



CONTACT INFORMATION

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

The following file is part of the

Reconstruction Finance Corporation Arizona Records

ACCESS STATEMENT

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

CONSTRAINTS STATEMENT

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

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

QUALITY STATEMENT

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

FIELD ENGINEERS REPORT

Subject: Reconstruction Finance Corporation
Preliminary Development Loan

Docket No.	C-ND-7906
Date Application Received	January 23, 1943
Date of Report	January 25, 1943

1. Name and address of applicant:
Swisshelm Gold Silver Co., Ben Heney, President, 141 South Fifth Avenue,
Tucson, Arizona.
2. Character of project and estimated cost thereof:
Gold, silver, lead. Repair buildings, \$500.; purchase tools, \$500; and
development, \$4,000.
3. Location of property:
Swisshelm Mining District, near Elfrida, Cochise County, Arizona.
4. Applicant's interest in or ownership of property:
Applicant is a corporation owning the property. Correspondent is president
and majority stock holder.
5. Loan requested:
\$5,000.
6. Loan recommended:
None.
7. Comments:
(A) Application was made in 1935 under Docket No. B-2453 and rejection resulted.
(B) The property is accessible and the major proportion of funds requested is
for development purposes.
(C) Considerable data is included with the application. Of this a large
proportion is printed matter compiled for the express purpose of selling stock.
Three reports are noted. The first, by one Robert Randell, is obviously promo-
tional; the second, by Frank R. Probert, emphasizes the superficial aspects and
is not meant to be a guide for evaluation; the third, by Wm. A. Farish, Jr., is
a formal and complete report.

The latter can be accepted as the most thorough and neutral treatment, and is
being used herein as a basis for recommendation.
(D) Reference is made to the Farish report with quotations as follows:

1 - Page 2. Character of ore. "The ore is an iron oxide, carrying gold
and silver and a low percentage of lead."

January 25, 1943

- 2 - Page 5. Recommendations. "First. The exploration of the contact fault fissure.
"Second. The prospecting of the most promising of the fissure veins in the lime."

From the above it will be noted that major exposed values are gold and silver and that lead is unimportant in amount. Also, it will be noted that recommendations refer to "exploration" and "prospecting" rather than development.

Both of these factors tend to eliminate government aid particularly in war time.

(E) Subsequent to the Parish report some shipments were made which contained from 2.4% to 22% lead. This was selected ore and apparently not representative of the character and/or values which predominate in such exposures as exist.

(F) The voluminous "evidence" submitted in support of the application does not, in general, have a healthy complexion.

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Earl F. Hastings, Projects Engineer

*File with
our copy of report*

LOAN AGENCY
OF THE
RECONSTRUCTION FINANCE CORPORATION
325 Heard Building
Phoenix, Arizona
January 23, 1943

Mr. Earl F. Hastings, Engineer
Arizona Department of Mineral Resources
413 Home Builders Building
Phoenix, Arizona

Re: SWISSHELM-GOLD SILVER CO.
Docket No. C-ND-7906

Dear Mr. Hastings:

I am enclosing herewith the application for a Preliminary Loan on the Swisshelm Gold-Silver Company in Cochise County.

There is a lot of history connected with this application. I enclose a lot of correspondence that you may or may not be interested in reading.

The applicant, Ben Heney, applied for a "B" loan in 1935 when the Mine Loans was first put into effect. The loan was declined without being sent into the field for an examination, thereupon Mr. Heney started a violent denunciation of the Washington engineers and even printed scathing articles in the newspapers.

When he heard about the Preliminary Development Loans recently, he then applied for a Preliminary Loan or a reopening of his other "B" Loan application, and Washington sent it to this office for consideration either way. We attempted to contact Mr. Heney on a trip down there and have him meet us at the mine, but that fell through and on a later occasion Mr. Lane called on him in Tucson to try to make arrangements for a look at the mine. Mr. Heney seems unable to make up his mind just what he will do, and I have finally decided to put it through the regular course of a "C" Loan application.

