

INFORMATION REGARDING CLASS B LOANS

The Class B or development loans are made to corporations, individuals, and partnerships engaged in the development of a gold, silver, or tin ore body. An application for one of these loans must contain data to show that there are exposures of ore within the mining property either on surface or in the mine workings which warrant development.

In the case of a vein or lode mine, this information must consist of a map of the mine workings upon which are shown the location of every sample taken of the ore exposed by these workings, the width of ore each sample represents, and its assay values. A description of the method used in taking these samples is necessary. On this map should be shown the proposed plan of development work and the application must contain the applicant's estimate of the cost of doing this work and of the amount and value of ore that is expected to be developed by the program. An estimate of the proposed expenditure from loan funds is requested, as is also a description of any equipment now on the property. If new equipment is to be purchased, a description of this equipment and an estimate of the cost of the same is desired. The application must contain complete information concerning the source and cost of water and power and a detailed statement of the applicant's expenditures to date on its property.

If the property to be developed is of a placer type, the application must contain a map of the property on which are shown the location of every shaft or drill hole that has been sunk to prospect the property, and the value per cubic yard of gravel that was recovered from the gravel of each shaft or drill hole. If drill holes are used, the log of each hole should be submitted. A detailed description of the method used in making the value determinations is very necessary. On this map should be shown the proposed plan of development work to be carried on from the proceeds of the loan, and the applicant's complete estimates of the cost of doing this work, and the yardage and value of gravel that is expected to be developed. The application must contain complete information concerning the source and cost of water and power, and a detailed statement of the applicant's expenditures to date on its property.

Development loan applications must contain a detailed statement of the applicant's proposed plan of operating the property after the development program has been completed. It is important that this statement give full information concerning the financing of such operations.

Loans will not be considered on mining properties the ore bodies of which are underwater or, due to caving of the mine workings, are inaccessible for examination by one of this Corporation's Engineers. Loans are not made for the purpose of making such ore bodies accessible or for the purchase of mining properties.

The Class B loans are made solely for the development of gold, silver or tin ore bodies, and are not made for prospecting or grubstaking purposes. This type of loan is not made for the construction or purchase of mill equipment.

The Corporation does not look with favor upon granting a loan to an applicant who has only a leasehold interest in its mining property. It is desired that the Corporation be given a mortgage on the mining property. However, if the property is held under lease or option to purchase, a loan may be considered provided that the owner of the property joins in the mortgage or, provided that such owner agrees to modify the lease in such particulars as this Corporation may require and to keep it in effect as long as any part of the loan is outstanding and to subordinate all land or royalty payments to the loan.

The rate of interest is 6%.

Mining loan applications are filed in duplicate with the Washington office of this Corporation.

ESTIMATE OF REOPENING MONTE CHRISTO MINE TO 100' LEVEL

	NEW	SECOND HAND
Repairs to road and camp buildings		
Preliminary survey, etc.		
Head frame & ore pocket		
Hoist house and compressor room & skip		
Oil engine hoist, single drum		
Compressor & receiver (2 drill)		
Pump jack with engine 30 gal per		
Pipe for water and air		
Blacksmith shop equipment		
Track and two cars		
2 air drills		
drill steel		
Air hose		
Hoisting rope and skip		
Stations pump		
Small truck		
Incidental, tools, etc.		
Installing above equipment		
Expense from Working Capital		
Cost of unwatering the mine to 100'		
level with pump jack to be operated		
continuously while other work is in		
progress and men are installing the		
equipment, etc.		
Fuel & labor for 30 days-----		
Cost of fixing stopes and		
drifts and mining one care of ore		
Balance of working capital available		

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Preliminary survey, etc.
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Hoist house and compressor room & skip
Oil engine hoist, single drum
Compressor & receiver (2 drill)
Pump jack with engine 30 gal per minute
Pipe for water and air
Blacksmith shop equipment
Track and two cars
2 air drills
drill steel
Air hose
Hoisting rope and skip
Stations pump
Small truck
Incidental, tools, etc.
Installing above equipment

Expense from Working Capital

Cost of unwatering the mine to 100'
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Fuel & labor for 30 days-----

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Balance of working capital available

A 3/5/40

Prescott - Arizona
March 1ST / 1940

Mr. G. H. Colvocoresses
Luhre Tower - Phoenix.

Dear Mr. Colvocoresses:

Will write you a few lines in regards to our last shipment and to let you know how everything is.

I am working by myself now. that is, since our last shipment Mr. Weber and his brother are in a deal on a place or mine over in the Jersey Lily country and do not know if he will be able to work further here with me. He seems to think that there is just enough ore here to support one man however it has not altered my faith in making a living here and so I

will continue on with my work here as before, it is quite trying at times but so far not so bad as to give up and quit. Mr Weber and his brother always see to it that I have plenty to work with in the way of tools, powder, sacks and other equipment, and, on their behalf I wish to say that they have been a large factor in making it possible for me to work a claim as I have here.

I am very sorry we were not able to find enough here at present to sustain us both. But it is not quite possible for two to work a small strake as we have done on less than ounce ore. However we did manage & realized a little over 7 tons out of this small vein in about 3 weeks with close to 3 days of dead work & preparations, but most of the ore did not extend to the depth

we went so consequently we had to abandon sinking or drifting any farther. I believe now tho that I can come in with a drift from the south, close to the road and contact enough small enrichments as to average up into fair value and make it much easier also for one man to work alone.

Well, as I have wanted to do for some time, we shipped this last lot of over 5 tons to Suoot that was Monday Feb 27th, on Tuesday 28th we got our returns and they were so unsatisfactory as compared to our assay we thought it best to reship the ore to Branch, it was a decision very hard to make, but as we stood to make very little profit anyway, decided it would be a good time to make a comparison as to whom gave us the best returns.

Let me say first tho that we did not make this move with any thought of ill feeling toward Mr. Smoot as he accepted our refusal without hesitancy and was very courteous in all ways I contacted him. I do believe he is very honest and sincere in his business methods, however as you will note by my shipping sheets that there is a radical difference in his returns and that of Branch's. Moreover the difference is somewhat higher if you will note when you considers the fact that we lost 960 lbs of ore left at Smoots due to the trucker not being told of a smaller & separate pile of our ore (10% cut for sampling) by the man at Smoots Mkt. But I figure it is too late now to recover any part of it.

As I had to return Smoot's shipment sheets I made a copy of them before doing so and I am sending you one also. This is an exact duplicate of his deductions and returns with the exception of your royalty and the cost of trucking I added that as Smoot did not on the original.

Both Mr. Smoot & Mr. Branch have made a request to see the other's sheets & returns but I am withholding them until I hear from you.

I hope you can see fit to visit us again soon and I wish to thank you generously for your hearty cooperation in trying to help us past & present.

Resp.

Paul E. Sims.

Please note, moisture, # 960 loss
in reshipment,

Cash paid to re-ship
Sampling at Imoosts
Hauling.

\$	6	00
\$	3	50
\$	9	50

OFFICE: 11 Bashford Bldg.
PHONE: 493

SAMPLING WORKS
416 N. Mt. Vernon

PRESCOTT ORE MARKET

Operated by Yavapai Finance & Realty Co.

February, 29, 1940

Settlement for Lot No. 307

Classification: Ore

Shipper: Paul Sims
Address: Groom Creek

Net weight of Lot: 10,850 lbs.
Moisture: 6.5 percent: 704 lbs.

Name of Claim: Monte Cristo
Mining District: Hassayampa
County: Yavapai

Net dry weight: 10,146 lbs.

Equivalent in tons (2000 lbs.): 5.073 Tons

PAYMENTS PER TON

Assay		Amount Paid For	Rate	Value
Gold:	.70 ozs.	all	oz. at \$ 32.20	\$ 22.54
Silver:	4.80 ozs.	95 % 4.56	oz. at .70	3.19
Copper:	Pct.		lbs. at	
Lead:	Pct.		lbs. at	

Value per ton at shipping point: \$ 25.73

Freight Rate per ton: \$ 3.85

Smelter-Treatment per ton: 4.57

\$ 8.42 \$ 8.42

Net smelter value per dry ton: \$ 17.31

Total net smelter value of 5.073 Net Dry Tons at \$ 17.31 \$ 87.81

Brokerage: \$ 8.78

Sampling - Assaying: 6.90

\$15.68 \$ 15.68

Approved by:

Net Amount Due Shipper: \$ 72.13

Settlement:

Paid Elmer Price \$ 3.50

Paid Colvacaresses \$ 8.78

Balance due shipper 12.28
59.85

Smoot Returns.

