizona Tucson, Arizona

Re: Fred A. Bennett Docket No. ND-5507

Dear Dr. Butler:

I was disappointed in not seeing you on my return trip to Phoenix, as I wanted to discuss some matters with you. One matter pertains to the work done by the Geological Survey in the Rosemont District.

On Friday, March 31, 1944, I accompanied Mr. W. B. Maitland, Supervising Engineer, from this office, on an inspection trip to the Daylight and Narragansett Mines. As you may know, the above captioned individual is working the Daylight mine under a loan from the Reconstruction Finance Corporation and that the principal work under this project was the driving of a tunnel to connect with the lower stopes of the Narragansett Mine. At the time of our visit a small connection had been made, thus revealing the structure of the sedimentary rocks. It appears that the structure is at variance with that projected by the Geological Survey.

Mr. Maitland understood that the Survey intended to return to this project and complete the work when the tunnel was completed.

I would appreciate your interest in visiting this property to confirm our observation and suggesting that the work be completed. We are not in a position to map the geology, but it does appear that the economic possibilities are connected with the structural features. The policy of the Survey in mapping certain areas in detail would be applicable here and of considerable help to Mr. Bennett.

When I am again in the vicinity I shall drop in to see you. Give my personal regards to Mrs. Butler.

Sincerely

CHARLES A. RASOR Supervising Engineer

CAR: EP

MMS

325 Heard Building Phoenix, Arizona July 29, 1943

> In re: Fred Bennett ND - 5507

D M Rait, Chief Mining Section, RFC - Washington, D C

Attached herewith are three letters and the amended contract of the above captioned docket. The correspondence has to do with the subordination of the cash payments of this property, and while it will be necessary to advertise this amendment for two weeks before formal approval can be obtained from the Court, I am sending you these data in the hope that you will find it sufficient to meet the requirements of the RFC in order that disbursement under this loan may be granted without waiting for the formal consummation of the subordination.

The applicant is now developing his property under his own funds and has recently shipped a car of copper-lead-zinc ore to a custom mill and it is contemplated that he will be able to ship another car very shortly. I have recently made a geological survey of the mine and will forward examination as soon as the maps are completed.

The present progress of the applicant under his own funds is slow, due to insufficient financing, but it is my opinion that as soon as the loan is granted he will be able to proceed much more rapidly and soon be on a permanent shipping basis.

Encs-4 1 letter Morris & WM. B. MAITLAND Supervising Engineer

- Malott to Maitland
- 1 letter- Maitland to Morris & Mallott (copy)
- 1 letter John G. Greenburgh to Maitland (for Estate of Adolph Lewisohn)
- 1-cc Amendment to Lease and Option.

WBM-b

RECONSTRUCTION FINANCE CORPORATION MINING DIVISION PROGRESS REPORT OF SUPERVISING ENGINEER

Docket No. ND 5507 Fred Bennett

On June 14, 1943, a \$6000 loan was approved for this project, altho as yet funds have not been disbursed. The applicant had originally requested a \$12,000 loan to drive a crossout to a known ore body.

In order to determine the best direction in which to drive this tunnel, I visited the property on July 20, 31, 1943, and mapped the underground workings and geology and surveyed all of the small old workings above the applicant's crossout. The surface geology has already been mapped by the U.S.G.S. Copies of my map are enclosed herewith.

Before the loan was granted, and with private funds, the applicant had advanced his tunnel 125 feet by the time of my visit. He also had just shipped a car of lead, copper, zinc ore to a custom mill. Cost of handling this ore was high as the applicant had no ore bin so was forced to handle the ore three times before it could be loaded on the truck. I took a sample (No. 27) across three feet in the bottom of the underhand stope from which the ore was obtained and this sample ran \$1.40 in gold, 5.60 oz of silver, 1% copper, 13.67% lead and 11.95% zinc. The face of the crosscut was again in low grade lead, zinc sulfide ore and it is my opinion that a series of lead, zinc copper lenses will be cut before the tunnel reaches the objective which is the contect when which the old the objective which is the contact upon which the old Narragansett Mine is located. The applicant intends to turn his tunnel more to the west in order to reach as soon as possible the contact between the Snyder Hill and Naco formations. The tunnel has already out a number of interesting mineralized zones upon which the applicant intends to do further development but because of poor ventilation he wishes to make connection with the old Narragansett workings as soon as possible and then come back to explore these other ore bodies.

> WM. B. MAITLAND Supervising Engineer

385 Heard Building Phoenix, Arizona

Mr. Fred A. Bennett P. O. Box 93 Tucson, Arizona

Dear Mr. Bennett:

Re: Docket No. ND-5507

I have not heard from you since my last letter and I am wondering if you wrote to Washington in regard to the reduction on the loan on your property as we did not receive a copy of this letter.

If you have not written, and it meets with your approval, I suggest that it might be advisable to accept a loan of \$6,000.00 and do as much work as possible with this money and after the money has been spent, we will attempt to obtain for you an additional loan, if necessary, to complete the project. However, this is entirely up to you and I would like to know definitely what action you intend to take as I would like to pay you a visit before you start the project under loan funds. It is possible that I will be able to come down next week if you believe it advisable to accept the small loan.

I have the U.S.G.S. Report on your property and we can survey and map the geology that is not covered by their work and I think you will find that the \$6,000 will enable you to expose a considerable amount of ore which would, in turn, justify additional funds with which to build an ore bin, bunk-house, buy a truck, etc., etc.

In any event, please let me hear from you as soon as possible, as I understand that the loan funds are now available if you care to use them and make out the necessary papers.

Sincerely yours,

WM. B. MAITLAND Supervising Engineer

WEM:MJ

Morris & Malott

ND-5507

be in effect only until the loan is paid off, or until the RFC no longer has any interest in the property.

8

I was well pleased with the progress being made by Mr. Bennett as he had just completed shipping a carload of ore from the mine, and I believe his chances of developing further ore very good, and therefore I would appreciate any help you could give him in expediting the subordination suggested by him.

Very truly yours,

WM. B. MAITLAND Supervising Engineer

WBM-b

Mrs Jil

325 Heard Building Phoenix, Arizona July 26, 1943

Morris & Malott Attorneys at law Globe, Arizona

Re: Fred Bennett- Rosemont Lease Docket No. ND-5507

Gentlemen:

I have recently visited the Rosemont lease being operated by Mr. Fred A. Bennett, and he has turned over to me a letter from Mr. John G. Greenburgh of the Estate of Adolph Lewischn.

As you probably know, the RFC has requested Mr. Bennett to obtain a subordination of the \$10,000 annual payments before he can obtain hoan funds to develop the mine. It is one of the requirements of the RFC that loan funds cannot be used to make cash payments on a property. The letter from Mr. Greenburgh states that the Estate is willing to subordinate these payments provided that it meets with the approval of their attorneys.

I understand that it will take some weeks in order to have this approval put through the proper legal channels in New York, so it is our hope that in order to expedite the work of Mr. Bennett on the mine, that the RFC will allow him to start work with loan funds on the strength of the letter from Mr. Greenburgh and such approval from you as you would care to make, or a statement from you that you will offer no objections to such a subordination.

It is clearly understood by Mr. Bennett and this office that such a subordination applies only to cash payments and does not in any way affect payment of royalty from all ore produced from the mine, and that such subordination would not alter in any way the terms of the lease covering work requirements or methods of payments of any royalties, and it would not affect the title to the property. Such a subordination also would 325 Heard Building Phoenix, Arizona

June 23, 1943

Tully - Ass't Chief - Mining Section - Washington Re: Fred A. Bennett - Docket No. ND-5507

Dear Charles:

Mr. Bennett received word that he had been allowed a \$6,000.00 loan on his copper mine in Pima County and immediately came to Phoenix with the statement he could not do anything with the money unless he was allowed additional preliminary and capital expense. I discussed this fully with Mr. Bennett and advised him to apply for a reconsideration, which I understand he will do. I have asked Mr. Maitland to cover the subject in support of Mr. Bennett, for we both agree that the loan, at least in the form set up by the Engineer Examiner, is inadequate. The purpose is to drive a tunnel to a specific point and Mr. Maitland outlines what is necessary to accomplish this purpose and gives his reasons, giving due consideration to the conditions peculiar to this particular project.

My suggestion would be that if you agree with our contention, you permit us to use some of the \$6,000.00 already approved for a truck, ore bin and for insurance deposits, etc. With the balance, we would drive the tunnel and very shortly have the applicant apply for a further loan of \$6,000.00, or such larger amount as the appearance of things at that time justifies.

I do not think the Borrower will accept the \$6,000.00 as it is now set up. He has no knowledge of the above suggestion I am making.

> W. B. GOHRING Supervising Engineer

WBG:MJ

325 Heard Building Phoenix, Arizona

June 22,1943

Mr. Fred A. Bennett P. O. Box 93 Tucson, Arizona

Dear Mr. Bennett:

We have been advised that a loan of \$6,000.00 has been granted you instead of the \$15,000.00 applied for. As you remember at the time of my visit to the mine, we decided that your original \$20,000.00 application should be cut to \$15,000.00 and on that basis we outlined a definite development program.

If the new loan of \$6,000.00 does not appear sufficient to properly develop your mine, I suggest you write Washington and so inform them. As you remember, we agreed upon the following expenditures:

Bunkhouse	•	•	\$1,000.00	
Stoper and truck				
100 ton ore bin and 200' of road				
Tunneling 400' @ \$15.00 per ft			6.000.00	
Stope preparation, timbering, etc.				
Insurance, freight, contingencies			Contraction of the second s	

Total . . . \$15,000.00

Of these expenditures, only the \$6,000.00 item has been allowed. If you think it at all possible, I believe we could eliminate the expenditure for the bunkhouse and not include stope preparation under this loan, so the \$3,500.00 might be reduced to \$1,500.00, thus cutting the amount of the loan down to \$12,000.00 with the understanding that it would be perhaps necessary to apply for a further loan before large scale stoping operations could be instigated. You stated that a truck would be absolutely necessary to haul supplies to the mine and the stoper was needed to drive short raises to explore for

ore above the tunnel.