Mr. Heney writes long letters to Senator Hayden, Senator Henderson, Mr. Rait and me. The top letter on the file enclosed is one I have just received from him, and

this will give you as good an idea as anything as to his



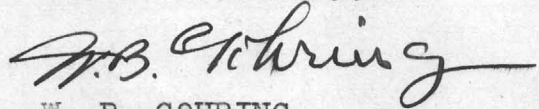
Mr. Hastings

-2-

1/23/43

present attitude. He suggests that he thinks the data submitted justifies an office decision. As a matter of fact, the data to be obtained has not changed since 1935 as no work has ever been done. At that time it was a gold mine development and now he says copper. When you look over the data, you of course will find assays, etc., and make up your own opinions. The examining engineer's report on which the loan was originally turned down is also among the documents enclosed.

Yours very truly,

A handwritten signature in cursive script, appearing to read "W.B. Gohring", with a long horizontal flourish extending to the right.

W. B. GOHRING
Supervising Engineer

WBG:ml

Enclosure

"C" loan application and accompanying data

RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
REPORT OF SUPERVISING ENGINEER

Docket No: C-ND-7906
Date of Examination: May 20-21, incl, 1947
Date of Report: June 6, 1947

The Swisshelm Gold Silver Company submitted an application in 1935 under Docket No. B-2453 for a loan and was rejected. In January, 1943, the same company made application for a preliminary development loan of \$5000.00. Favorable action was not taken, and all exhibits were returned to applicant. Again in April, 1945, the applicant submitted an application for a loan of \$4850.00. The same data were submitted in each application, and after a field examination a loan was not recommended. Now comes the applicant with another application for a loan of \$5000.00. This time the applicant states he has spent \$16,000.00 in rehabilitating the property and mining ore, but the purposes for which he desired the loan were as hazy as before. This report considers applicant's request after another examination.

The field examination verified applicant's statements about his activities since the last examination two years ago. Whether or not he spent \$16,000.00, only his corporation records will show. He has been operating in a small way for eighteen months and the wages of three men, plus supplies, insurance, etc. would amount to something. I have known that the applicant was operating on passing his property to visit R. L. Brown's (Docket No. ND-8747) operation.

The applicant has constructed one small building, rehabilitated a combination cook house and bunk house, cleaned up the underground workings from the tunnel level, but not the shaft below the tunnel level, and has mined and stockpiled between 350 and 400 tons of siliceous lead ore.

Applicant submitted no proposed program and had no idea of what he wanted to do with the money, except that part would be used to move his compressor to the property and the rest for development. His chief ambition in life regarding this property is to crosscut from the bottom of his inclined shaft toward a boulder of rich ore that was found on the surface over the ridge from the shaft. This crosscut would come out in the other gulch, making wonderful ventilation for the mine. Mr. Heney has very definite and pre-determined ideas about his mine and himself and is prone to write stinging letters about things that don't help him, thus it was rather difficult to come to an understanding as to where the money for development could be used most advantageously. I spent two days mapping the underground workings in an effort to determine the places to do some development, as there was only one working face.

1. NAME AND ADDRESS OF APPLICANT:

Swisshelm Gold Silver Company
338 Granada Street
Tucson, Arizona

Correspondent:

Ben Heney
Same address

2. CHARACTER OF PROJECT:

To crosscut and raise from tunnel level to ore bearing horizon in applicant's gold, silver, lead property.

3. LOCATION OF MINE:

In Section 12, T. 20 S., R. 27 E., Swisshelm Mining District, Cochise County, Arizona. The nearest railroad station is Douglas, Arizona, approximately 48 miles from the property. An improved dirt road extends from property to U. S. Highway 666. The remaining distance is paved.

4. APPLICANT:

Applicant is a corporation, but is practically owned by Mr. Ben Heney. He is 86 years old, and active both mentally and physically. His efforts to attract money for the development of this property have been unsuccessful the past 25 years or more. Applicant does not intend to supervise the operation, but has in mind a young man in Tombstone who will do the work. This man is personally known by your engineer, and will be capable of handling the proposed project.

5. LOAN REQUESTED:

\$5000.00.