Gross Weight	#	11810	
Moisture content	8.5%	1004	
Net dry weight		10816	= 5.403 T.
Gold	.54		\$17.34
Silver	5.0		3.18
Total Value			<u>\$20.52</u>

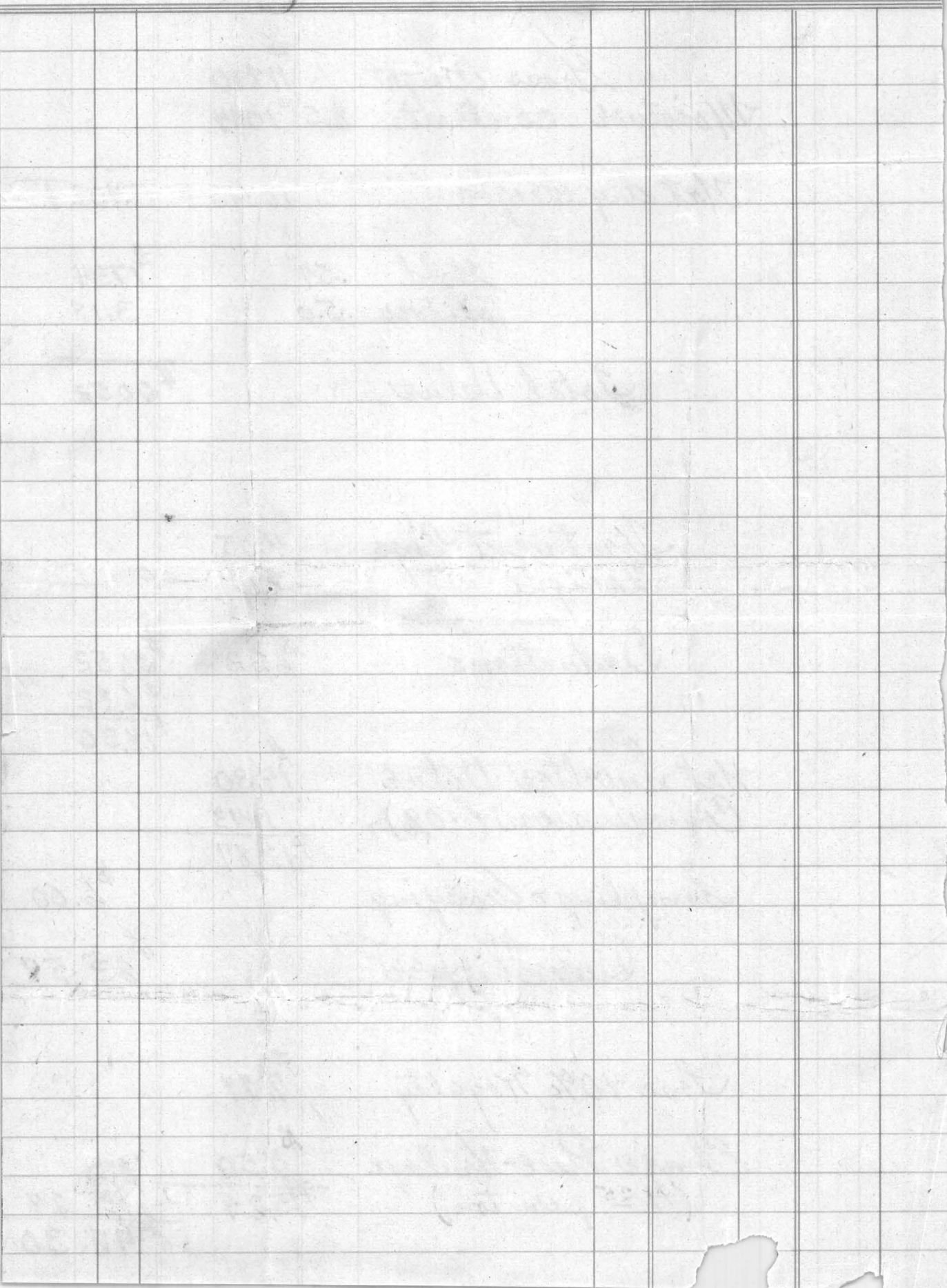
Treatment Chgs	\$4.05	
Freight	2.17	

Deductions	\$6.22	\$20.52
		<u>\$6.22</u>
		\$14.30

Net Smelter Value	\$14.30	
Commission (10%)	1.43	
	<u>\$12.87</u>	

Sampling & Assaying		\$6.00
Over Shipper		<u>\$63.54</u>

Less 10% Royalty	\$7.74	
Elmer Price-Haulage	\$7.50	
(\$1.25 per ton)	<u>\$15.24</u>	\$15.24
		<u>\$48.30</u>



Monte Cristo

NOTE RE PROPOSED CUSTOM MILL NEAR GROOM CREEK

12/18/39

Call from F. E. Yoakum, Box 1502, Prescott - home address 472 Vernon Street - Oakland, California.

Yoakum is associated with a man named Poindexter with whom he is now living 1/2 mile south of Groom Creek. They and their associates propose to build a custom mill with equipment for both cyanide and flotation. They hope to get custom ore from the small producers around Groom Creek and in the Bradshaws and he wished to secure information regarding the Monte Cristo and Storm Cloud.

Showed him maps of both of these properties and explained situation to some extent but told him that I did not believe that his project could be made successful unless he was willing and able to carry on a certain amount of mining and development since the owners and operators of mines in that district could not be depended on to maintain steady ore shipments to any mill and many similar ventures had failed for lack of ore supply.

Yoakum said that he would see me again on this matter and if so the following points should be discussed assuming that Yoakum is backed by sufficient capital to do anything really worthwhile.

(A) For Mill Near Groom Creek:

(1) Water could be obtained from Monte Cristo Shaft which is said to make 40 - 50 gals. per minute from 400' level,-

might get small revenue from this source and have the mine unwatered without expense. Some mill ore will doubtless be found in the main vein above the 100 and 200' levels and also in the Cross Vein on which Sims is now working.

(2) Very small tonnage of ore developed in any mines in this vicinity but some might be taken at intervals from the Hidden Treasure, Gold Basis, Prince Albert and other mines along Groom Creek with a chance for a larger tonnage from the Oro Flamme if it can stand the haul and Groves or others continue to operate.

(B) For Mill At or Near Senator Tunnel:

(1) Water can be obtained from Senator Tunnell and some from Ten Spot Shaft at Storm Cloud, also from Jersey and Maple Creeks and Cash Creek.

(2) Considerable ore might be developed from Ten Spot Vein and branch veins including the Galena, Lion, Curtis, Dividend, Cash, Treadwell and Senator #1 and #2.

Best point to start development should be the Ten Spot Shaft and later, if ore continues in depth, it might be reached through the Senator Tunnel which could serve as a haulage-way for practically all the ore in that immediate vicinity to a depth of from 300 to 1000' below the surface.

(3) A larger supply of ore could be obtained from the Tillie Starbuck,- if it will stand up in value,- and small shipments of high grade might come from the Davis Dunkirk and mines near Venezia,- also leasers like Louis Milner and the

men working at the Divide Mine and on the gold and copper veins at the Storm Cloud.

(4) Ore from mines along the road from the Storm Cloud to Walker and from the Sheldon at Walker might be trucked over at a moderate expense also from Bolada, Crook Canyon (especially the Bodie) and other points along the roads to Crown King and Pine Flat.

Nearly all of these ores are of different and varying character and would require special treatment and reagents, some would not be suitable for flotation being largely oxidized and some contain too much copper or other interfering elements to permit cyaniding.

In nearly all cases additional development is in order and unless the mines are being operated by responsible parties the statements made in respect to production cannot be depended upon. I have much data regarding the grade and value of the developed and indicated tonnage.

G.M.C.

(1)

MEMO RE MONTE CRISTO

June, 1938

During this month Headley has trucked over to his mill about 8 tons of ore from the dump by the boarding house. This ore averaged about \$7.00 per ton and royalty should be \$4.00.

Magaffe had broken by June 23rd about 30 tons of ore from the cross vein,- this should also have been shipped to Headley's mill during June and royalty should have amounted to between \$15 and \$30 depending on value. Lease provides for payment of royalty by 10th of next month and royalty is fixed at 50¢ per ton on average shipments with value of \$7.50 or less per ton,

75¢ with value of \$7.50 - \$10.00 per ton.						
1.00	"	"	"	10.00 - 15.00	"	" .
1.50	"	"	"	15.00 - 25.00	"	" .
2.00	"	"	"	25.00 - 35.00	"	" .
3.00	"	"	"	35.00 - 40.00	"	" .

Samples taken by Magaffe in surface cut on cross vein, were as follows:

At start of cut, width 8', value \$11.00
10' further in hill, width <u>6'</u> " 16.00
10' " " " " 4' " 18.00

At this last point it was expected to start a tunnel.

July 15, 1938

Magaffe mined and shipped to Headley mill at Gold Basis, 27 tons from cross vein. Mill does not appear to make good recovery on plates or tables and doubtful if this work will continue. Vein in face of open cut has width of 4' near surface and last assays continue to vary from \$10.00 to \$16.00 per ton but grade of shipments is probably lower. Vein is getting firmer and I think an adit should be started tho it would soon cut across the workings on the main vein near the upper shaft.

Non-liability notices are posted.

Magaffe still around but Mexican woman and children in big cabin.

Headley promises to send statement and royalty very soon.

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Fiti Duplicate

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NOTE FOR LOUIS CHALMERS - RE: MONTE CRISTO

August 2nd, 1937.

The \$65.00 ore which we found in the vein in the north tunnel proved to represent only a small pocket and further in the vein ran from \$12. to \$40. per ton at various points in the drift.

We advanced the tunnel to 111' from the portal and then started sinking a winze which is now 12' deep, which we plan to continue as far as possible. We also put down another winze nearer to the portal to a depth of 10' but will not attempt to deepen this further at present as the south winze looks the better of the two.

In both cases, - while the ore in the vein was not as rich as I had hoped, the grade showed a distinct improvement as depth was gained and so far bears out my theory that the values have been leached in the upper portion of this vein and that a higher grade of ore should be found below and I think that the sinking of the south winze should be continued as long as possible.

We have stripped the vein in the upper portions of both winzes and the one lot of this ore which has been sampled (about 1000#) assayed \$39.16 per ton in gold and silver.