Since you intend to do as much of your development work as possible in ore, I think an ore bin is a matter Mr. Fred A. Bennett Page No. 2

3

June 22, 1943

of necessity and economy in order to save the expense of rehandling the ore and to allow you to ship development ore and thus cut expenses. Naturally, the bin is uscless without a road connecting it to the existing road.

You stated that the \$15.00 per foot cost included only direct labor and supplies and since you anticipate that heavy ground may be encountered an estimate of \$1,500.00 for timbering and vertical exploration does not seem out of line. You considered a \$2,000.00 reserve for compensation insurance, payroll taxes, repairs to equipment and incidental expense a necessary demand when we discussed the project and I assume you still hold this view. Therefore, it would appear to me that the \$6,000.00 loan granted would not be sufficient to reach your objective and that a minimum of \$12,000.00 would be necessary for this development project.

If the above analysis still meets with your approval, I suggest that you write Washington your ideas on this matter, not quoting the wording of this letter, but merely analyzing the situation in your own way and requesting a re-consideration of a \$12,000.00 Loan as being necessary. I intend to also write the Washington Office as to my views which were identical to yours when we examined the mine and these views are embodied in this letter.

If you believe the loan as granted is sufficient, please inform me at once, but in any event, I would be glad to have you send me a copy of your correspondence.

Sincerely yours.

WM. B. MAITLAND Supervising Engineer

WEM:MJ

325 Heard Building. Phoenix, Arizona

June 22, 1943

Tully - Ass't Chief - Mining Section - Washington Re: Docket No. ND-5507 - Fred A. Bennett

The applicant, Mr. Bennett, visited this office after he had received word from Washington that his application for a loan of \$15,000.00 had been reduced to \$6,000.00. He informed us that he did not see how he could operate the property under a \$6,000.00 Loan, as he could not reach his objective with this small amount of money and in such a case, a second loan would be necessary within a very few months after the first one was granted. The applicant is also faced with a trip to New York in order to see the owners of the mine and obtain the necessary subordination of cash payments called for in his lease. If \$6,000.00 is all that will be granted his project, he did not think this trip to New York was justified, especially since he has personally spent nearly \$5,000,00 on the property. He is very anxious to obtain adequate Government financing in order to speed up the production of copper from this mine.

As covered in my first report on the property, the applicant is driving a 400' tunnel in order to intersect a high grade copper ore body formerly worked by winzes from an upper tunnel. His tunnel work to date has already intersected a number of good lenses of copper and zinc ore and other such ore bodies are to be expected in the future workings.

Following is the schedule of expenditures agreed upon by Mr. Bennett and myself, after an inspection of the property. The original application called for \$20,000.00, but after paring all items to the bone, we both agreed that \$15,000 would be the minimum necessary. Also shown is the amount considered necessary by the Engineer Examiner.

TEL

Expenditures	Supervising Engineer	Engineer Examiner
Bunkhouse Stoper & truck 100 ton ore bin & 200' of road Tunneling 400' @ \$15.00 per ft. Stope preparation, timbering, etc. Insurance, freight, contingencies	<pre>\$ 1,000.00 1,000.00 1,500.00 6,000.00 3,500.00 2,000.00</pre>	\$
Totals	\$ 15,000.00	\$ 6,000,00

Tully - Ass't Chief Page No. 2

The men are now living at a considerable distance from the mine and in crowded and unsanitary quarters. Since labor is scarce and very temperamental during these times, the applicant considered it necessary to provide adequate housing for his employees in order to keep them on the job. However, it is possible to eliminate this expenditure if the applicant is willing to risk the closure of the mine by labor troubles.

At the present time, the applicant is hiring a truck to bring in all small supplies such as dynamite, drill steel, rails, pipes, etc. This is a costly and slow procedure, as the truck crew is often delayed in waiting for delivery of supplies. The mine is located forty-one (41) miles from Tucson, the nearest source of supplies so I do not see how an economic operation can be carried on here without some sort of a cheap truck. The item of a stoper was considered as necessary and labor-saving. It must be remembered that the ore in this deposit occurs as irregular lenses in limestone. In many cases, the drift will pass just under one of these lenses so that only the back of the drift will be in ore. It would seem good mining practice to drive a short raise up into such an ore body to determine its value, otherwise a rich lense of high grade chalcocite ore could be missed. Under present high labor costs, it is indeed expensive to drill even a short raise with jackhammers or drifters.

The applicant now has about 20 tons of ore piled on the dump and since some of the future tunneling work should be in ore, it is expected that considerable ore will be produced from development work. Since the tunnel portal is located in a canyon, there is no place to safely dump the ore and in any event, extra expense will be incurred later in loading this ore onto a truck. It was planned to ship all ore obtained from development work in order to bulk sample the mine and obtain additional revenue. The present road does not reach the tunnel portal, so all supplies must be packed in the remaining distance and of course, no ore can be shipped at all without a road.

The cost of \$15.00 per foot is the applicant's actual cost for labor and supplies and does not include compensation insurance, payroll taxes and freight on supplies. Also, the longer the tunnel, the greater the cost so for these reasons, it was thought necessary to include Item No. 6 for \$2,000.00. If this is not included in the loan, it will be Tully - Ass't Chief Page No. 2

June 22, 1943

necessary to reduce the amount of tunnel footage as \$6,000.00 will not cover all the expenses of driving the tunnel 400'. It must be remembered we are driving this tunnel to intersect a known ore body and if the proper distance is not reached, the purpose of the loan is defeated.

The expenditure of \$3,500.00 for stope preparation and timbering was thought necessary, as it is expected that the drift will pass through heavy ground that will require timbers. The \$15.00 per foot obviously does not include timbering. Also, the \$3,500.00 was to be used in part to drive short exploratory raises above the main tunnel so at least \$1,500.00 of this \$3,500.00 will be necessary if the tunnel reaches its objective. It is possible to reduce this item by \$2,000.00 if no stope preparation is done, but at least \$1,500.00 will be necessary to insure a reserve for timbering and vertical development.

Therefore, it is possible to reduce this original \$15,000.00 Loan to \$12,000.00 as above outlined, but in that event, it is highly probable that a future loan will be necessary before this project can become a shipper.

It is my opinion that a \$6,000.00 will not do sufficient development work on this project to disclose enough new information as to ore reserves upon which to base a request for additional financing which will surely be necessary before this project can obtain its objective.

> WM. B. MAITLAND Supervising Engineer

WBM:MJ

RECONSTRUCTION FINANCE CORPORATION

MINING SECTION

REPORT OF SUPERVISING ENGINEER

Docket No. ND-5507 - - - - Fred A. Bennett Date authorization for examination received - - May 5, 1943 Date of Examination, incl. - - May 15, 1943 Date of Report - - - - - May 28,1943

1. NAME AND ADDRESS OF APPLICANT

' FRED A. BENNETT P.O. Box 93 Tueson, Arizona

Correspondent: Same

2. CHARACTER OF PROJECT

Entransien the

To develop by means of a lower tunnel the probable extension at depth and laterally of a rich copper ore body that was profitably worked during the last World War.

(Daylight and Narragansett Mines) 3. LOCATION OF MINE

Township, range Section - About T18 S, R. 16 E. G. & S.R. B. & M.

County and State: Pima County, Arizona Name and distance by road to the nearest railway station: Vail, a siding on the Southern Pacific Railroad, is

22 miles by road north of the mine. Condition and seasonal accessibility of road from mine to Railroad: This road, with the exception of the last five (5) miles nearest the mine, is a well graded dirt road accessible at all times of the year. This last five (5) mile section is unimproved dirt road that would be accessible through the year. except after infrequent rain storms. This road would probably be improved by the county after shipping from the mine started.

4. APPLICANT

The applicant, Mr. Fred A. Bennett, is about 73 years old, but is extremely active and intelligent. He has been mining for the last 20 years and is now operating a successful manganese mine near Globe, Arizona. Prior to that he operated a gold mine in Arizona. He is not technically trained, but is very practical and is apparently a good operator. I believe he is capable to operate this project and he now has employed at this project a good crew of four miners.

5. LOAN REQUESTED

The original application calls for a loan of \$20,000.00, but after my examination of the property, the applicant agreed that \$15,000.00 would be sufficient as shown by the letter of May 19, 1943, attached to this report.

6. DESCRIPTION OF PROJECT

A. Legal Considerations

A copy of the applicant's lease is attached to the accompanying application. The lease calls for 120 shifts per month, a 10% royalty, and a minimum royalty of \$10,000.00 per year (first payment due December 23, 1943). The claim owners do not guarantee delivery of a good and merchantable title under their lease, and the lease contains an option to purchase within five (5) years for the sum of \$50,000.00, less royalties previously paid.

I have pointed out to the applicant that I felt certain that the Reconstruction Finance Corporation would demand a subordination of the \$10,000.00 per year minimum royalty payments to a Reconstruction Finance Corporation Loan. He informed me that a trip to New York would be necessary to obtain such a subordination and he felt confident he could obtain this concession but he did not wish to make this trip unless a loan was approved by Washington, subject to a lease modification.

The three (3) patented claims comprising the Daylight Mine" and covered by the attached lease, are owned by the Lewissohn Family (Miami Copper Co.) and they have refused to lease these claims in the past as they wished only to sell. It took the applicant many months to negotiate the present contract.

The applicant also holds a lease on the adjoining "Narragansett Mine" which produced several million pounds of copper during the last World War and the ore bodies on the Narragansett Mine extend over into the "Daylight Mine" as shown by the attached map. While the applicant intends to now work ore found only on the Daylight Claim, it is possible that work in the future might be done on the Marragansett Mine, so I believe that this lease should also be included in this loan as a protection to the Reconstruction Finance Corporation.

B. Published data on property:

The Mines Handbook for 1922 published the following data on the Narragansett Copper Co.:-

W. R. Ramsdell, President

Gross Earnings in 1918 were \$265,665.00 Production in 1918 was 13,248 tons shipped, which averaged 7.01% Copper and 1.15 oz. silver.

Production from 1915 to 1918, inclusive, was 34,331 tons shipped with a net emelter of \$835,860.00.

Development by tunnel with 3,000' of workings to a depth of 450', said to have exposed 80,000 tons containing 2-1/2-4% copper, including ore on dumps.