6. DESCRIPTION OF PROJECT:

A. General Features:

1. There are no other mine workings and appurtenances which are not confined within applicant's ownership.
2. Proposed project will comply with State compensation and safety-first statutes.
3. There are no legal discrepancies.
4. Right-of-way facilities for all operations are unimpeded.
5. No likelihood of surface or subsurface trespass.

B. Existing Development:

1. Tunnel and shaft mine:

- a. A compass and tape survey was made of applicant's underground workings, except the lower part of the inclined shaft. The inclined shaft is approximately 300 feet long, with some crosscuts and a drift at the bottom. The survey was run down 100 feet, but as no work was contemplated in the lower workings, further measuring was not done.

From the surface, a crosscut adit extends about 50 feet to where a drift runs along a fault for 280 feet, with crosscuts, and amounting to over 410 feet. There are numerous raises and winzes which were not measured. Also, the outline of the stope was surveyed. It is 150 long by 20 feet wide.

b. Sampling and assay data:

Applicant has mined out practically all the available ore around the old stope and has piled it in long rows on the dump (see photo). I took a 50 pound grab sample off the various piles. It is No. 1, and assays .08 ounces gold, 3.6 ounces silver and 7.2% lead.

No. 2 sample is across 4 feet in the part of the stope where three miners were working. It assays .16 ounces gold, 7.4 ounces silver and 14.8% lead.

Samples No. 3 and No. 4 were taken of iron gossans in the old stope and show very little value.

Sample No. 5 was taken of some ore exposed in an old open cut. It assays .02 ounces gold, 5.0 ounces silver, and 5.3 percent lead.

It is estimated that approximately 3500 tons have been mined and shipped from this stope, but there are very few records available. I have copied the data from some old smelter returns on 291 tons shipped in 1917, 1918, 1919 and 1920 which will give some idea of the grade of ore shipped from this stope.

TABLE I - RECORD OF SHIPMENTS

Date	Lot No.	Au.	Ag.	Pb.	Tons	Oz. Au.	Oz. Ag.	Pb. Lbs.	Returns
8-2-1917	95	.59	13.1	22.6	35.838	21.144	469.5	16199	\$ 1485.23
2-26-1918	674	.84	25.4	13.7	33.411	28.065	848.6	9135	1209.81
5-6-1918	1920	.88	10.2	13.7	15.687	13.805	160.0	4298	426.94
5-6-1918	1921	.72	23.0	2.4	15.278	11.000	351.4	733	323.87
10-31-1918	4458	3.17	63.0	9.0	27.711	87.844	1745.8	4988	3289.73
10-31-1918	4459	1.01	17.2	5.1	15.781	15.939	271.4	1610	377.85
11-15-1918	4598	.90	8.7	7.7	29.821	26.839	259.4	4592	604.30
2-21-1919	412	.46	14.0	15.0	26.194	12.049	366.7	7858	466.98
2-21-1919	413	.52	19.0	-	15.773	8.202	299.7	-	132.10
2-21-1919	414	3.17	22.2	9.7	3.919	12.423	87.0	760	292.20
12-17-1920	9946	.43	17.55	-	42.6985	18.360	749.4	-	1037.70
9-13-1920	2540	.96	31.7	13.7	10.746	10.316	340.6	2944	505.93
9-13-1920	2541	1.35	20.8	5.2	18.3025	24.708	380.7	1903	638.28
					291.160	290.694	6330.2	55020	\$10790.92

Thus the average grade for the 291 tons is 1.0 ounce gold, 21.7 ounces silver and 9.45% lead. This ore is similar to that shipped by R. L. Brown under our supervision and that shipped by the Chance Mining Company, but is more siliceous and has a higher gold content. However, I recall taking a sample in the mine operated by Brown which assayed 1.44 ounces in gold. I believe the ore in both mines occurs in the same horizon, although they are one-half mile apart.

c. Condition and accessibility of mine workings:

All mine workings are accessible and in good condition.

d. General features of deposit, ore distribution:

This deposit represents the original discovery of ore in the Swisshelm district by John Swisshelm, an early day prospector. It is a replacement type of deposit in limestones, of Pennsylvanian age. The particular horizon which has been replaced by mineralizing solutions is a siliceous member that has been intensely fractured. This bed is exposed in a few places along the northwesterly trending drift, but ore of commercial grade has not been found. There are two reasons for this. In the first place, the horizon has not been exposed by raises at the top, and in the second place, ore is not likely to occur if the ore fractures did not cross. In the stope, which is now practically mined out, ore was present because the ore fractures and the favorable bed met at that place. There are, however, other complicating features that make it difficult to develop additional ore. The ore, it seems, has been cut off by thrust faulting as well as by normal faults. Also, it seems the ore fades out in the horizon, or is pinched out by rolls. It would take a very thorough study to determine any downward extension of the ore, but it appeared after two days' mapping that there could be some upward, as well as lateral, extension. There are also other areas where it is possible to find large bodies of ore, but that is beyond the scope of this project. Since the applicant had no conception of how to develop any additional ore, I have plotted the areas on the map where development should be done. It is believed that ore will be found, much like it was in R. L. Brown's operation at the Scribner mine, by following the gossan contact and heading for areas that are reasonably certain of hitting ore.

The ore is highly siliceous and contains gold and silver in varying amounts with lead carbonate. Iron oxides are present in varying amounts. This mixture of silica and iron oxides is a desirable ore for the smelter.

C. Proposed Development:

It is proposed to drive crosscut from end of one already near mouth of portal 80 feet to get under mineralized area on surface. A raise of 30 feet will hit the ore bearing horizon. A 25 foot crosscut will be extended along the contact near thrust fault and should hit the ore where ground is intensely fractured. A raise of 25 feet or less may be necessary. A third plan is to raise 25 feet as shown in Section B-B. This work will hit the ore horizon and should produce ore. Applicant expects to continue mining in stope where Sample No. 2 was taken. Probably a couple hundred tons of additional ore can be easily mined here.

2. Recommendations concerning applicant's mining methods:

None

3. Expected capacity of operation:

- a. Mining - 10 tons per day.
- b. Drift development - 4 feet per day.
- c. Crosscut development - 4 feet per day.

- d. Raise development - 4 feet per day.
- e. Local wage scale - \$7.00 per day.

D. Equipment:

No equipment on the property except one mine car and some hand tools. Applicant owns a compressor and three drills, but they are on a different property. Part of the money is to be used to move compressor one-half mile to this property, and to buy pipe, also mine supplies such as powder caps and fuse, carbide, etc.

E. Cost Estimations:

- 1. Replacement in limestone.
 - a. Mining - \$10.00 per ton.
 - b. Drifting - \$20.00 per foot.
 - c. Crosscutting - \$20.00 per foot.
 - d. Raising - \$15.00 per foot.
 - e. Hauling - \$4.00 per ton.
 - f. Freight, Douglas to El Paso - \$2.60
 - g. Smelter, \$4.50 / 10% over \$15.00 = \$5.52
 - h. Timber not necessary to mining.

F. Ore Reserves:

Applicant states he has 500 tons of 12.5% lead ore piled on dump (photo); the three Mexican miners stated about 350 to 400 tons, which is more nearly correct. My grab sample of 50 pounds off the top of the ore assayed .08 ounces gold, 3.6 ounces silver, and 7.2 percent lead. Under the A.S.&R. schedule for El Paso, the ore will have the following value:

Au.	.08 x \$32.31825	=	\$ 2.59
Ag.	3.6 - 1.0 = 2.6 x .885¢	=	2.30
Pb.	7.2 - 1.5% = 5.7 x 90% = 102.6 lbs. x .1329	=	13.64
	Total		\$18.53
Treatment,	\$4.50 / 10% of \$3.53	=	\$ 4.85
Hauling		=	4.00
Freight		=	2.60
Total Deduction			\$11.45
	Profit		\$ 7.08 per ton.

Thus the 350 tons which are already mined are worth \$2450.00.

It is estimated, however, that any new ore developed will average about 10% lead, which would give a profit of \$1.16 per ton. With the ore now being mined, a sample of which assayed 14.8% lead, plus the 1000 tons estimated that will be developed, it is estimated that there will be developed sufficient quantity to repay the loan.