On the south stope of the hill we have started to open up some of the old workings and at one point found a small unmined section of the vein from which we took about 400# that assayed \$77.26 per ton and more ore will be mined from this point as soon as conditions permit.

We shall make every effort to get out a small shipment to the ore sampler in Prescott before the 20th of this month and the returns from this, together with funds now in the bank, should enable us to continue our work on the present scale throughout the month of August, during which the development which we expect to accomplish should have

a most important bearing on the future of the property and its chance of becoming a profitable producer with further development and proper mining equipment.

A full Statement of account will be prepared and submitted by or before the end of this month.

Shue

August 12th,

The winze now has a depth of over 20' and the vein has widened from less than one foot to over 18 inches, but the main portion is still leached and the higher values are confined to small pockets and narrow stringers of quartz.

The last lot of ore mined here assayed \$36.81 per ton and a small shipment will be made during the next week.

It now appears possible that the leaching in this north section of the vein has extended to a considerable depth below the adit and that it will be necessary to deepen the winze by an additional 40' to 60' before we can reasonably hope to start a steady production. This is an unfortunate situation since more equipment and expense will be involved than I had anticipated a few weeks ago but some encouragement may be found in the increasing width of the vein, all of which seems to be mineralized, and I still feel confident that a much higher average content will be found as soon as we have gone down through the zone of surface leaching.

Shue

3- L. J. Chalmers

I believe that it is greatly to our mutual interest that this work should be continued without any interruption and only regret that I am still in no financial position to contribute. While I shall make every effort to secure funds from my Eastern friends as soon as possible you will realize that August is a bad time in which to make this attempt and I must reserve some of our present funds for insurance premiums, taxes, and other similar purposes and so may find it difficult to keep things going. If you can think of any local people who would care to join with us on a small scale, their help at the moment might prove very valuable and \$1000.00 would carry us through September, during which month a second and larger ore shipment could almost certainly be made.

L. J. Chalmers

8/24/37

NOTE RE MONTE CRISTO

The development of the north vein in the adit and winzes has been discouraging. The values are all confined to narrow stringers of quartz which are found only in little streaks or pockets and are not continuous.

The best values so far were along the adit but apparently there were even better values above and very near to the surface where some ore was mined by the old timers and some by Walker. The grade and quantity of ore in both winzes seems to fall off and certainly has not improved.

From the standpoint of ore production this section of the mine may be forgotten with the reservation that it might pay to push the adit on through the hill (about 120') and stope the vein above to the surface where some fairly high grade pockets might be found,--the total cost of the drift might be figured at \$1000.00 and the stoping would be a variable quantity but may be guessed at, say \$2000 and the production of sorted ore might also be guessed as 100 tons which might have a gross value of \$4500 and a net value of perhaps \$3500, so this plan is not attractive except for the chance of finding some pockets of really high grade ore which might run up the average value to a substantially higher figure and leave a fair margin of profit.

To test this possibility it might be well to stope out from the old stope to a point directly over the breast of the drift which would cost perhaps \$800 and might yield 40 tons of ore with net value of perhaps \$1400.00. The cost of this procedure would be small and it should be worth trying out.

----- As a piece of development the north working has given an entirely negative result.

It now appears that the values in this vein may be residual from above and in that case nothing better will be found below and further exploration at depth is useless. On the other hand there is still a possibility that we have been working entirely in the leached zone which is much deeper than had been anticipated and that a change for the better might occur say 50-80' below the adit. But this is not a good bet from present appearances and I would not now recommend any further exploration at this point.

We have obtained no further data to show whether or not this north vein is a faulted continuation of the main vein or not, if it is, the throw of the fault on its north side has been nearly 100' to the east.

On the whole I now think that this is probably an entirely different vein and that it will be better to explore for the main vein by crosscutting to both east and west, especially west from the main adit on the north side of the fault.

As to south workings we have at least one good point of attack but cannot do anything worth while until we have installed a compressor as my own observations agree with the past experience of Gallagher, McCarthy, Milliken, Lake and Walker and indicate that both the wall rock and the vein itself are far too hard to be mined by hand steel except at prohibitive expense.

The proper method of operating would be to open up the main adit, retimber at and near the portal, lay a track and use a mine car, the cost of this is hard to estimate but unless the conditions are much worse than they appear this might be done as far as the cross vein (say 400') for about \$700.00 including the cost of rails, ties, timbers, etc.

Above the adit some little pillars of good ore have been left and could be mined but we do not know the exact quantity or quality. There is still some ore at the point where Anger and Alden gouged out the 500# that ran \$77.00 per ton and according to Lake there is a raise from the adit a short distance south of the portal of the Walker drift where good silver ore was left on the south side.

To explore and stope out the pillars in these old workings south of the upper shaft would probably cost an additional \$800 and there is a reasonable chance that some 40 tons of \$50 ore might be mined which would serve to repay the cost of the stoping and reopening the adit,--but this is only a chance.

The best showing in the mine is found in the west or silver vein just north of the upper shaft and in the north side of the old stope which was last worked by Walker and Milliken who took out \$45.00 to \$50.00 ore but were forced to quit because the wall rock and vein were both so hard that no profit could be made thru mining with hand steel. Our own experiences has been similar and it is quite hopeless to attack this ground until a compressor and air drills are available.

The area of this block of ground is uncertain but if the ore extends to the cross vein as we know that it did both below and above,--it should represent a minimum of 120 tons with average gross value of \$45.00 per ton or net value of about \$35 per ton --\$4200. It also seems probable that some ore is left in the east or gold vein--which forks upwards from the adit to the surface and longitudinally about 15' south of the upper shaft. Most of the ore in this vein has been stoped as far as the cross vein but some pillars and sections of the vein still remain in place,

apparently some 30 tons as a minimum of which the value--judging by records of past production, should be about \$40 per ton, net value say \$30 per ton equals \$900.00.

The cost of a good two drill compressor, second hand is about \$1000 and the pipe, drills, receiver and fittings would add another \$1000 making a total preliminary plant investment of \$2000.00.

The cleaning out of the main adit as mentioned will cost about \$700 and the stoping of the pillars of ore left above this drift and south of the upper shaft will be about \$800.

The cost of stoping the silver vein and the remnants of the gold vein between the upper shaft and the cross vein may be estimated at \$1000, bringing the total expense for equipment and operation to \$4500.00.

The net returns expected from stoping and shipping all of the high grade ore above the adit and south of the cross vein may be estimated, as detailed above, at approximately \$6000 so that this work should be paid for from the earnings and some money reserved for further exploration.

The chances for developing a really profitable mine at the Monte Cristo lie in two directions, the production of the mine to date seems to have had a value in excess of \$100,000 and some of the ore shipped from the early work is reported to have had a value of over \$200 per ton in gold and silver. The main north-south vein from which all of the ore was obtained has been mined for less than half of the length of the claim above the adit, - in which section the ore described above still remains to be worked and a much smaller percentage of the vein has been worked below the adit according to maps which are believed to be accurate. The

The grade of this ore below the adit-which is only a few feet above the normal water level is undoubtedly lower than above but such records and samples as I have obtained indicate that at least a substantial quantity will carry ~~around~~ ^{about} \$30 per ton and between the adit and the 200' level from the main shaft there are left about ²⁵⁰⁰ ~~3000~~ tons of ore ^{below the adit} of which at least 20% or ⁵⁰⁰ ~~1000~~ tons should have the noted value.

However, the exploration of this area, (which is now under water) and mining the remaining ore would involve a considerable capital expense, including a gallows frame, hoist, pump and larger compressor and the unwatering of the mine with repairs and tracks on the lower levels and no such procedure is contemplated at present nor should it be undertaken until an additional capital of at least \$5000 has been provided either from earnings or some other source.

There are at least two north-south veins running nearly parallel to the main vein but surface assays do not show good values and their further development--which could best be conducted thru cross cutting from the adit can also be deferred.

The cross-vein--with a width of 3 to 4' is strong and persistent both on the surface and underground, but wherever sampled has proved too low grade to pay to mine. It should, however, be more thoroughly examined as opportunity permits for the pockets and stringers of sulphide which it contains in places carry better than \$25.00 per ton and should any concentration of these sulphides occur a very substantial ^{won} tonnage of such ore could be ~~very~~ cheaply.

By far the best chance of finding a substantial quantity of high grade ore seems to lie in exploring the main vein north of the cross vein. This cross vein which runs northeast-southwest is also a fault but it does not appear to have had any very substantial throw. The surface of the ground on the north side of this fault is [^]mashed by heavy vegetation and top soil and absolutely no crosscutting seems to have been done underground, although such work was planned, according to one of the old maps and is the most logical piece of exploration.

I believe that a total of say 100' of crosscutting from the adit would have every prospect of picking up this extension of the main vein and if once this were located it could easily be followed and should extend to the north line of the claim (about 600') and perhaps further to the north where (so far as I can learn) the ground is open for location. There is no logical or geological reason why this vein should not continue and why the values should not hold out and since the ground is higher than south of the fault there is reason to hope that above the level of the adit a block of some 4000 tons of \$40 ore might be opened up from the mining of which a profit of some \$80,000 or more might reasonably accrue. *+ if gd - 50 mts to g*

This is the big gambler's chance on the Monte Cristo and coupled with the more certain prospects of returns from the small remaining tonnage south of the fault, the lower grade ore below the adit and the prospects afforded by the other veins, this seems to me to very amply justify the mining gamble which is represented by the speculative investment of \$6000 now desired.