Production in 1917 was 1,611,429 lbs. of copper

- 2 -

Shipments continued through out 1919. In August, 1919, Albert Steinfeld & Company of Tucson, Arizona, recovered a judgment of \$330,000.00 (plus interest) against the Narragansett Copper Company.

In the U.S.G.S. Bulletin No. 582, by Frank C. Schrader, (1915), we find the following information:-

"Rosemont Camp - General Features

"These properties are chiefly in the Paleczoic limestone, which is, in places, highly garnetiferous and epidotized and which in the middle slope of the range, passes beneath Mesozoic sediments of wide extent. The limestone is, in general, much faulted and crushed, and the fault planes and structure dip steeply to the south. It is locally intruded by the Mesozoic granular rocks, some of which are heavily impregnated with pyrite, cupriferous pyrite and chalcopyrite.

"Narragansett Claim

"The Narragansett Claim is located near the crest of the range at an elevation of 5,500 to 5,000' and joins the Bolipse group on the East. It is owned by J. K. Brown who discovered it in the late seventies. It is in limestone which is mostly crushed and altered and is opened near the center of the claim by several minclined shafts, tunnels and winzes to a depth of nearly 300'. The main incline, which is 125' deep, dips 40° S.W. It is on a 20' ore bed found on a fault plane and is in ore all the way down. The ore bed seems to be a mass of crushed and altered limestone impregnated with copper carbonates and iron oxides. It is locally parallel banded. The ore on the dump contains large boulders of iron ore and of copper glance coated with iron oxide."

C. Geology and Ore Deposits

Bridfly, the mine is located in metamorphosed sediments intruded and underlain by a granitic batholith. The sediments have suffered considerable displacements by small, over-thrust faults parallel to the contact of the intrusives with the sediments. The ore occurs as replacement bodies in limestone and it usually follows definite garnet bands along the bedding of the limestone or along pre-mineral fault zones. There are no definite veins yet developed.

The ore minerals consist of copper carbonates and silicates with some sulphides of copper and zinc. The sphalerite occurs as separate masses in the copper ore, so I believe it could be easily picked out to avoid a penalty at the smelter. This process was used at the old mine because one can find many piles of zinc ore on the old waste dumps.

The location of the mine in reference to other good mines in the district and in relation to the underlying granitic batholith, seems favorable for a large deposit of copper ore. Also, the surface of the claims over the proposed tunnel is dotted with old workings that contain small but apparently rich lenses of ore in the limestone.

My sampling as shown on the attached assay sheet and map does not show any blocked out or positive ore, but in

- 3 -

the lower tunnel, the applicant has already cut two small copper ore bodies. One of these ore bodies (No. 5) sampled across 18", 6.25% Copper and 6.45% Zinc and the other (No. 6) sampled 8.40% Copper and no Zinc across a width of 2".

Sample No. 6 was taken in a definite fissure vein between a silicified garnet rock footwall and a limestone hanging wall. This vein strikes east and west and dips d0° south and unless a better looking ore body is found in future work of driving this tunnel ahead, I believe that this vein should be followed west as it is in this direction that the old workings of the Narragansett Mine are found. The applicant is now actually driving his tunnel parallel to and in the footwall of the Marragansett ore body. I have told him of his mistake and he now intends to swing the tunnel to the west at the present face. The face of this tunnel is now in limestone that is well stained with copper and it is now passing through a much better mineralized country rock than the first part of the tunnel.

In the old workings of the Marragansett Mine, it is difficult to obtain adequate samples. On this property a long adit was driven into this ore body, but it was found that most of the ore lay below this level. Hence, small crocked winzes were sunk from the adit level and the ore mined from these winzes. Many of the stopes were filled and some of them are caved, so only a few pillars could be sampled. It was not possible to sample or examine the very bottom of the winzes, although there is no reason to believe the ore does not extend deeper. A study of the stopes reveals that the ore occured as small, discontinuous lenses of ore along a garnet replacement zone. All of the ore was mined and little, if any, low grade was left on the walls of the stopes. Small pieces of ore picked up in the stopes indicates that the ore was extremely rich chalcocite, with associated malachite, azurite and chrysocolla. There were also some small areas of chalcopyrite and bornite ore found in these stopes.

Samples No. 1, 2, 3 and 4 were taken in the old Narragansett workings. The new tunnel now being driven by the applicant will intersect the Narragansett workings at about their lowest point so any future ore stoped from this new tunnel must come from the lateral margins of the mined areas in the Narragansett or from ore developed below the level of the lower tunnel, i.e., from winzes. I also believe that new and hitherto undiscovered ore bodies will also be found in this lower tunnel.

Since there is no developed ore in the mine, it is difficult to estimate the grade of ore that should be produced by this mine. Attached to the original application, is a letter from Hawley & Hawley, to the applicant and they state that the ore shipped in the past averaged about 10% copper. An average of my

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seven samples ran 0.02 oz. of gold, 1.20 oz. of silver. 5.72% copper and 2.62% zinc. On this basis, there would be no payment for the gold content and no penalty for the zinc, if the ore is shipped to the Hayden Smelter.

Estimated smalter payment :-

1.20 cz. silver = 0.5 cz. = D.70 cz. @ \$0.69 5.72% Copper = 114.4 lbs. = 8 = 106.4 lbs. x	\$0.48
95% x 90.0905 #	9.15
Total smelter payment	\$9.63
Estimated Bonus payment on copper 5.723 = 114.4 lbs. x 97% x \$0.05	5.55
Total payment for ore	\$15.18

Fixed charges for marketing ore

Smelter base rate \$3.50 Trucking to Railroad, 22 miles - mine to Vail, Ariz. 2.00 Freight - Vail to Smelter 1.40 Royalty 10% on \$10.28 . . 1.03

> Total charges 7.93

Estimated net profit on ore at mine bin before deductions for mining cost, taxes, interest, etc.\$ 7.25

While the above figures are based only upon a very meagre sampling of the ore, they indicate that this grade of ore can be mined and marketed at a profit, as the mining costs should not exceed \$5.00 per ton. Past production records indicate that the ore previously mind on the Narragansett property ran about 10% in copper.

7. EXISTING DEVELOPMENT

The applicant informed me that he has spent about \$4,500.00 in cash on this property and this does not include the following equipment, already owned by applicant :-

1 - 210 cu.ft. Ingersol-Rand compressor with engine;

- 1 4*x8* air receiver
- 1 200 gal. water storage tank
- 1 100 gal. pressure tank
- 2 tram cars
- 2 drifters

2 - jackhanmers 550° double 24 lb. rails 550° 2° air pipe 550° 1° water pipe

Miscellaneous tools, hoses, etc.

At the present time, there are two shifts working with two men, a miner and a helper on each shift. In two shifts,

5 -

the applicant states he advances the tunnel 4' if no timbering is necessary and so far, only a few sets of timber have been needed. Applicant estimates the cost of the tunnel has been \$14.00 per foot, as there is no overhead chargeable to this operation. At the time of my visit, the applicant had advanced the lower tunnel 180' and all work has been well done, except for the fact the applicant made a mistake in calculating the strike of the Narragansett ore body and hence, was driving his tunnel in the wrong direction.

8. PROPOSED DEVELOPMENT

As shown by the attached letter to the applicant from this Engineer, the amount of the loan requested has been reduced from \$20,000.00 to \$15,000.00 and this lesser loan will be spent in the following manner:-

Build a 100 ton ore bin and construct

200° of road to bin	\$1,500.00
Build one additional house as living	
quarters for men	1,000.00
Purchase a used flat-rack truck for	
hauling supplies	800.00
Purchase 1 used stoper	200.00
Advance present tunnel 400' at \$15.00 per ft.	6,000.00
Insurance, freight advances and contingen-	
0105	2,000.00
Stope preparation, timbering, etc	3,500.00
	And the restoration of the second

Total for loan \$15,000.00

At the present time, there is no ore bin on the property and since it is expected that most of the proposed new tunnel will be in the form of drifts along ore bodies now exposed in the mine, this ore bin will be necessary almost immediately to handle ore produced from development work.

There are no living accommodations now at the mine and in order to cut down on traveling time to and from work, the applicant feels that a small bunk house is necessary.

At the present time, the applicant is contracting for the hauling of supplies to the mine but since this is a costly and often slow process, he wishes to purchase a used truck to haul in his own supplies.

Since there is no definite ore body developed in the lower tunnel a precise development program can not be projected at the time. Instead I believe that at the time a loan is granted, a Reconstruction Finance Corp.Engineer should again visit the property in order to inspect the new developments since my last visit and at that time a definite program should be formulated. Meanwhile I have estimated that 400' of tunnel should be sufficient to adequately expose the expected ore bodies in the lower tunnel.

Aside from the stoper and truck, no new equipment should be necessary and no increase in the number of men is contemplated until actual stoping operations begin.

9. OBJECTIONS TO PROJECT

The chief objections to this project are the terms of the applicant's lease as already discussed, but he informs me that this can be altered.

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A second objection might be the fact that there are no definite ore shoots now exposed in the lower tunnel, so we can not consider that the mine now contains any positive ore.

10. TIME SCHEDULE

Within four months all of the tunnel development (400') should be completed and the stoping of ore should commence within a month thereafter. Hence, we can consider that the mine could be able to start steady shipping within six months after a loan is granted.

At this point, I might make a suggestion that while I recommend a loan of \$15,000.00, I believe that the first \$10,000.00 should be spent in tunneling operations in order to develop a substantial tonnage of ore and the remaining \$5,000.00 would only be spent if sufficient ore is developed.

11. COMMENTS OF SUPERVISING ENGINEER

I recommend that a loan be granted this applicant for the following reasons:

- A. No additional men would be required for this project.
- B. Fractically no new equipment would be purchased.
- C. The applicant is now conducting a well managed and efficient operation with his own funds and seems capable of supervising this mine under a loan.
- D. The mine is located in a productive area and has, itself, produced a large tonnage of high grade copper ore.
- E. The geology of the property appears favorable for the development of a number of large lenses of copper ore.
- F. While this ore is not high in silica (30%), it can be readily smelted so no mill would be necessary.
- G. The assays taken by this Engineer indicate the presence of shipping ore that should show a profit at present prices.