7. EMPLOYMENT:

- A. Applicant has three men working on the property.
- B. Applicant expects to employ a total of six men.
- C. Applicant contemplates one shift per day.

8. OBJECTIONS TO PROJECT:

No objections to project.

9. TIME SCHEDULE:

- A. Applicant could complete proposed project in 90 days.
- B. Operating season is 12 months a year.
- C. Applicant could repay loan one year after starting operation.

10. ESTIMATED COST OF PROJECT:

A. Total Development:

105 feet crosscutting x \$20.00	=	\$2100.00
80 feet raising x \$15.00	=	1200.00
		<u>\$3300.00</u>

- B. Removal and installation of compressor,
purchase of pipe and supplies 1000.00

- C. Insurance and contingencies 700.00
- \$5000.00

11. NATURE AND SOURCES OF REVENUE:

All revenue will be derived from sale of ore already mined and that to be mined and sold at the smelter.

12. COMMENTS OF SUPERVISING ENGINEER:

This property has been turned down for a loan a number of times, principally because the data submitted were inadequate and the field examinations disclosed insufficient evidence to warrant a loan. However, during the past 18 months, the applicant has spent approximately \$16,000 rehabilitating the property; that is, he has cleaned up all the underground workings except the inclined shaft below the adit level, built one new building and reconditioned the cook-bunk house, and has mined approximately 350 tons of siliceous lead ore that has a value approximately one-half the value of the loan applied for. Applicant was instructed that, should a loan be granted, all ore now mined would have to be shipped under the loan agreement, as well as all additional ore mined under the development program. No objections were offered.

I have laid out a program of development which is intended to produce sufficient ore to repay the loan. Applicant has stated that he expects to hire a young engineer to see that the work progresses smoothly and according to plan. This is necessary as the applicant is a man 86

12. years old, and although mentally alert, is incapable of operating the proposed project.

It is now recommended that the applicant be given consideration for a loan of \$5000.00.

CHARLES A. RASOR
Supervising Engineer

CAR:gmk

Attachments:

Photos
Assay Certificate
Map

ARIZONA TESTING LABORATORIES

ANALYTICAL AND CONSULTING CHEMISTS
ASSAYERS, MINING ENGINEERS
823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

PHOENIX, ARIZONA, May 23 194 7

Mr. C. A. Rasor, Supervising Engineer, RPO

325 Heard Building
Phoenix, Arizona

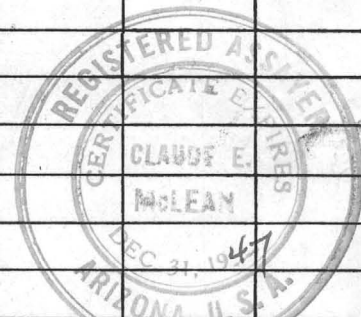
WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$ 35.00 PER OUNCE.

LAB. FORM 2

SILVER FIGURED AT \$ 0.90 PER OUNCE.

LAB. NO.	SAMPLE	GOLD		SILVER		PERCENTAGES		
		OZ. PER TON	VALUE	OZ. PER TON	VALUE	COPPER	LEAD	
64781	#1	0.08	\$2.80	3.60	\$3.24		7.20%	
64782	#2 4 ft. South	0.16	5.60	7.40	6.66		14.80%	end of stope
64783	#3 3' iron gossan	0.02	0.70	0.60	0.54		0.70%	
64784	#4 15' gossan	0.04	1.40	0.80	0.72		0.30%	bottom stope
64785	#5 4' exposed	0.02	0.70	5.00	4.50		5.30%	
	Ben Henry Property							



RESPECTFULLY SUBMITTED,

ARIZONA TESTING LABORATORIES

BY

Claude E. McLean

ASSAYER

CHARGES \$ 10.00

RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
REPORT OF SUPERVISING ENGINEER

Docket No. C-MD-7906

Date of Authorization for Exam. Rec'd: 4-13-45

Date of Examination: 5-2-45

Date of Report: 5-7-45

The Swisshelm Gold Silver Company made application in 1935 under Docket No. B-2453 for a loan and was rejected. Again in January, 1943 the same company made application for a preliminary development loan of \$5,000. Favorable action was not taken and all exhibits were returned to applicant. Now the applicant has made another application for a loan of \$4,850 apparently based on some misinformation given him by one of the engineers of the Arizona Department of Mineral Resources regarding changes in the Class B type of mine loans. The same information which was submitted in previous applications was submitted with this one. No work has been done on the property in 25 years and not one place was cleaned out or one face in the stope brushed off to reveal any substantial indications of ore. This report covers my examination of the property accompanied by H. B. Bessac, the authorized agent of the applicant.