MONTE CRISTO

August 24th, 1937

The following is a brief statement of the work accomplished at the Monte Cristo Mine from the middle of May, 1937, to date. The description will be best understood by reference to the accompanying blue print.

The north end of the claim is shown on the left hand side of the map and work was started at the north adit a short distance below the summit of the hill. It was reported that some high grade ore had been mined from this section of the property in the early days and two years ago leasers partially opened up this adit clearing it out for a distance of some 60' from the portal and mining a little ore from a stope above. The average grade of this ore was only about \$15. to the ton, but it was my opinion that the vein at this level had been leached and that more solid vein matter with higher values would be found both toward the south and at a lower elevation.

To test this theory we entirely cleaned out the adit which had been very badly caved at the portal and under the old stope and retimbered same in a substantial manner. We then advanced this drift to a total distance of 111' from the portal following continuously along the vein which had average width of about 6". The assays of samples were very erratic varying from \$15.00 to \$65.00 to the ton and the high grade material seemed to be confined to a narrow stringer which contained crumbly quartz. The balance of the vein material showed evidences of leaching and contained only small values in gold and silver.

Since it did not appear that the grade or quantity of ore was improving as we worked forward to the south and since, in any

event, we were so near the top of the hill it seemed advisable to start sinking one or more winzes. Two of these were accordingly put down the northern winze reaching a depth of 11' and the south winze a depth of 25½'. Again we were disappointed in not finding any real improvement, for although the width of the vein matter substantially increased with depth and in the bottom of the south winze to over 18" yet the pay streak did not widen and it was evident that the leaching had continued to a substantially greater depth and that no real improvement which would permit profitable mining of ore could be expected until we could have sunk at least a total of 50' or 60' from the adit. The funds available did not permit proceeding to such a depth even if it had seemed advantageous to do so.

I am still of the opinion that the vein will improve as it goes down and that any comprehensive plan of developing the entire mine should include the running of a lower adit as shown in the dotted line where it may reasonably be expected that the impoverishment will have ceased and where there is a fair chance that we may encounter a zone of secondary enrichment which in all probability will extend downwards for a considerable distance possibly as far as the level of the main south adit, which is 160' below the north adit.

As the development work progressed a small quantity of high grade ore was sorted out representing principally the quartz stringer and approximately 1500# of this material was contained in the sample lot shipped to the Prescott Ore Purchasing Plant. The value of this material may be closely estimated at \$45.00 a ton.

We might have mined a larger quantity of this high grade ore by stoping above the drift from the ends of the winzes but the pay streak had proved to be so very narrow and the values so spotty that the costs of such mining would have been excessively high

and it seemed wiser to devote our remaining funds to other development as noted below.

The second grade material representing the balance of the vein aside from the quartz stringer was piled up at the mouth of the adit where we now have about two tons of low grade ore which has a value of about \$7.00 per ton.

In view of the results obtained on the north side of the hill it appeared to me essential to resume work on the south side where the principal mining had been done in the past and where we were definitely assured that some ore was left in the old workings, altho the exact quantity and quality of this material was very uncertain. A little work was done just south of the portal of the Walker drift and from this point about 500# of high grade ore was mined carrying better than \$70.00 per ton and serving to sweeten up the shipment to the Prescott Ore Purchasing Plant which contained altogether 2062# of ore (dry weight) having a gross value of \$51.20 per ton. The high cost of sampling and shipping such a small lot of material reduced the net value paid for this ore to \$31.76.

In the vicinity of the section from which this last ore was mined there are some other pillars of similar material left in the vein but the surface has been so badly caved that it would not have been practical to attempt to extract this until we could arrange to clean out the south adit between the main shaft and the upper shaft which will involve considerable mucking and timbering.

As a means of entry into the northern section of the old workings where the greater portion of the ore was left in the vein we did fix up the upper shaft putting timbers around the collar and installing ladders and a windlass. This is now in satisfactory shape for further exploration and for a small production of ore although

additional timbering would be required if it were to be used to any substantial extent.

We were thus able to gain entry to the workings in this section of the property as far down as the main adit and to follow the main adit to the north breast which I had never previously been able to do. It appeared, however, that this adit instead of cutting through the cross vein to pick up the gold-silver bearing vein which strikes nearly north-south had actually been turned to follow the cross vein which also appears to be a line of faulting so that from this point northward the drift runs N. 40° E. and merely develops the cross vein which while wide and strong has never been known to carry values in excess of \$3.00 or \$4.00 per ton. The filling of this vein is principally crushed country rock, quartz and calcite, and an average sample taken across a width of 40" showed only \$2.00 per ton, which, of course, is not commercial. However, it was to be noted that thru the vein there were stringers of sulphide material and when these sulphides were sorted out and separately sampled they showed a value of \$25.00 per ton. There is a possibility, altho I do not consider it probable, that as further depth is gained the percentage of sulphides may increase and this vein may then become an ore producer, but any attempt to explore this possibility would be very expensive and not justified at present.

The most attractive section of the mine as it now stands is the portion of the vein above the adit level and between the upper shaft and the cross vein. At this point the vein is split and the two forks which come together with depth along the adit level and at a point about 20' south of the upper shaft continue to diverge as they approached the surface until they reach the cross vein where they have

apparently been faulted, but in any event have not been discovered further to the north.

The east branch which was known as the gold vein has been stoped out to a large extent as far as can be determined at present, but the west branch known as the Silver Vein seems to still contain a very substantial tonnage and a sample taken here showed a value of \$46.00 per ton over a width of nearly 6".

This then is an excellent point of attack and it was in fact the place at which the last leasers were working before they made their ill-advised attempt to dewater the shaft and mine below the main adit level. The grade of the ore which they mined and shipped from this vein was better than \$45.00 per ton, but the vein is frozen on the foot wall and both vein and wall rock are so exceptionally hard that it was entirely impossible to break this ore with handsteel except at a prohibitive expense.

The situation would be altogether changed if we could install and operate a small compressor and air drills, for with such equipment the rock could be efficiently drilled and blasted leaving the vein to be stripped off as the work proceeded and a reasonable cost of mining per ton could certainly be obtained.

No attempt was made to explore below the main adit which is only a few feet above the water level, but some interesting information was gained from parties who were familiar with these old workings and from an inspection of the limited portions of the adit which could be reached from the upper shaft. The probabilities are that most of the better grade ore has been mined out between the main adit and the 100' level and the ore between the 100 and 200' is reported to have been of lower grade so that it is doubtful if it would pay to

to mine even though a large tonnage is apparently left in place. The same applies to anything that may be left below the 200' level where no stoping was ever done.

It is still my opinion that by far the best chance of proving up a profitable mine in the Monte Cristo Claim lies in exploring the virgin ground north of the cross vein and fault. Our effort to accomplish this from the north side of the hill has not proved successful by reason of the fact that it would have involved spending a good deal more money than was available and because we found to our sorrow that the zone of leaching extended much further downwards than had been expected, but in other respects this work has been in no sense discouraging nor detracted from the ultimate possibilities of the property.

My plan for the future would be somewhat different from that which was advocated a couple of months ago for it now appears hopeless to attempt to either develop new ore or to mine the ore which is already indicated without first acquiring a compressor and air drills, but once these are installed it will be possible to start breaking pay ore immediately from the west fork of the vein to the north of the upper shaft and at the same time to explore the ground on the north side of the cross vein by crosscutting from the adit drift or by returning to the north side of the hill and running a tunnel from near the bed of the creek some 60' below the present north adit.

Perhaps both of these plans should eventually be put into effect but, for the time being, I would advocate only the first reserving the second item of exploration until we have more definitely determined the possibilities of picking up the gold-silver bearing vein immediately to the north of the fault and also until we have mined

out at least a substantial portion of the remaining ore between the cross vein and the upper shaft which I hope will provide a substantial revenue beyond the cost of mining and development.

The cost of the equipment which should be installed before any of this work is carried on may be estimated at \$2000 and the cleaning out of the main adit and the workings in the vicinity of the upper shaft to a sufficient degree to permit safe and convenient access to the ore reserve may be estimated at \$1000.00, together with other preliminary expenses, probably running to about \$500.00, and including the reconditioning of the camp buildings so as to make these habitable during the winter.

The cost of the additional development which I consider essential to determine the value of the property may be figured altogether as \$1500 and should start with crosscutting on the north side of the cross vein to pick up the faulted portion of the main veins. The further program had best be deferred until we have obtained more information concerning the throw of the fault and other conditions which we may expect to determine in carrying out this part of the program which is also reasonably certain to result in the production of a considerable quantity of ore,--some of which can now be seen and sampled and thus provide a fund of uncertain size for future mining and development.

S. H. C.

August 18th, 1937

Mr. George J. Harbauer
126 North Alarcon St.
Prescott, Arizona

RE: MONTE CRISTO

Dear Harbauer:

I am not sure that you will receive this letter before I see you on Friday when I shall plan to come to Prescott and to continue to the Monte Cristo. I wired you yesterday confirming the plan for closing up our operations on Friday of this week since our finances will not permit continuing longer and I cannot take any chances until additional funds are positively secured, although I am sorry to cut off the exploration just at this point.