WM. B. MAITLAND Supervising Engineer No. 411 Ma

CHAS. A. DIEHL

Phoenix, Arizona, . April 6.1944.

ARIZONA ASSAY OFFICE

Phone 3-4001

This Certifies That samples submitted for assay by

815 North First Street Mr.Wm.B.Maitland.

P. O. Box 1148

contain as follows per ton of 2000 lbs. Avoir.

FRED BENNETT. VALUE (0z.) TOTAL VALUE % SILVER VALUE (Oz.) GOLD PERCENTAGE % REMARKS Of Gold and SilverCOPPER ZINC Ounces Tenths Ounces Hundths No.114 Grab Sulfish 2 Narragement Stope (inon) \$.35 .01 .50 .46 ASSAY OFFICE 4.00 Charges §____

CLAUDE E. MCLEAN P. O. BOX 1888

TELEPHONE 3-6272

ARIZONA TESTING LABORATORIES

ANALYTICAL AND CONSULTING CHEMISTS

ASSAYERS, MINING ENGINEERS

823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

PHOENIX, ARIZONA

May 19, 1945

Mr. W. B. Meitland, Supervising Eng., RFC

325 Heard Building, Phoenix, Arizona

WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$_____ PER OUNCE.

1.	LAE	3.	F	OR	M	2	
		-	-	-	-	-	-

SILVER FIGURED AT \$_____ PER OUNCE.

LAB. NO.	SAMPLE	GO	LD	SIL	VER	PERCENTAGES (S102)				
	Bennett	OZ. PER TON	VALUE	OZ. PER TON	VALUE	COPPER	LEAD	Zine S	1lica"	
47732	#1 Grab				÷ 4	8.30%		1.25%		
47723	#2 4 ft.	-			1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	1.45	<u> </u>	0.30		
47724	#3 2 ft 6 in,					8125		2.15		
47725	#4 Greb					4.60		5.40		
47726	#5 18 in.					6.25	<u> </u>	6.45		
47727	#6 2 ft					8.40		None		
47728	#7 18 in					5.05		7.05		
47729	Composite #1 to 7	0.02	\$0,70	1.20	\$0.84				30.00%	
			NIF.							
		100	TEPIPI.	2				A State		
		A A	CLAUDE F	PIR				1	· •	
CHAR	GES \$ 18.00	THE	MCLEAN	3 RES		NA TESTIN Land Rude B.		MEL	and	

CLAUDE E. MCLEAN P. O. BOX 1888

TELEPHONE 3-6272

ARIZONA TESTING LABORATORIES

ANALYTICAL AND CONSULTING CHEMISTS

ASSAYERS, MINING ENGINEERS

823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

PHOENIX, ARIZONA

July 26, 194 3

Mr. W. B. Meitlend, Supervising Eng., RFC

325 Heard Building, Phoenix, Arizona

WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$35,00 PER OUNCE.

LAB. FORM 2

4.00

CHARGES \$

SILVER FIGURED AT \$_____ PER OUNCE.

LAB. NO.	SAMPLE	GOLD		SILVER		PERCENTAGES			
		OZ. PER TON	VALUE	Oz. per Ton	VALUE	COPPER	LEAD	Zino	
40414	Pred Bennett #27 36*	0.04	\$1.40	5.60	83.98	1.00%	13.67%	11.98%	
		_							
								REDASS	
				-			1 2 1/2	CATE	121
								LAUDE E. T Aclean	
							1 63	31, 1943	
		·					4R120	WA, U.S.	·/
					BECTELL		\rightarrow		

RESPECTFULLY SUBMITTED. ARIZONA TESTING LABORATORIES BY

Claude E. McLean

ASSAYER

MEMORANDUM

TO: W. B. Gohring - Supervising Engineer in Charge - Phoenix FROM: Charles A. Rasor - Supervising Engineer - Phoenix RE: 'Fred A. Bennett - Docket No. ND-5507

On June 14, 1943, the Borrower was approved a loan of \$6000.00 by the Corporation to drive 100 feet of tannel to reach zino-lead-copper ore beneath the stopes of the Daylight Mine; on February 2, 1944, an additional loan of \$6000.00 was authorized to complete the project. Now that the Borrower has repaid the loan out of proceeds from the ore it is appropriate to review his operations.

The mine is a tunnel operation crosscutting steeply dipping limestone and shale formations that are complicated by intricate folding and faulting. However, most of the ore extracted came by winzing below the tunnel level.

Under the loan, the Borrower did 980 feet of tunneling, 300 feet of crosscutting, 200 feet of winzing and 120 feet of raising. In addition 950 wet tons of ore were extracted and sent to processing plants. The following table gives an analysis of matal produced and returns.

TABLE I

ANALYSIS OF METALS PRODUCED AND RETURNS

954.21 wet 917.5735 dry			
Total zinc	-	234,287	pounds
Total lead			
Total copper	-	94,624	pounds
Total silver		2022	
Total gold	¢w	11.826	ounces

	Per To	
\$	27.27	

\$ 59.70

Gross	value at mill	\$25,020.50
Total	premiums	29,756.46
Total	gross value	251.776.95

Re: Fred A. Bennett Docket No. ND-5507

-

July 30, 1945

		Average Value Per Ton
Total gross value Mill and smelter treatment	\$54,776.96	\$ 59.70
charges	13,513.96 \$41,263.00	\$ 14.73
Less freight charges	1,120.21	1.22
Less hauling charges	2,245.49 37,897.30	2.45
less royalty	1,789.10	1.95 39.35
Less sales tax on ore	319.18	-35
Net Proceeds for Ores	\$35,789.02	\$ 39.00

The operating costs in developing and mining sufficient ore to repay the loan are analyzed in Table II.

TABLE II

	ANALYSIS OF OPE	RATING COSTS	0-0	
Development & Mining		Total Cost	% of Total	Cost Per Ton
Labor: Payroll Taxes Industrial Insurance	\$23,115.78 870.39 2,212.05	\$26,198,22	78,80	\$27-45
Supplies: Gasoline Powder Steel, etc. Lumber Equipment	2,231.17 2,071.72 1,276.04 258.64 250.00	6,087.57	18.31	6.38
Overhead: Ramp rental Petty cash Assaying Stenographic Surveying Bank fees		960.10	2.89	1.01
TOTAL COSTS		\$33,245.89	100.00	\$34.84

Re: Fred A. Bennett Docket No. ND-5507

Ja a

The above analysis is interesting for it shows that most of the money was spent on labor costs. It is interesting to note also that Borrower never took one cent in salary and spent only \$200.00 in petty cash. Also you will note that only one piece of equipment was purchased for \$250.00. This has been an efficiently operated mine. The following figures show the amount of money returned to the Borrower which represents his profit, although it is probable that Borrower has ore being processed the expense of which is already paid.

Total loan funds received	\$12,000.00
Net proceeds from ores	35,789.02
Total operating costs	47,789.02
TAME AND COTTO POD PD	33,245.89
Return of capital	12,000.00
Profit	2,543.13
Interest charges on loan	630.30
Money returned to Borrower	\$ 1,912,83

This mine is a replacement in limestone of sulfides of copper, lead and sinc. Ore was mined from a horizon in the limestones that was folded and faulted. Mining was not difficult and the ore was tranmed through a tunnel to the ore bin.

- 3 -

CHARLES A. RASOR Supervising Engineer

CAR: gmk

Fred Bennett -2-Docket ND-5507 7-14-44

D An

I also talked to Mr. Crabtree of the Eagle Pitcher in Tucson about your complex ore. He did not think that he could do much better than the Shattuck-Denn as far as milling the ore is concerned. However, it might be advisable for you to take some of your old settlement sheets and show them to either Mr. Crabtree or Mr. Morton and they may be able to work out some plan to save you a few dollars per ton.

If I can be of any further service to you, please let me know.

0

Sincerely yours,

Wm. B. Maitland Supervising Engineer

Enc - sketch

WBM/bkb

ore horizon, starting at the point at which you now have your tugger hoist. In this way you will be able to prospect the ore horizon much cheaper, and if you find ore you can then raise and sink from your adit level. Also this tugger hoist

> 325 Heard Building Phoenix, Arizona July 14, 1944

Mr. Fred Bennett P. O. Box 93 Tucson, Arizona

Re: Fred Bennett Docket No. ND-5507

Dear Mr. Bennett:

I stopped in at your mine on July 12th and was sorry that you were not there. I mapped all of the new work done since my last visit and I believe that in the old Narragansett workings you are away off of the ore. I am enclosing a small sketch showing the development work I think you should do in order to obtain ore on the old Narragansett vein. This work would consist largely of winzing done from your adit level along the drift of the syncline as it was along this syncline that all the ore in the past was taken out.

In regard to the lead-zine showing, it looks to me as though you were too far down in the winze to be able to do much mining and we have demonstrated that the ore does not extend beneath the contact in the bottom of the winze. After you have mined all of the available ore in this winze, it is my suggestion that you go back to the adit level and start a drift along the ore horison, starting at the point at which you now have your tugger hoist. In this way you will be able to prospect the ore horizon much cheaper, and if you find ore you can then raise and sink from your adit level. Also this tugger hoist will be necessary if you sink along the Narragansett syncline as I feel that the tugger should pull a loaded car up the incline.

I talked with Mr. Harlow Phelps, Engineer with the Bureau of Mines, about your project and he would be glad to help you in any way possible. It is my suggestion that next time you are in Tucson you contact Mr. Hedges, in charge of the Bureau of Mines, and ask him to send down an engineer to your property. Tell Mr. Hedges that we have all of the available maps and reports which they can use as a basis for their work. I do not believe that the U.S.G.S. will have time to do much for you. Landon F. Strobel -2-Re: Docket No. ND-5507 Fred Bennett 7-7-44

Mr. Bennett has proven himself to be an efficient and competent operator, and in the past has been successful in the operation of various mining projects. We therefore have a great deal of confidence in the ability and integrity of Mr. Bennett and we feel that the mine has a possibility of producing a large tonnage of copper ore as the geology is favorable and past production: from this property has shown that there was a large commercial body of ore mined in the past.