1. NAME AND ADDRESS OF APPLICANT:

Swisshelm Gold Silver Company
338 Granada Street
Tucson, Arizona

Correspondent:

Ben Heney
Same address

2. CHARACTER OF PROJECT:

To crosscut and sink winze from 300 foot inclined shaft and sink winze from tunnel 800 feet northwest of shaft and to buy equipment.

3. LOCATION OF MINE:

In S. 12, T. 20 S., R. 27 E., Swisshelm Mining District, Cochise County, Arizona. The nearest railroad station is Douglas, Arizona, approximately 48 miles from the property. Road conditions are poor from the mine to the paved highway, a distance of about 10 miles.

4. APPLICANT:

Mr. Ben Heney, applicant, is a man 83 years old, but active mentally and physically. Mr. Heney has been trying to get someone to spend money on this property for over 25 years, but unsuccessfully. He has persuaded Mr. H. B. Bessac, a man 67 years old, to take charge. Mr. Bessac escorted me over the property the second time he had been on the property in 25 years when he first made the geologic map that accompanies Mr. Heney's data. Four days previous to my examination Mr. Heney took Mr. Bessac over the property. It is unlikely that these two gentlemen are able to operate successfully under a loan.

5. LOAN REQUESTED:

\$4,850.

None Recommended.

6. DESCRIPTION OF PROJECT:

Applicant submitted the following program for reconsideration:

a. From the 300 foot level, crosscut 50 feet toward the stope in the expectation of ore at this level beneath the worked-out stope.....	\$600.00
b. From 50' level sink a winze 30'.....	750.00
c. On west slope of hill 900 feet from main shaft sink winze or shaft 30 feet.....	750.00
d. Purchase truck.....	750.00
e. Purchase 2 Jackhammers.....	300.00
f. Re-setting Air Compressor.....	600.00
g. Rehabilitating camp and underground.....	<u>1,100.00</u>
Total:.....	\$4,850.00

Mr. H. B. Bessac, agent for the applicant and the person who would operate the mine for the applicant, escorted me over the property and to the various places where work would be done under the project. The mine and camp are a picture of desolation as no work has been done for 25 years, more or less. We walked over the surface and Mr. Bessac pointed out the geology: faults, andesite, rhyolite, limestone and other features. He went into long speeches as to the possibility of two ages of mineralization. All this had nothing to do with developing ore or loaning money, but from past experiences with Mr. Heney it was thought best to listen attentively and go every place they considered worthwhile.

There are no buildings on the property except some shacks that cattle have broken into. There is no equipment on the property, except the broken-down 20 H.P. Weber gas hoist. The compressor that is mentioned so often is the one that has been in numerous law suits and is sitting on another property. Mr. Heney has not enough money to move it. The collar of the 300 foot incline shaft is caved and rain water and muck has run down the shaft tearing out the ladders and filling the bottom of the shaft with some loose muck. It would probably cost \$2,000 to put the shaft in working condition.

We went into the old stope and shaft from a short crosscut adit in the gulch. The openings were in good condition and we were able to crawl down the shaft to the lower level. There were no ore showings. All the faces were in limestone or andesite. On the way out we examined the stope, which also had not been worked for 25 years. There may have been some siliceous gold ore around the edges of the stope, but no effort had been made by the applicant to expose any faces for sampling. Besides, any samples taken would not have much meaning. They would, in all probability, show gold values. This stope is only a few feet below the surface and would not make a large tonnage. Also there are very good indications that if this stope was mined to the surface it would show that the ore outcrops on patented ground which does not belong to the applicant. The patented ground belongs to the Scrivener Estate and is being operated by a lessee. This lessee also has good reason to believe that the stope would come out on the patented claims. However, the claims would need surveying to determine the corners, as they were patented many years ago.