The assays of recent samples which were received from Smoot this morning seem to show that there is nothing worth following up in the old workings which we recently visited excepting the silver vein at the point where sample 28 was taken and this was only about 4 inches wide so that even \$46.00 ore could not be mined with any profit but there is always a possibility that the vein might widen or improve in grade and if time permits I hope you will bend your principal effort towards making this point as easily and safely accessible as possible so that we can attack it later if we are able to resume the work at any time in the near future. I do not mean to suggest that you should delay the mucking out of the north winze which I hope can be done today and tomorrow and then it may be possible to move the windlass and other equipment to the upper shaft where you were putting in the ladders when I left and to get this in shape so that this shaft could be used for future work.

The sample No. 27 is interesting as indicating that the sulphides in the cross vein do carry substantial values in silver and apparently these are the only mineralized sections of that wide vein and doubtless occur merely as stringers or pockets which are too small to bring up the average grade.

I am somewhat disappointed in the result of sample No. 29, which I thought might run up over \$20.00 per ton, but here also we may later carry on some further investigation as this gold vein is likely to be very spotty and apparently there are almost no gold values at the point where we sampled.

2-G. J. H.

I will try to be at the Monte Cristo before noon Friday and we can probably arrange to clean things up pretty well that afternoon and Alden and I will drive down here to Phoenix Saturday morning. I would be glad to find some responsible person who would live at the Monte Cristo Camp as this would be more or less of a protection and you might take that matter up with Lake and Barney and see if they can offer any suggestions, but I do not want to turn it over to Fat Walker and Fat Alice if any other occupant can be obtained.

Best regards.

Sincerely,

GMC: DF

work done during summer of 1937. D.

NOTES RE MONTE CRISTO 8/15/37

The winze from the north tunnel was down 23.5' on this date with another round blasted and when this is mucked out it should have a depth of about 26' at which point we will leave it for the present. The vein has a strike of N. 4° E. which corresponds very closely with the main vein, but the main vein dips about 80° to the east while this vein in the north tunnel dips about 75° to the west and is offset some 150' to the east of the strike of the main vein, so there is no definite assurance that these two veins are the same, altho the cross vein fault (with strike N. 40° E.) may well have carried the vein over to its location in these north workings and the dip might change with depth.

The vein has widened a good deal in the last 10' in the winze and the silicified and leached schisty filling now has a width of over two feet but the only pay values seem to be still confined to a very narrow (2") streak of crumbly quartz which appears to carry about \$40.00 per ton as sorted out while the balance of the vein matter is practically barren. There is still ample evidence of oxidizing and leaching which may continue for a considerable depth and it will not pay to attempt further exploration at this point unless the funds for a comprehensive development program should be available. On the whole the work which we have done here has proved very disappointing and from the standpoint of our production it might have been better to continue the drift right through the hill, although this would have given us no indications of the conditions at depth.

RE SOUTH (old) workings.

Since the Walker adit has been caved full of water

in spots by the recent rains and many of the timbers are down and the main adit would be very expensive to reopen and to keep open the best means of access to these workings if found in the upper shaft where the ground seems to be fairly firm.

We are putting stringers **across** the top of this shaft and setting stulls and ladders. According to the old (Blauveldt) map the collar of this shaft is 100' above the main adit but only 60' on the Osborne map. According to my elevations it is about 90' above the main adit and 40' above the Walker adit where there is a bulkhead. Exact measurement should be made later. The shaft is about 20' north of the fork in the vein and is sunk on the west or so-called gold fork which is well defined but appears to have been pretty well stoped out above the Walker adit, altho some ore may remain on the north side of the shaft, but this seems to grow poor as it approaches the cross vein fault which is less than 60' distant.

Both forks of the vein should be accessible from the shaft down to the adit and there is a little ore left in the silver vein above the Walker adit as per sample #28 (\$45.84) and some mining might be done here in a small way. There is another place where Lake says that Walker left a little good silver ore which should be investigated if it is accessible.

The main adit runs off to the northeast (n 40^o E.) and follows the cross vein fault for a distance of some 150'; it is nearly filled with muck in places but can be entered to the breast. This vein or fault gouge has a width of over 3' in places but is composed of calcite and crushed quartz and wall rock with no values except in the tiny stringers of sulphide which carry \$24.70 (sample 27) and need not be considered at the moment. Going northeast the gouge narrows out and in the breast of the adit is only a narrow seam of talcy

3-

material with iron oxide.

It has been assumed that the throw of this fault set the vein over to the east on its north side and if this throw was about 150' it would bring the vein in line with the north adit workings but from examination of the last portion of the main adit I think it quite possible that the throw may have been in the opposite direction and in that case we should have to look to the west for the continuation of the vein which may be entirely masked on the surface.

The little stringers in the short crosscut from the main adit just north of the cross vein do not carry any values and do not look like a vein but further crosscutting to the west should be well worth while, but this is out of the question for the time being.

Monte Cristo
August 11th, 1937

Mr. George J. Harbauer
c/o Monte Cristo Mine
Via Groom Creek Stage
Prescott, Arizona

Dear Harbauer:

This morning I received the last assays from Smoot and No. 22 is about as I expected, for there is a great deal of waste mixed in with the pile of material on the dump and an average value of \$6.75 is about all we could hope for.

No. 23, running \$36.81, lines up pretty well with the ore which had been previously sacked and which carried \$39.00 and this also is about as expected.

I am disappointed in the result of No. 24, for although I cut the sample over a width of 18" I thought that the average would be \$7.00 or \$8.00 in place of \$3.57, and it is very evident that we are still a long way above the zone where we can hope to get any pay values across the vein and evidently the vein carries practically nothing except for the narrow stringer of crumbly quartz which Anger had been sorting out as he went down.

I am afraid that it will be hopeless for us to attempt to carry down the winze sufficiently far to either put us into the pay shoot or definitely determine that no such pay shoot exists unless we can secure some additional financing which is a matter that I am taking up at present.

I suppose that you have cleaned out the round which was blasted on Saturday afternoon and are now drilling another round, but unless the vein should show a very substantial improvement in this last round I think that we had better discontinue the winze for the time being after stripping the vein and sorting out as much of the higher grade material as you may be able to find.

I suggest that you should immediately try to get hold of a burro so that we can pack the sacks of ore from the north tunnel around to the camp for I would like to ship what ore we have mined even if it is only about one ton to the sampler in Prescott and make sure that all of this material will run in line with our samples.

2- G. J. H.

Anger and Alden were both rather anxious to do some exploring from the upper shaft which Walter opened up a couple of years ago and where you will remember that you and I went down on a rope and if we could find some ore from these workings it might pay us to move the windlass from the north tunnel winze over to that shaft and clean out to some extent on that side of the hill while we are waiting to determine whether or not we can keep on in the north section of the property.

I am leaving these matters largely to your judgment with the above offered merely as suggestions and I expect to be with you on Friday or certainly on Saturday of this week when we will have further opportunity to discuss the situation in detail and make some additional plans for the future.

The Congress situation, of which I spoke to you, is just the same as it was last week but Strobel seems to feel that he will certainly hear something definite during the next few days and I hope that he will be able to get things started as he plans to do just as soon as he can lay his hands on the government money.

Hope that everything is going well at the camp and with very best regards.

Yours sincerely,

GMC:DF

Northumbria

Monte Cristo

July 22nd, 1937.

Edwin Anger,
Monte Cristo Mine,
Via Groom Creek,
Prescott, Ariz.

Dear Anger:-

I am enclosing check to your order for \$6., covering use of your car during first part of this month, prior to arrival of the pick-up. Also check for \$15. to the order of your wife for services during the first half of July.

I saw Harbaeur in Prescott and he did not know of any windlass which could be obtained locally but promised to write you direct if he could locate one. I will probably bring up the blow pipe and some additional maps on the occasion of my next visit.

The assays of samples are out this morning and are as follows:

No. 16- gold, .16, silver 5.6, value \$9.91. No. 17- gold .64, silver 24, value \$40.88. No. 18- which I took ten feet down in the winze, gold .24, silver 5.3, value \$12.48. No. 19- which represented the hard specimens that we chipped off in the winze showing considerable manganese and in which we thought we could see some wire silver, only carried : gold .20, silver 8.3, value 13.39.

From all the above, it appears that we cannot attempt to guess the value of this ore by eye, or by feel and the results on the whole were disappointing, for although it would appear that the grade of ore is improving slightly, as we gain depth, it is evident that all of this material has been leached and we might have to sink for a long distance before the vein would really pay to mine.

From sample #17 and the high assays which were previously obtained in the drift at the point where the second winze has been started, it seems that this section of the vein is decidedly richer than near the breast of the drift, and under the circumstances I feel that it will be better not to attempt to continue sinking the deep winze for the moment but to go down at least two or three more rounds in the second winze in the hope that the ore at this point will actually pay to ship and we may find that this is the heart of the ore chute. *Chard*

I suggest that you follow this plan for the time being and we can reconsider the matter carefully when I next visit you which will probably be around the end of this week or very early next week.

Meantime, I hope that you and Alden will have found some pay ore in the pillars which are left in the north workings and if so it may be possible to help out by mining some of this material for I am very anxious to make some shipment early in August, even though it is only a few tons.

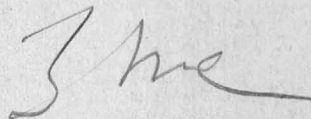
While you and Alden are working around on the surface, I wish that you would put up rough fences around some of the old shafts and most dangerous openings into which people might fall if they were not careful to watch out where they were going, and even though the winze on the Hidden Treasure is off our ground, it might be well to throw a few planks around this, so that it might not constitute a hazard. *broken*

The road work can be discontinued for the time being, for we will surely have to depend on burros to pack out the first shipment of ore from the north drift and I would like to have you break as much of the vein on the side of this drift as appears likely to pay for shipment (averaging, say \$30. or better per ton) and to arrange to sack this up along with the best of the material which you have already mined. I think it will pay to purchase some twenty good sacks as these can be dumped on a platform at the camp and the ore can be taken with our pick-up to the sampling plant at Prescott, where they prefer to have shipments arrive in bulk, rather than in sacks.