I have gone over Mr. Bennett's figures submitted to you in his letter of July 5 and find that they are in substantial agreement with our estimates on this job. I believe that this is a fairly high cost mining operation due to its isolation and due to the fact that most of the mining is done by means of winzes, and it is my opinion that without additional premiums on his copper it is doubtful whether the applicant can make sufficient money to keep in operation and will not repay his indebtedness to this Corporation.

I wish to thank you for your past courtesies on various other projects submitted to you and would be glad to send you any further data on this particular application that you would require.

Sincerely yours,

WBM-bkb

William B. Maitland Supervising Engineer 325 Heard Building Phoenix, Arizona July 7, 1944

Landon F. Strobel, Executive Secretary Quota Committee, Premium Price Plan for Copper, Lead and Zinc, WPB Department 7103 Washington, D. C.

18 -

Re: Fred Bennett Docket No. ND 5507

Mr. Fred Bennett has sent this office a copy of his correspondence with you in regard to his application for an additional premium on copper on the Daylight and Narragansett mines. He has requested me to write you in regard to this. Mr. Bennett has a \$12,000 development loan from this Corporation on the Daylight mine. The purpose of this loan was to enable the applicant to drive a long crosscutting tunnel on the Daylight property to intersect the apparent downward extension of rich ore formerly mined on the Narraganset mine and extending over onto the Daylight property. This ore occupies the contact between two limestone beds and is formed along a gently plunging syncline.

In the driving of this crosscut the applicant encountered a small shoot of complex gold, silver, copper, lead, zinc ore which did not outcrop on the surface and apparently has no direct connection with the copper ore formed along the syncline. There have been five cars of this complex ore shipped from the Daylight claims by the applicant to the custom mill of the Shattuck Denn Company at Bisbee. Without doing some additional prospecting work, apparently this complex ore shoot has been nearly exhausted although there is a good possibility of developing further ore in the future.

It must be remembered that the primary objective of the loan was to develop the copper ore, worked by the method of winzes during the last war on the Narragansett claim and apparently extending over into the Daylight claims. Mr. Bennett has shipped to the Hayden smelter one car of copper ore and is now making application to you for an additional premium on this type of ore. It is obvious that the development cost on the copper ore will be high and due to the fact that the tunnel is about a thousand feet in length and the copper ore will also have to be mined from a winze off of this tunnel, his mining cost will also be comparatively high.

RECONSTRUCTION FINANCE CORPORATION

MINING DIVISION

PROGRESS REPORT OF SUPERVISING ENGINEER.

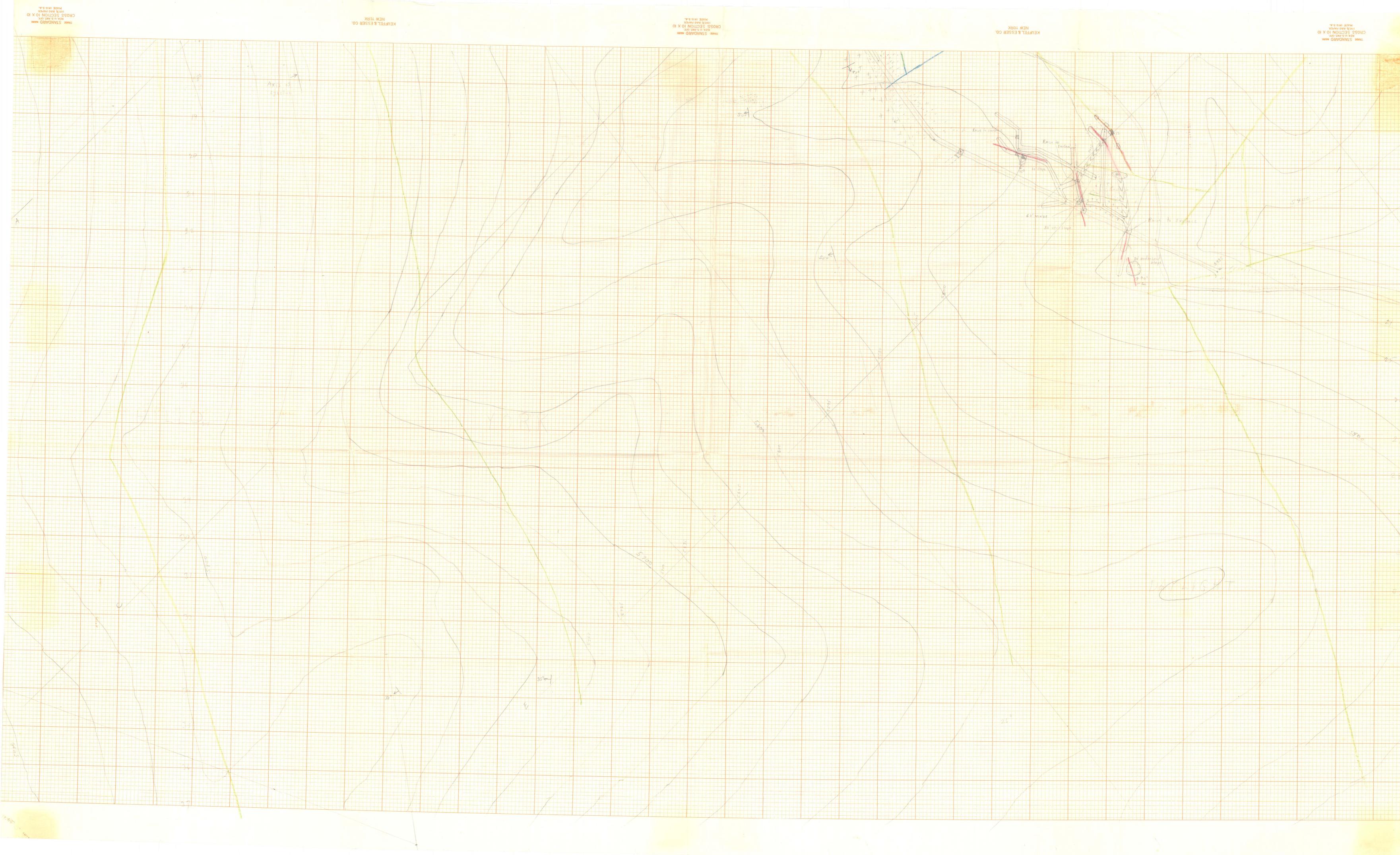
Docket No. ND-5507 -Fred A. Bennett Date of Report: Sept. 19, 1944

On September 12, 1944, I visited this project. As of September 16, 1944, he had \$3126.70 remaining in the loan fund and in addition he has one car of copper ore at the smelter and one car of complex ore at the custom mill which have not as yet been paid for. Also Mr. Bennett informed me that he had received a special copper premium of 10¢ per pound on a zero quota. all retroactive to June 1, 1944.

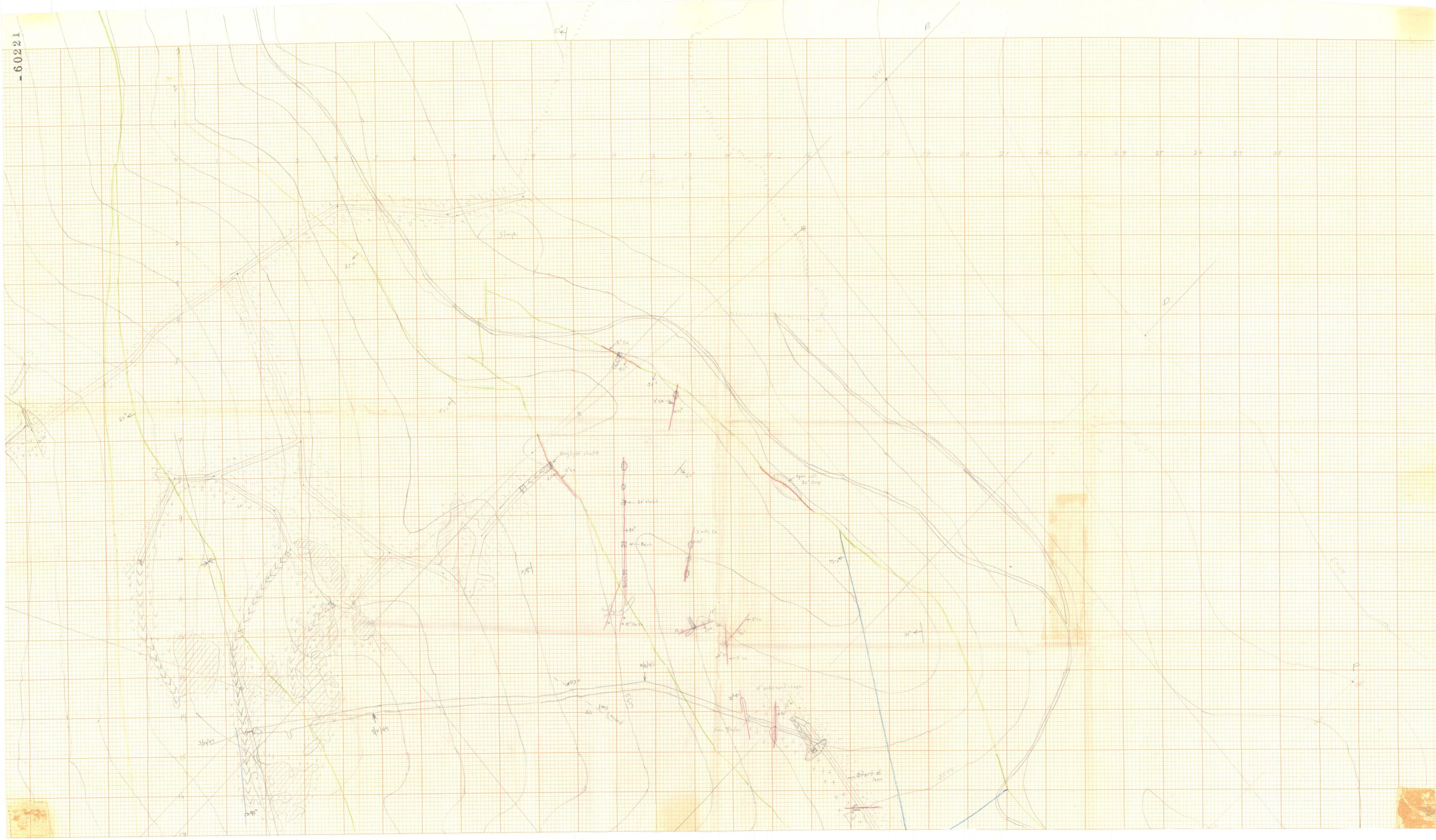
In order to report the work accomplished since my last visit to the mine on July 2nd, reference is made to the plan map accompanying my progress report of July 15th. The face of the tunnel south of the "New Raise" was advanced 5°. One car of copper one was obtained from a small stope at the top of the "New Raise." Just 5 feet north of the bottom of the "New Raise" and along the main drift a west crosscut was driven 14 feet and at right angles to the main drift. I believe this crossout is above the ore horizon and the "New Raise" follows a small hanging wall fissure which is the locus of minor oxidized copper mineralization. The face of the main west drift marked "7/12/44" has been driven ahead 70' N 85 W. This work is still in limestone and if the U.S.G.S. map is correct the Bolsa Quartzite does not extend to this depth. The applicant showed me a number of shallow surface workings containing some copper mineralization along the contact between the Mace limestone and the Bolsa quartzite and above the new tunnel below. While it is possible that ore may be encountered at depth along this contact it looks as if this work is prospecting as no ore was stoped on the surface from this contact.