About 900 feet northwest of the inclined shaft, the applicant proposed to sink a shaft or winze at a place where someone, 25 years ago, found a boulder of ore

6. DESCRIPTION OF PROPERTY: (Cont)

that assayed 1400 ounces of silver. A short adit was driven in the hill under the outcrop but only barren fissures were revealed.

Mr. Bessac remarked that all these places need "testing". He agreed that "testing" was prospecting and then I reminded him that loans were not made for prospecting. I suspect my statement rather cooled his ardor.

7. COMMENTS OF SUPERVISING ENGINEER:

I cannot recommend a loan as I was unable to see and was not shown any additional data that has not already been shown in previous applications submitted by the applicant. What the applicant proposed to do with loan funds is regarded as prospecting, a purpose for which loans are not granted. Furthermore, the applicant originally submitted an application for a gold-mining loan and I was unable to see any ore carrying enough metals to be deemed advantageous to the national defense.

CHARLES A. RASOR
Supervising Engineer

CAR:sbm

Attachment:
Map

25

$\frac{c}{\sqrt{2}}$

RECONSTRUCTION FINANCE CORPORATION
MINING DIVISION
PROGRESS REPORT

Borrower: Swisshelm Gold Silver Company
Docket No: 8788
Date of Visit: September 9, 1947
Date of Report: September 12, 1947

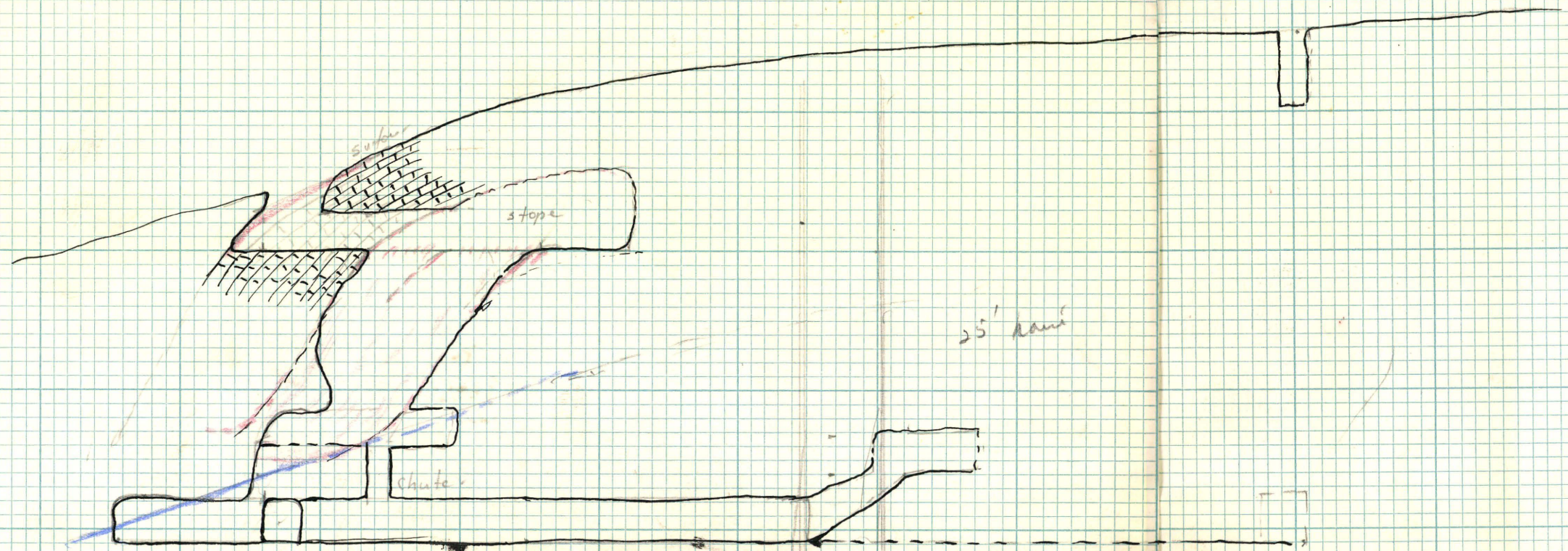
I made a routine inspection of the property on which the Borrower is working. Not too much has been accomplished on the property, first because the Borrower has been unable to acquire the services of the engineer in Tombstone who had agreed to oversee the work. He moved to Tucson, Arizona, and is working for a large company.