If you have already purchased, or started to make a windlass, that will, no doubt be useful a little later, but we may have to set it up at the north winze, if we find, as I hope, a better grade of ore at that point.

Hope all is going well at the mine.

Sincerely,



GMC:LM

Monte Cristo Mine,
Prescott, Arizona.
July 16th. 1937

Noted & ans in June

Mr. G. M. Colvocoresses,
1102 Luhrs Tower,
Phoenix, Arizona.

Dear Mr. Colvocoresses:

After sampling the winze and receiving the report from our local assayer I have decided to discontinue the winze at the end of the tunnel, and am making preparations to sink a new winze at the place where you have instructed me to sink, namely where the ore has proven to be of high values (according to the assays).

However, the ore at the bottom of the shaft looks very encouraging, while the assays prove otherwise. Apparently, not all quartz seem to carry the values.

The samples run as follows:

# 13	Au .04	Ag 6.6	\$ 6.51
14	.03	3.8	3.99
15	.09	8.5	9.74

all these assays were made from the cross-average ore which has been stripped from the winze. Please note: sample #14 is identical to sample #9E (?), which was taken East of the vein and of appr. 18" schist at station 1 plus 09 .

Sample # 15 looked so well and so encouraging that the men, as well as myself were willing to bet that same would run at least \$30.00 . It was quite a shock to all of us when we received the assay-report. When we stripped the ore the second time in the winze (about 2½' to 5' below the collar) we encountered a streak of schist through the center of the vein. I sampled the schist and had same assayed under or as sample X , this proved to be only of \$1.90 value.

Today, we stripped the ore at the points where we received a \$30.00 and \$65.00 assays. At those points we found that the vein runs from 8" to 12" , altho the values of this ore vein runs somewhat scattered. At places we found where the vein is formed of a very light talc, badly leached, and at other places we found the iron oxide quartz from 1" to 2½" thick. Our samples at those points proved to be running high. Of course, we stripped the vein separately, as I figured the talc will bring down the values of the ore.

I am sending you two samples: these are the average. Sample # 16 is the whole cross-average from the winze at the end of the tunnel. Sample # 17 represents the average from the actuell ore stripped from the vein at the new point where I am making preparations of sinking the new winze.

I am also sending you a sample, for your examination, which was taking about 8 feet from the collar of the winze. We encountered considerable amount of this material at the far end of the bottom. Much as I can recall, this identical material proved to be the 'high grade' at the Midnight Test.

I certainly wished that you were here and we could talk things over carefully, as I am very anxious to make this mining venture a successful one.

I believe it to be a good idea if we would sack some of our highgrade ore, of course, this is up to you. My idea is; the quartz being so decomposed it will leach very easily when exposed to the weather.

Have you got a blow-pipe outfit ? if so, I would appreciate it very much if you will bring it up here. I am sure, that I can make very good use of same.

Trusting to hear from you soon, or to see you in the near future, I remain,

Yours very truly,

Erwin Anger

P.S. The boys are still working on the road.

The samples should arrive in Mex. when this letter reaches you. You may call the Express office.

H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Monte Christo

Prescott, Arizona, 8-10-37

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
		\$		\$	\$		\$
Sample # 22	.06	2.10	6.0	4.65	6.75		
23	.56	19.60	22.2	17.21	36.81		
24	.04	1.40	2.8	2.17	3.57		

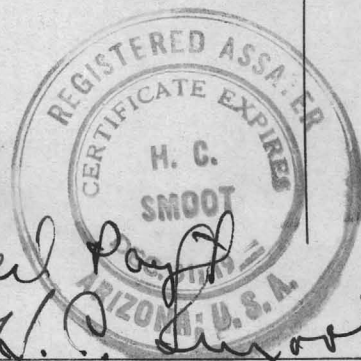
MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$

3.00

Received by
H. C. Smoot



H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate

File



For Monte Christo

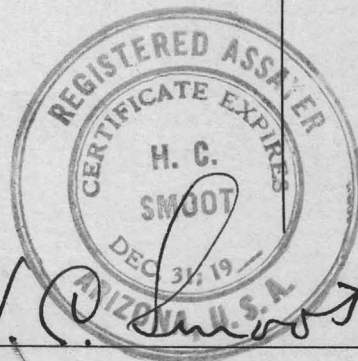
Prescott, Arizona, 8-23-37

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
Sample # 30	.02	\$.70	6.4	\$ 4.96	\$ 5.66		\$
31	.03	1.05	1.4	1.08	2.13		
32	.02	.70	1.2	.93	1.63		

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ Paid



H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Geo. J. Harbauer,

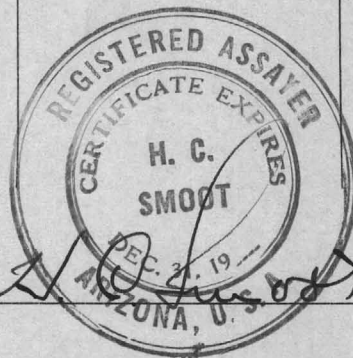
Prescott, Arizona, 8-18-36

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
Monte Christo Sample # 1 North Adit-Bottom Width 7 inches	.19	\$ 6.65	7.8	\$ 6.05	\$ 12.70		\$

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ 1.25



H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Geo. M. Colvocoressess

Prescott, Arizona, 6-18-27

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
		\$		\$	\$		\$
M C # 5	.02	.70	6.8	5.27	5.17	<i>mostly half rock from the bank of dry " " flow " "</i>	
6	.21	7.35	29.2	22.64	29.99		

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ 2.00

REGISTERED ASSAYER
H. C. SMOOT
DECEMBER 31, 1927
H. C. Smoot

H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Monte Christo

Prescott, Arizona, 6-21-37

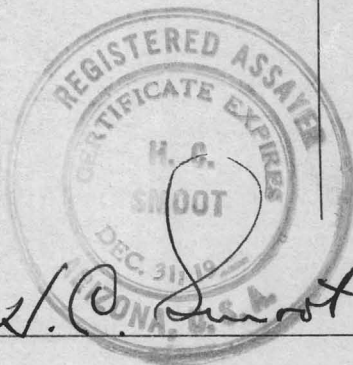
DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
Sample # 7		\$		\$	\$		\$
	1.24	43.40	28.0	21.71	65.11		

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$

Paid
1.00



No. 48 Co

Phoenix, Arizona,

CHAS. A. DIEHL

Jul 21 37

ARIZONA ASSAY OFFICE

Phone 3-4001

315 North First Street

P. O. Box 1148

This Certifies That samples submitted for assay by Mr. G. M. Colvocoresses contain as follows per ton of 2000 lbs. Avoir.

MARKS M. C.	SILVER		VALUE (Oz.)		GOLD		VALUE (Oz.)		TOTAL VALUE		PERCENTAGE				REMARKS
	Ounces	Tenths			Ounces	Hundths	\$35.00		Of Gold and Silver						
16	5.	6			.16		\$5.60		9 91						
17	24.	0			.64		\$22.40		40 88						
18	5.	3			.24		\$8.40		12 48						
19	8.	3			.20		\$7.00		13 39						

Charges \$ 5.00

Assayer Arizona Assay Office. C.A.D.

H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Monte Christo

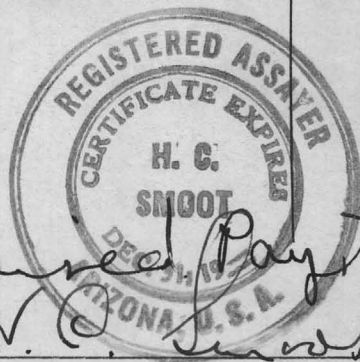
Prescott, Arizona, 8-17-37

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
		\$		\$	\$		\$
Sample # 25	.04	1.40	0.6	.46	1.36		
26	.02	.70	1.6	1.24	1.94		
27	.05	1.75	29.6	22.95	24.70		
28	.10	3.50	54.6	42.34	45.84		
29	.06	2.10	14.6	11.32	13.42		

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ 5.00



H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



Monte Cristo file

For Monte Cristo

Prescott, Arizona, 8-10-37

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS. TROY	VALUE	OZS. TROY	VALUE		PER CENT	VALUE
		\$		\$	\$		\$
Sample # 22	.06	2.10	6.0	4.65	6.75	<i>- fork n dups gold f bag - end of bag</i>	
23	.56	19.60	22.2	17.21	36.81		
24	.04	1.40	2.8	2.17	3.57		



MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ 3.00

H. C. Smoot

H. C. SMOOT
CHEMIST AND ASSAYER
REGISTRATION NO. 460

CUSTOM ASSAY OFFICE

Assay Certificate



For Monte Christo

Prescott, Arizona, 7-5-37

DESCRIPTION	GOLD PER TON		SILVER PER TON		GOLD AND SILVER VALUE	OTHER METALS	
	OZS.	TROY VALUE	OZS.	TROY VALUE		PER CENT	VALUE
Sample # 9	.74	\$ 25.90	16.5	\$ 12.77	\$ 38.67		\$
9E	.03	1.05	3.8	2.94	3.99		
9W	.04	1.40	3.6	2.79	4.19		
10	.54	18.90	37.5	29.08	47.98		

MARKET VALUES

GOLD PER OZ.	SILVER PER OZ.	COPPER PER LB.	LEAD PER LB.	ZINC PER LB.
35.00	.77			

Charges \$ Paid



No. 29 Co

Phoenix, Arizona,

CHAS. A. DIEHL

Jun 2 37

ARIZONA ASSAY OFFICE

Phone 3-4001

315 North First Street

P. O. Box 1148

This Certifies That samples submitted for assay by Mr. G. M. Colvocoresses contain as follows per ton of 2000 lbs. Avoir.