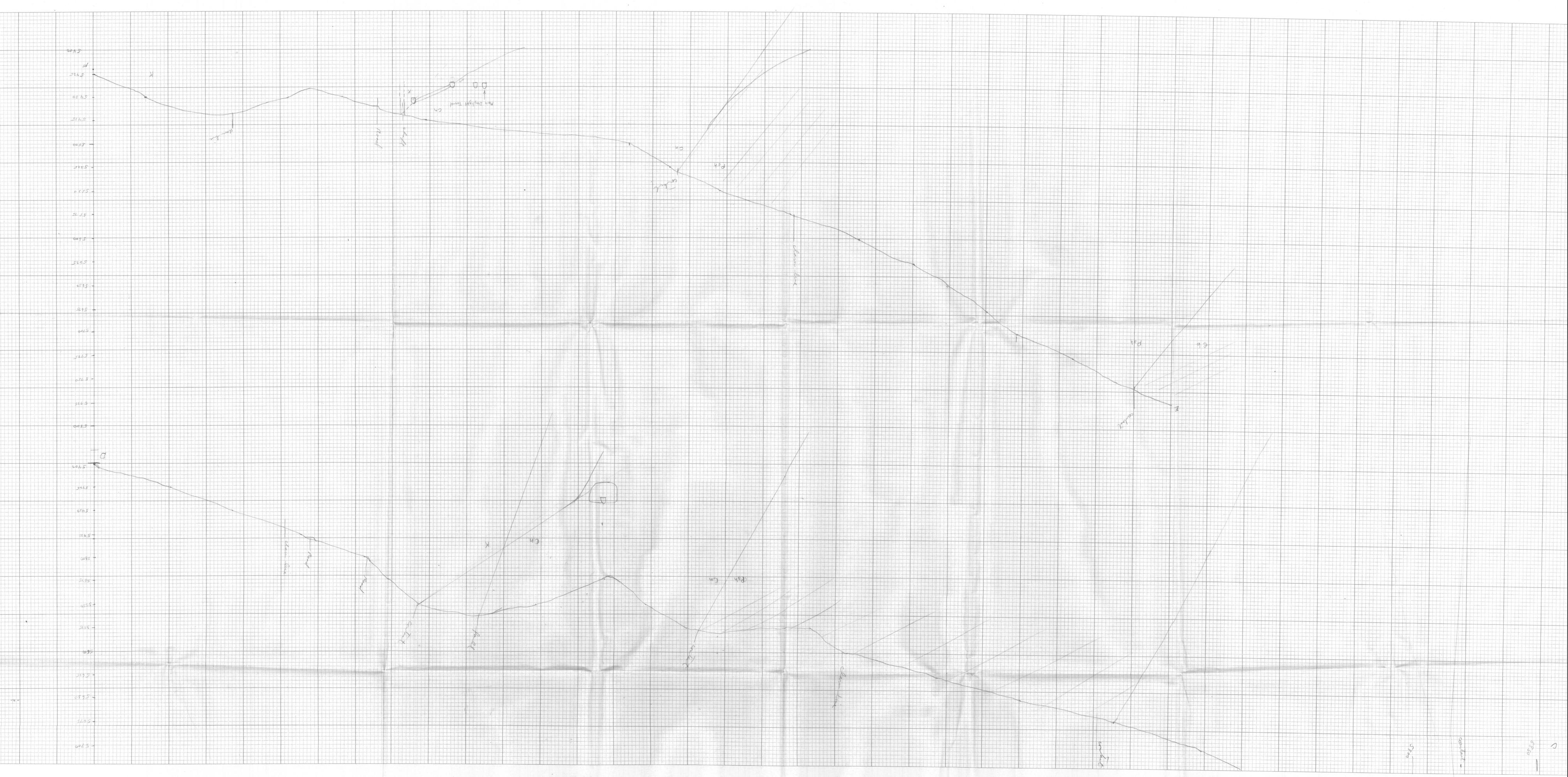
I informed the applicant he should confine his work to following the main Marragansett ore body with a winze to the south. He finally agreed that after a few more rounds in the west crosscut he would follow my advice. All in all the work is progressing satisfactorily and there are five men employed in the mine.