There were three Mexican laborers working at the property. Very little additional ore has been broken down, but one of the places where it was proposed to crosscut for ore has been cleaned out and prepared for driving ahead. Borrower has been unable to get his compressor moved and set up, hence all work that has been done was with hand steel. This is a slow and painful process.

Borrower has purchased a new jackhammer and other supplies, and a load of lumber had been delivered a few days before my arrival. About one-half of the money has been spent and it is hoped that the remaining amount will do more than the first part.

CHARLES A. RASOR
Supervising Engineer

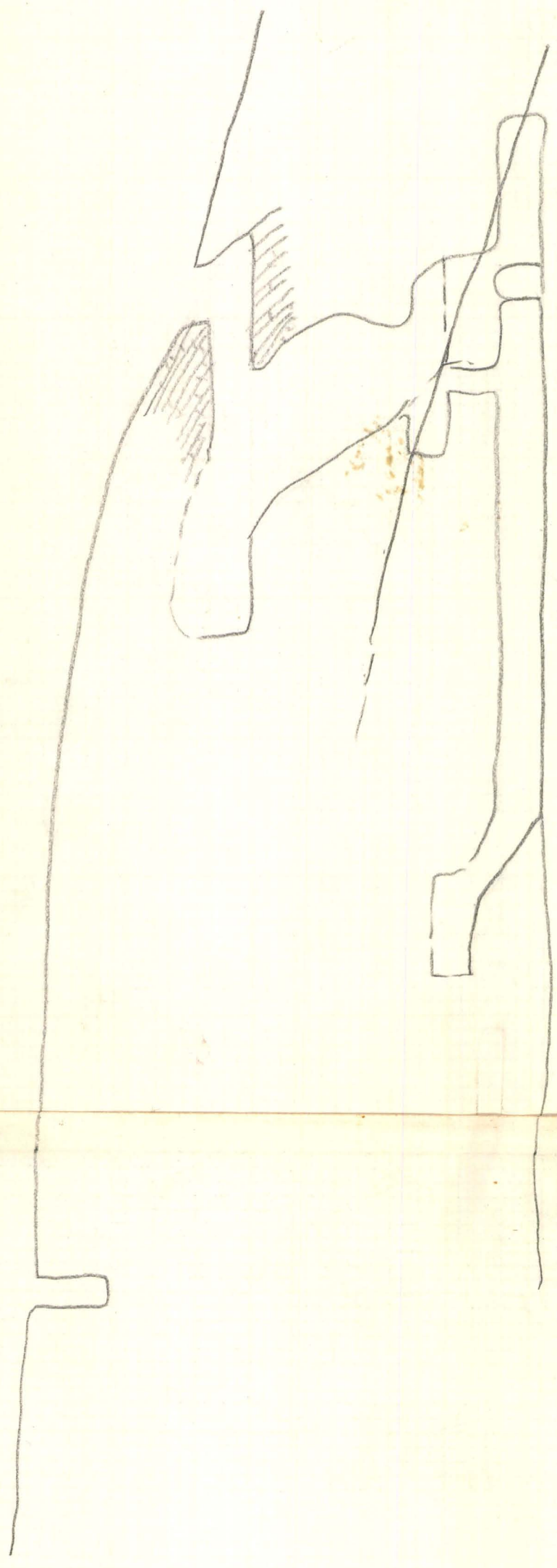
CAR:gnk



25' ramp

45
15
14

74





SWISSELM GOLD SILVER COMPANY
DOCKET NO C-ND-7906
SCALE 1" = 20'
MAY 21, 1947
Charles A. Reese, Sup. Eng.