[illegible]Charges \$ 2.50

Assayer Arizona Assay Office. *B.A.I.*

Monte Cristo.

North Workings. 6/19. 37.

Scale 20' = 1"

Strike vein in adit N. 50° W
dips " " 85° E W.

Int. by. Remarks.

Int. by. Remarks.

Int. by. Remarks.

Int. by. Remarks.

Flow drift 26 ft. fine
" " 41 " "

Side " " 80 " "

" " " (high) 85° E fine

flow " " color #4, 80 " "

" " " 90° " "

thin & hollow 100' " "

thin up 6" thick (8) " " "

" " " 107' " " "

E. (honey hole) vein " " "

W. (honey hole) vein " " "

thin up 11' " " "

One kind of h. vein 0-3'

" " " 3-6

" " " 6-9

thin in hinge and 7' down

One kind of vein above S. hinge

Thin in S. hinge 10' down

10210

\$20.00

Assay

hale rock run

400' to ore in
→ South Workings.

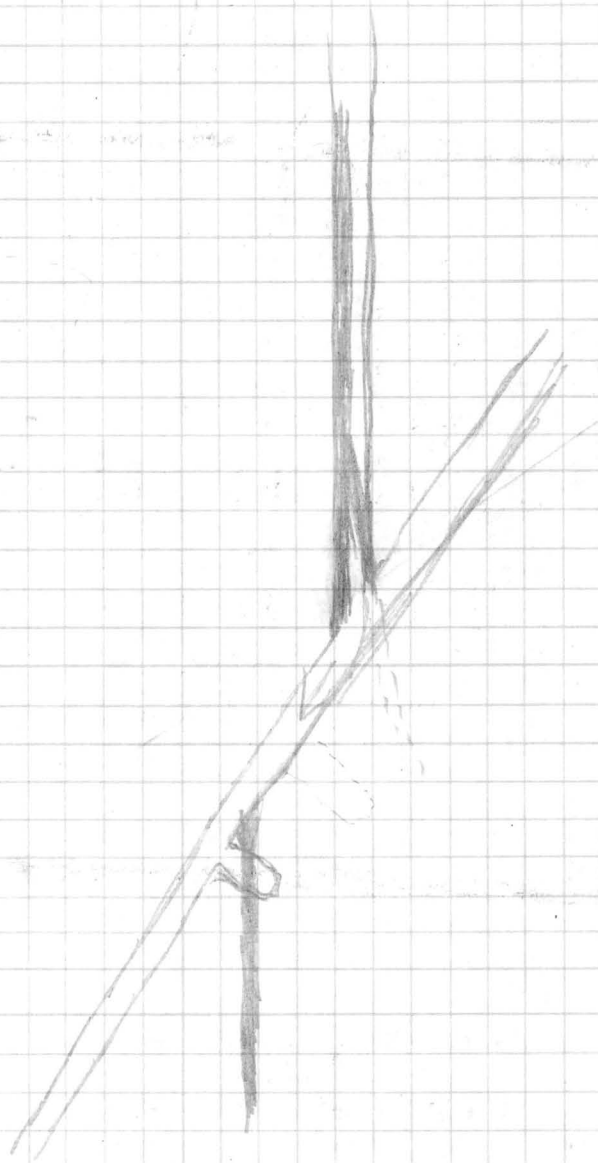
6/19.

Call in the

length 80

length of drift = 6

Assay 65.11
Gum 27.96



Since this report was written additional development has proved that the main vein splits about 400' north of the south end line. One fork continues due north but has only been followed about 100' from the split. The other fork runs north 30° East and is opened up again six hundred feet north of the split by an old shaft now caved and an adit drift which has been run in close to the top of the hill on its north side for a distance of 55' and throughout this length there is an eight inch vein of soft oxidised ore badly leached, but still carrying values around \$20.00 per ton.

This gives every indication of changing into high grade solid sulphide ore at a slightly greater depth and it is reliably reported that excellent ore was shipped from the old shaft.

This recent development confirms the belief that the ore shoot either continues throughout the length of the claim or that there is another shoot near its north end.

NOTES RE MONTE CRISTO

March 27, 1934

Sparks says that he unwatered and worked this mine in 1907. Says that the shaft is badly caved and makes quite a lot of water and that the old workings are quite extensive, much more so than show on my map and the shaft goes down to 550'. Says that Blauvelt is a liar and his report entirely unreliable. All good ore (except for small pillars) mined out and ore shoot was short and vein tightened up and froze to walls, only thick as knife blade on 400' level.

Some good ore may still be won from near the surface but not much hope in depth unless a new shoot should be found. He knows of no ore in the Hidden Treasure and does not think well of either property except for limited work by lessers.

Visit to mine - March 21, 1934

The vein has a width on surface of 2' between walls of blue diorite with some birdseye porphyry on the east (hanging wall). There is a gouge or scab along the west wall which does not carry much value and the ~~average~~ width of the ore is from 6 to 18", might average one foot. The strike of the vein is about 3° east of north and the dip is nearly vertical but very slightly to the East. The filling is decomposed rock with some quartz and iron oxide and oxide of manganese (black). Near the main vein and to the west there are outcrops of two or three small cross veins which are said to carry some values. There is one big cross vein or dyke which crosses the main vein some 250' north of the shaft and appears to cut off the ore. (*perhaps it is a fault*).

In the open trenches I sampled the vein about 20' below the surface and from a narrow (8") streak with manganese sample #1, gave Au - 0.05 oz. Ag. - 9.4 (value say \$7.00). Sample #2 included the entire vein filling 2' wide and the scab on the west wall and gave—

Monte Christo - #2

Au - 0.20, Ag - 16.4, (value say \$17.00.) From this vein in the open stopes Ed McCarthy has mined and sorted some 2 tons of ore and sample #3 was taken from a pile of about one ton ~~and~~ gave-- Au - 1.04, Ag - 12.2 (value say \$44.00). McCarthy says that he mined and sorted this ore in about 4 days work or at the rate of 0.5 ton per day.

The gulch which cuts down near the line between the Monte Christo and Hidden Treasure does not seem to be a fault, it is too crooked, and is probably merely the result of erosion. There is no water in this gulch except a very little seepage some 600' above the shaft and there is a little spring or seepage of poor water some distance below the shaft and near the main gulch and the road.

The formation seems to be a mixture of ~~Breadshaw~~ ^{Yung} schist, some stained with iron oxide and dykes of very hard blue diorite and a kind of birds-eye porphyry. There are specimens of all these rocks to be seen on the mine dump and some chlorite schist which was not noted on the surface. The mine shaft is just one half mile from the Senator road ~~is~~ at Groom Creek Store.

Regarding the claim lines. ^{Monte Christo}

The south center post is located ^{46 S.} ~~25'~~ ^{443 W. of shaft} south of the main shaft and some 10' north of the Hidden Treasure Shaft.

Post #1 (probably on mine dump) is a stake marked M. C. #1 (2410) Thence the line runs N 3° 49' 30" E for 1081' ^{91 ft} to #2 (a pine post).

Thence N 86° 45' ^E ~~S~~ for 600' to a pine post and mark on a porphyry rock. Thence South ^{44°} ~~64°~~ 43' W for 1084' to a pine post and mark on porphyry rock and then S 86° 45' West 583' to post #1.

The area of the claim is given in record as 14.577 acres. The deed was recorded on January 8, 1908 on page 510 of Book 81 of Deeds of Yavapai County in favor of Tom Nolan and John Hutchins. There is no record of the subsequent transfer of a one half interest to Phillips.

Poland Lumber Co # 2410

MEMO RE UNWATERING MONTE CHRISTO SHAFT & MINING ORE
TO 100' LEVEL

With a 120 Cu. ft. compressor (100# pressure) and air lift with 50% submerger using 200' of 4" pipe and 200' of 1½" pipe it should be possible to average better than 200 gallons per minute down to 100' level with one stage left.

Total amount of water to this level should not exceed 600,000 gallons plus inflow (say, not more than 200,000) making a total of 800,000 gallons.

Working 8 hours per day we should lift $200 \times 400 = 80000$ gallons per day and unwater to 100' level in 10 days, at cost as follows.

Trucking and installation of hoist and compressor and pipe, etc.	\$60.00
Cost of pipe 200' of 4" @ 20	
200' of 1½" @ 10	60.00
Labor--two men @ 9.00 for 10 days	90.00
Fuel, etc. @ 4.00 per day	40.00
Retimbering 3 sets at collar labor and material.	50.00
Rental of hoist and engine . <i>Compressor.</i>	30.00
Incidental, expenses.	70.00
	<u>880.00</u>
Total	400.00

From old map it would appear that there might be 7000 Cu. ft. of ore in the vein on the north side of shaft above 100' level and allowing for an average width of only 1 foot of pay ore (15.60 per ton). This represents about 600 Tons which should be sorted down to 200 ton of 40.00 ore with net value of \$6000 after deducting shipping and smelting charges.