> Mm. B. Maitland Supervising Engineer



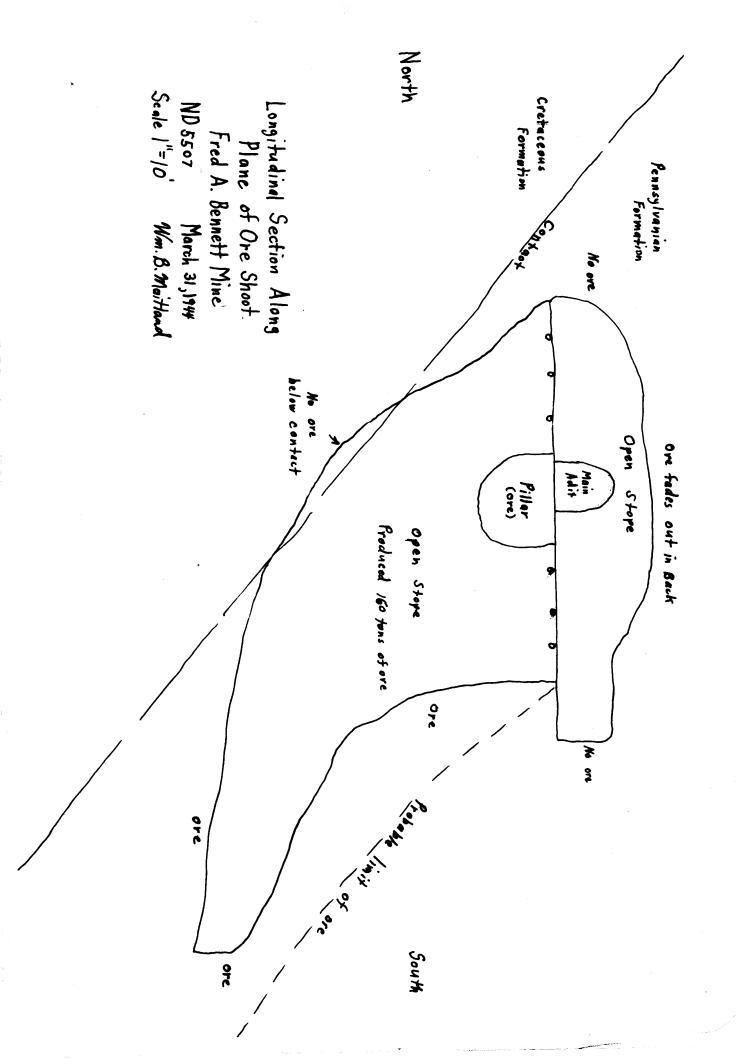


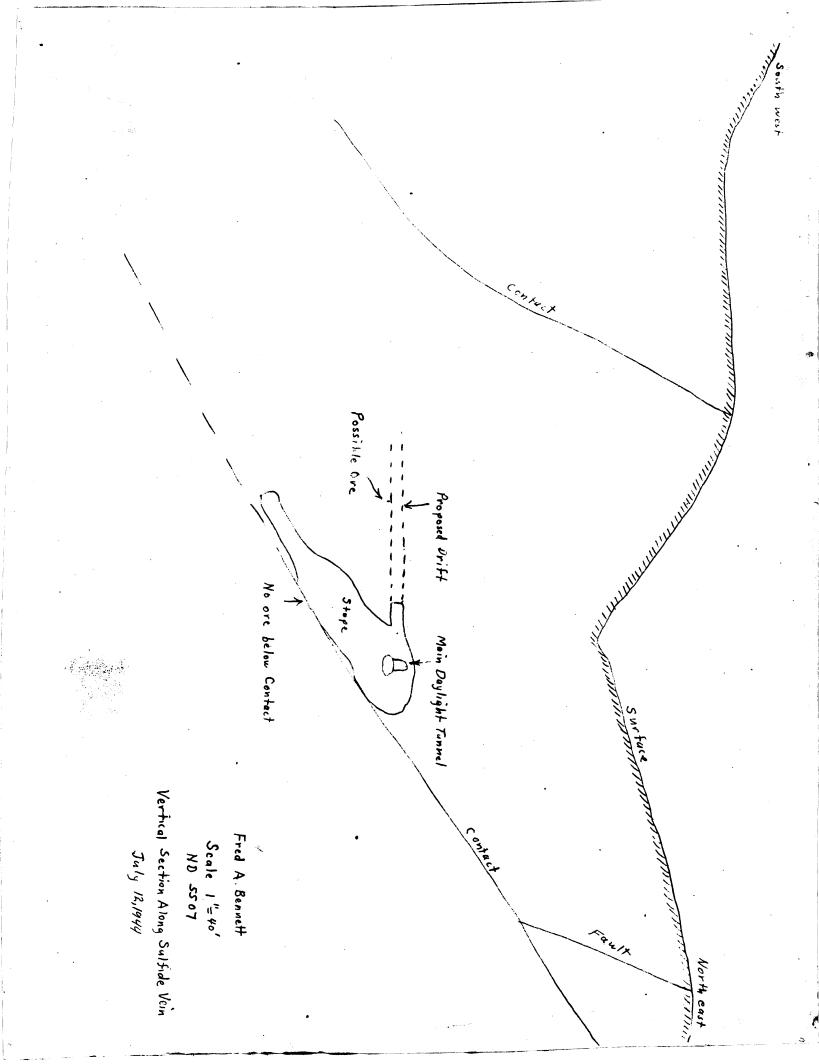




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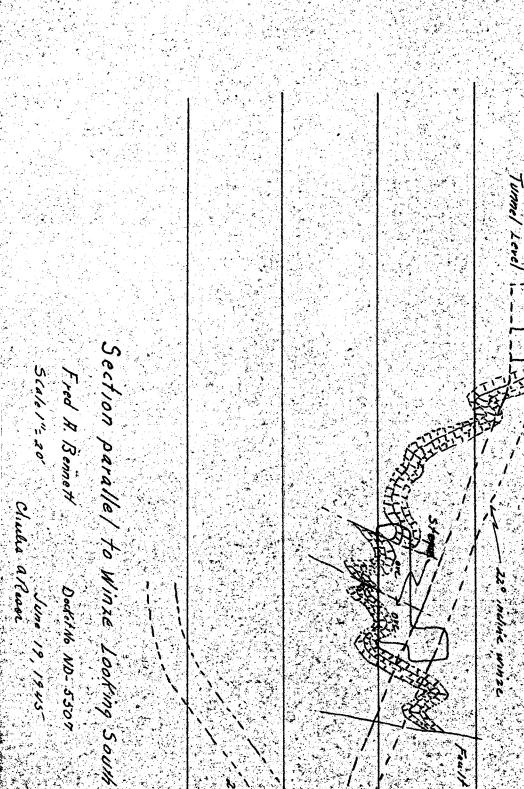
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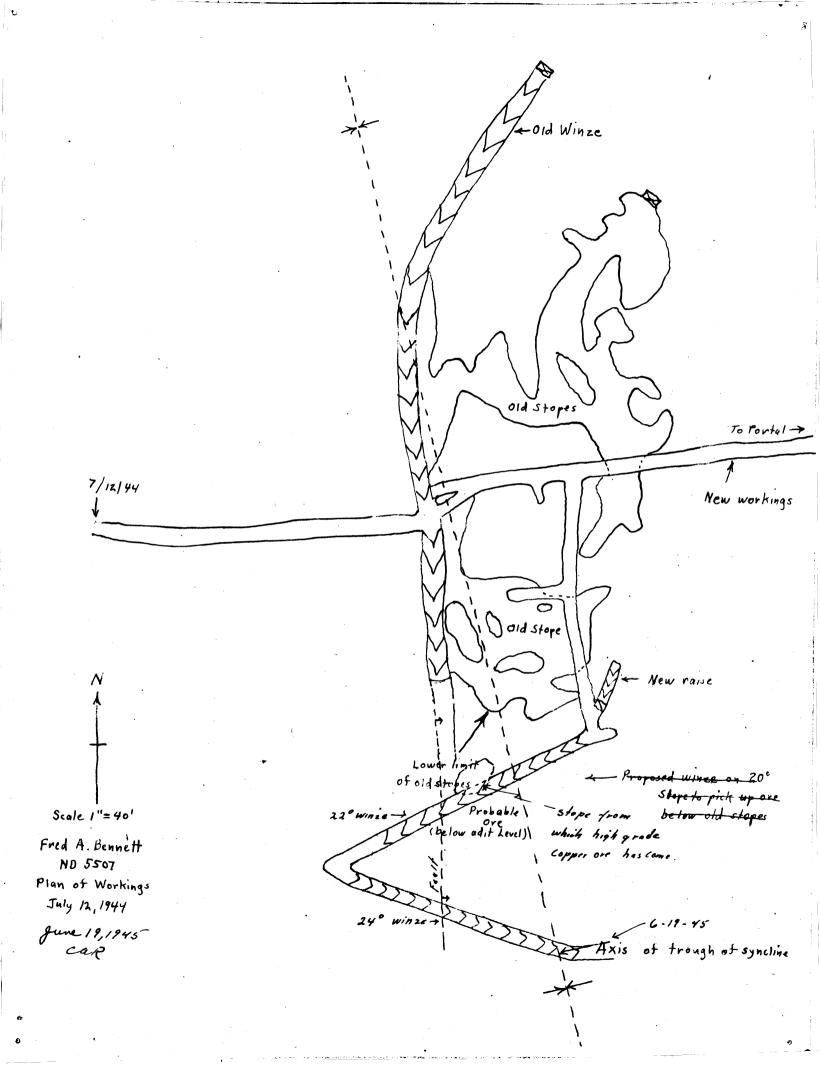


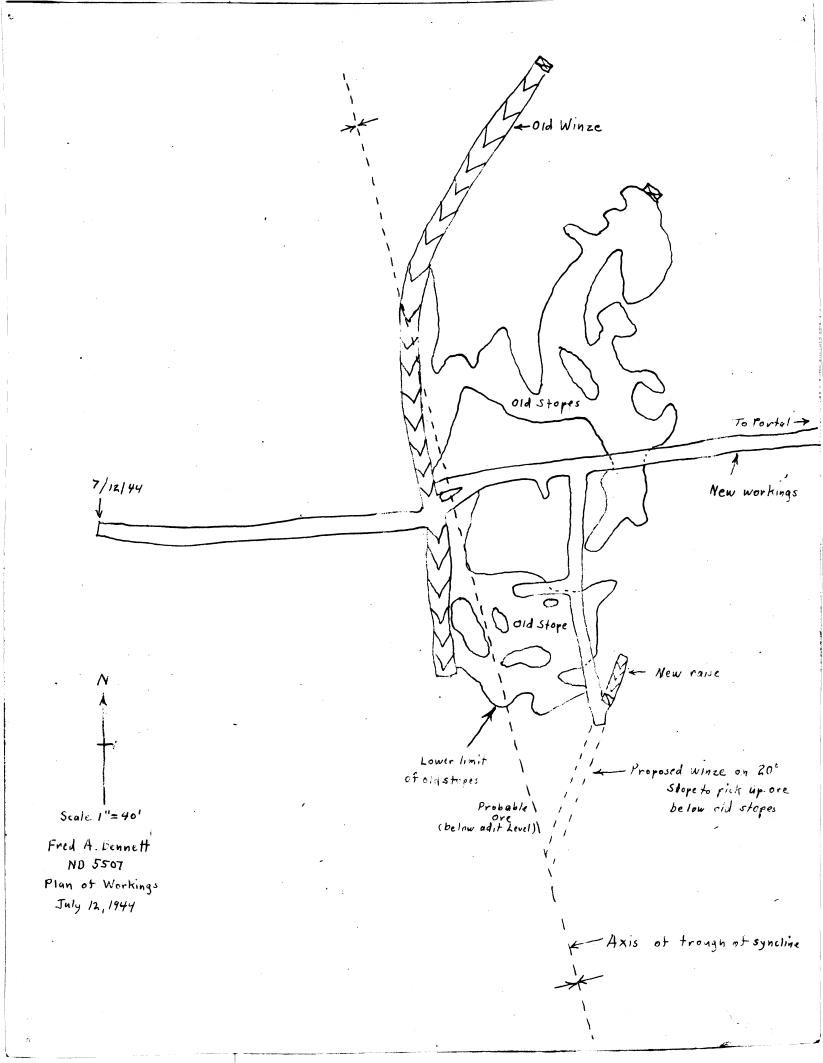
Tunnel Level Section parallel to Winze Looking South Scale 1"= 20' Fred A. Bennett Ore horizon June 19, 1945 Chulus Alease 22° indine winze DocketNo ND- 5507 Fau It 24° Winie

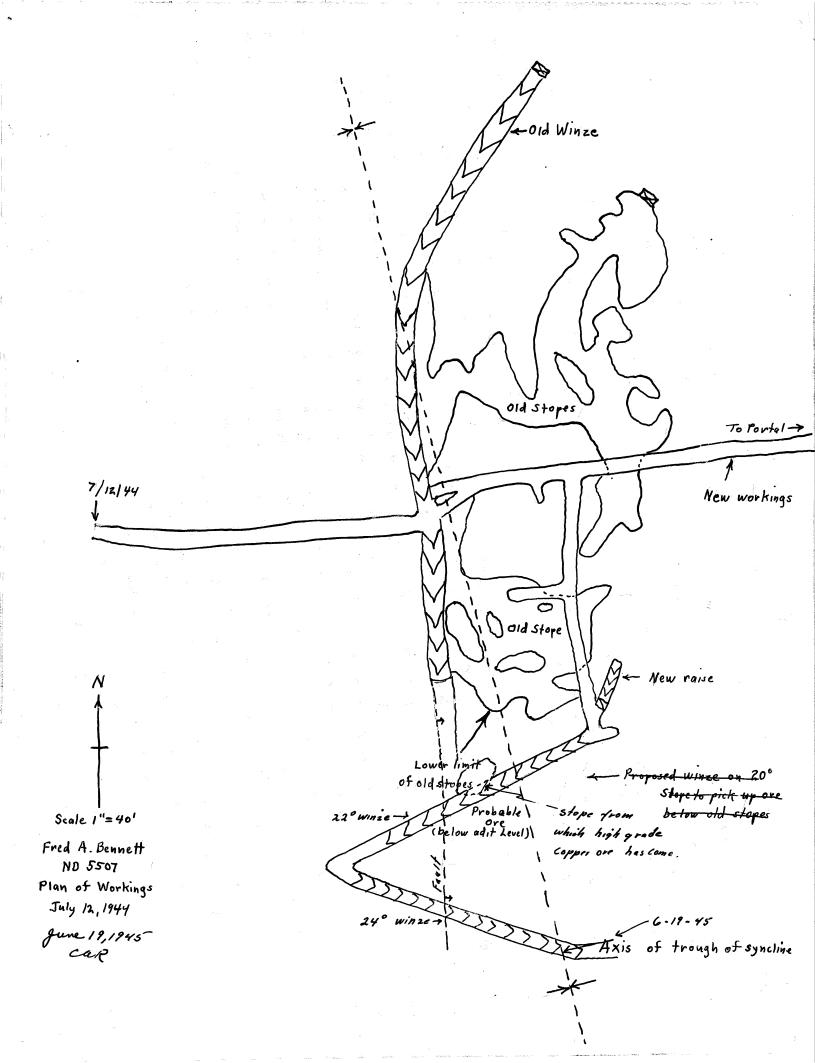
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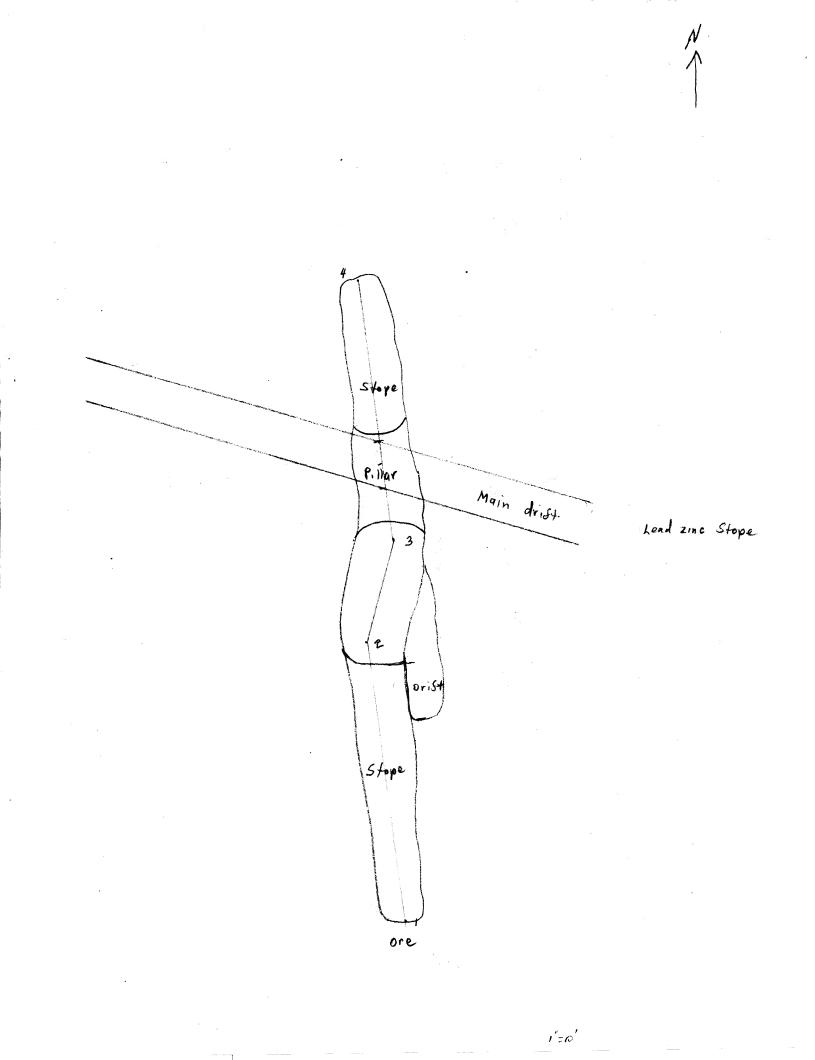


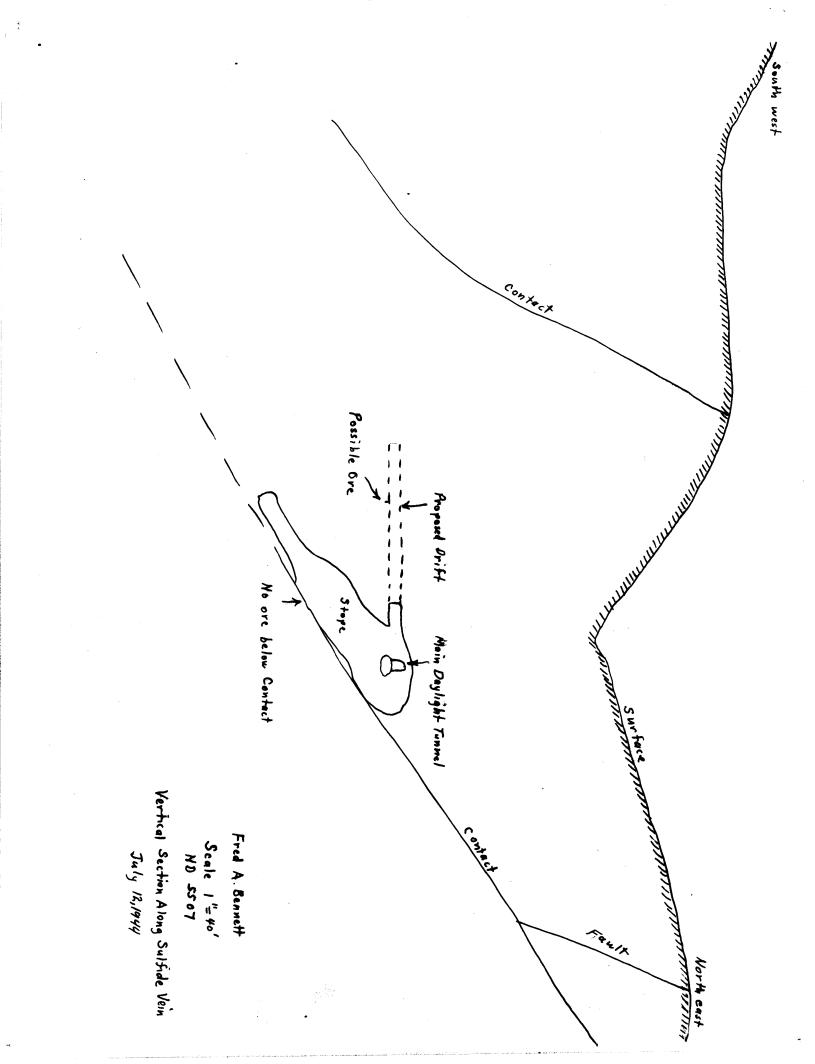




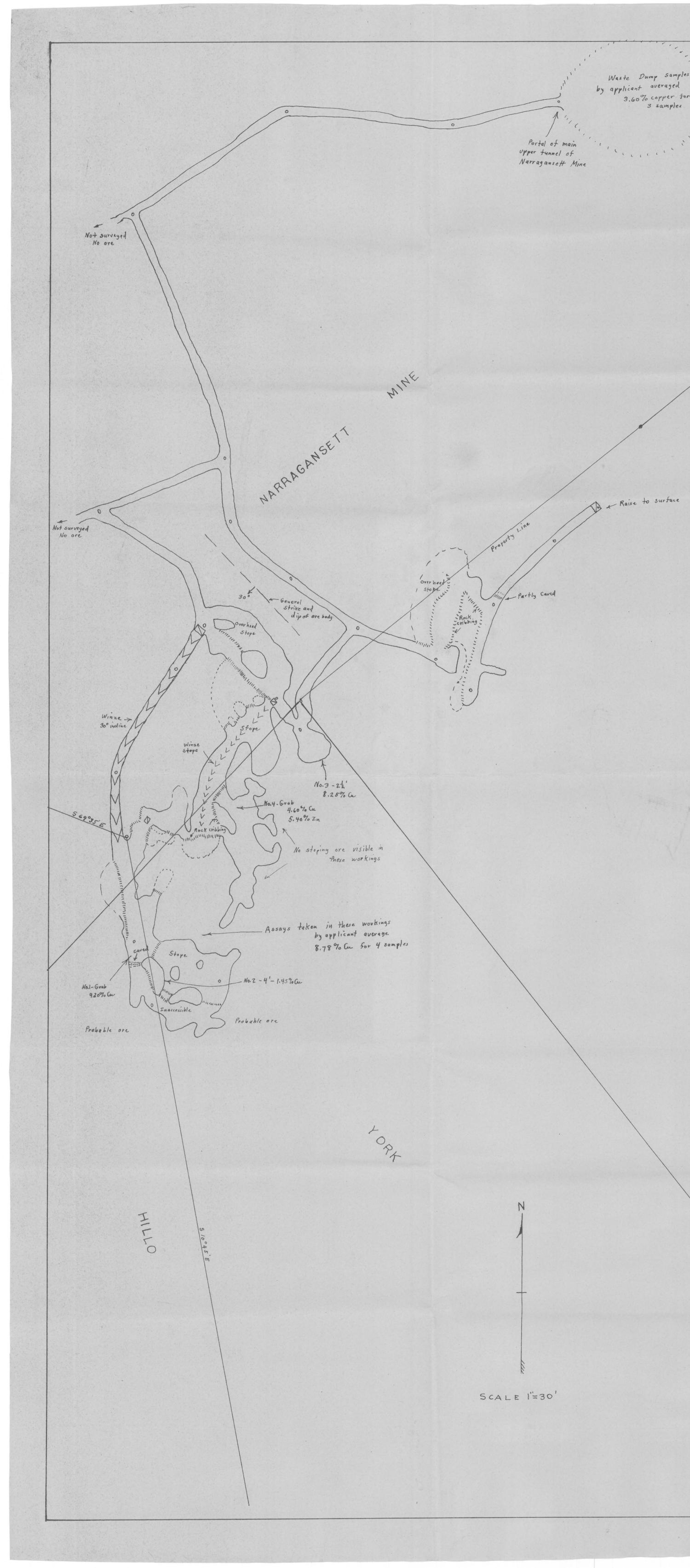












Waste Dump Samples -by applicant averaged 3.60% copper for 3 samples

1.......

600

Plan of Mine Workings

DAYLIGHT

No.5-12 6.2590 Copper 6.45. 702n

Fred. A. Bennett May 15, 1943