Cost of mining and sorting 600 tons @ 5.00 per ton =	\$3000
Smelter return on 200 tons of picked ore shipped	6000
Less costs as above.	<u>3000</u>
Net return	3000

#2. Unwatering Monte Christo

Less cost of unwatering	\$400.00
Less Purchase price of $\frac{1}{2}$ int.	250.00
Less payment to Co-owner say.	550.00 1200.00

Profit on this work to 100' level \$1800.00

If ore does not exist in the pillars of the old workings as shown on the map or in quantity ^{a quality} sufficient to pay costs, it should be possible to determine this after spending not over \$500 which would represent the maximum loss that might be sustained.

3/14/34

Dr. Phillips says that a man named Gallagher has been allowed to live on the property for several years but has no lease. He claims to have worked in the mine 20-30 years ago and may know something about it but he is a born liar. He has probably gauged out all of the high grade ore which is accessible from the surface.

In 1918 a certain Worthington, an engineer, but a crook, got hold of the property and found some fine specimens of wire silver and with visible gold and with these he interested Gover Hubbell who proceeded to furnish Worthington with funds up to the total of \$55,000, part of which Worthington stole and part he used to buy a lot of mine and mill equipment, trucks, cars, etc and to unwater the shaft down to 175' and retimber.

His mining was done from the stopes above the adit level and thru the winze from stopes probably as far down as the sub-level at 150'.

^{Three}
The cars of ore were shipped in name of Dreadnaught Mining Co.

(probably to Hayden or El Paso as not shown in the Humboldt records)

and one of these was quite rich the other two comparatively poor.

The mill was never operated. Mexicans were mostly employed and no good foremen or miners were on the job.

Phillips knows nothing of the condition of the underground workings or showings in the stopes.

Long was given a poor account of the mine by Gallagher but could not get underground except in the adits where he could find no ore and he found nothing in the adit on the Hidden Treasure. Long thought that the gulch which divides the Monte Christo from the Hidden Treasure was a fault and threw the ore out of line in the Hidden Treasure ground.

The shaft makes some water but Phillips does not know how much. The timbers etc. may be in bad shape below 175'.

On the Hidden Treasure there is an old hoist and gasoline engine in a locked shed. The keys to this shed and to the tunnel are in possession of Grant Bennett who lives down Groom Creek ^{on} a road which turns off to west about a mile nearer Prescott. Duncan, who now lives near Bolada on Upper Turkey Creek knows about the old work in the Hidden Treasure.

This (Hidden Treasure Claim) has a length of 1480' and width 600' so that area is just short of 20 acres. Shaft is 4' X 7' and there are two small sheds and the foundation for an arrastra.

Harry Eckert also knows about this claim.

There is very little good wood for mine timbers left on the Monte Christo but quite a bit of jack pine and small white oak.

The mine was apparently worked by Blauvelt prior to 1905, by Tom Sparks in 1907 and 1908, later by leasers including Lake & Millikin (for whom McCarthy worked as a blacksmith) and by Worthington for Grover Hubbell in 1918 and 1919 and later by some other leasers who kept near the surface.

On the Monte Christo there are two cabins in fair shape as per sketch and a third cabin is just over the line on Cowan's Claim.

The shaft is 6' X 4' and the collar is in very bad shape but McCarthy thinks that it will be all right below the third set.

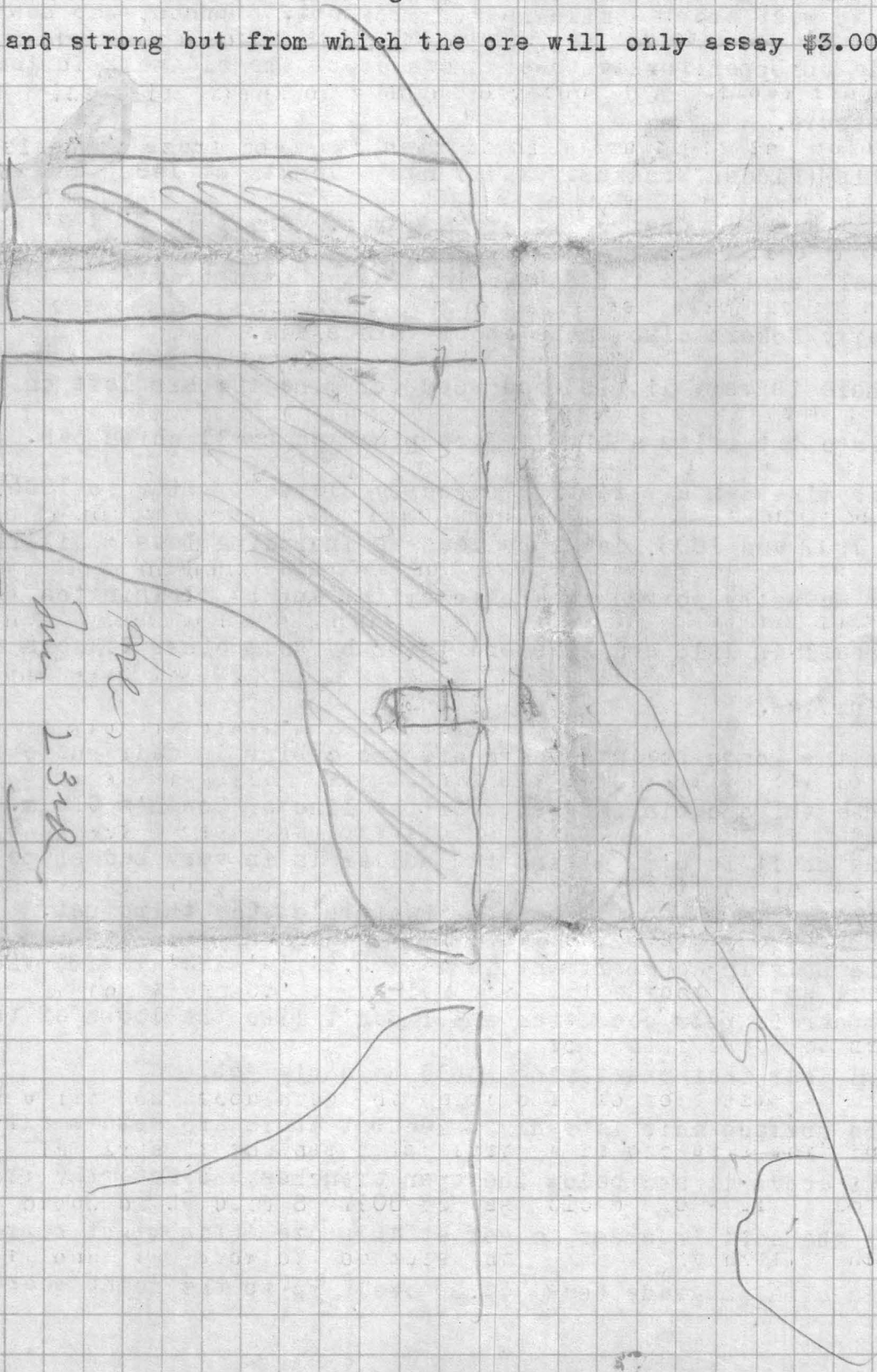
The hoisting compartment is 4' X 3.5' (4' X 3' inside the guide). Ladders appear in poor condition and I don't like the looks of the timbers and fear that unwatering would be a big job.

The surface adit is badly ^{Caved} dried but there are some small pillars of ore left above it and below the open tranches and McCarthy proposes to open up the adit in order to get at this ore which might represent 50-100 tons of high grade (say \$40.00 ore) up to the point where it is

Monte Christo #4.

cut off by the cross vein beyond the second shaft which continues as a winze into the old workings.

The main vein splits south of the 2nd shaft (on the hill) and then the two branches come together near the cross vein which looks good and strong but from which the ore will only assay \$3.00.



The adit tunnel will be easy to open up as it is only caved at the portal and can be caught up with a couple of sets and then is open for some 50' to below an old stop. The upper part of the mine should be opened thru this adit which will require a track which I am to agree to provide and McCarthy will do the work and will mine the ore from above thru this tunnel.

McCarthy now has about 8-10 tons of ore mined and plans to ship about the 20th to the Midnight Test (National Gold) Mill.

The main shaft is open for at least 35' below the collar and the water stands 9.5 ft. below the collar. It will be best to get this out with a hoist and bucket and it will be necessary to put up a tripod or small gallon frame.

Water in the winze should drain out thru the shaft from which it is about 60' distant and the winze is said to be only 20' deep and shows good sulphide ore said to have run \$21.00 per ton. (My sample ran \$52.00 but this may have been selected ore).

The strike of the vein is almost due N - S and the dip is some 5 degrees to the West. Found the south east corner post of the claim on hill side and the south line appears to run S 87° W to a stake in the mine dump.

The value of this mine in the near future will depend on the amount and value of ore which is left in the pillars above the 100' level and mainly in the 50' just below the adit. There may also be some good ore on the south side of the shaft to the end line which is 35' distant.

Judging from the sample and the outline of the workings it seems likely that there is a zone of secondary enrichment near the surface where the ore runs fine \$15. to \$30 per ton with much of the values in gold. Next a leached zone along the adit tunnel with very low values and then the sulfides below water level which carry higher values in silver and in places run up to high grade in both gold and silver.

Notes Re: Monte Christo Mine, -3.

The tonnage of sulfide above the 50' level and below the adit may be from 500 to 1000, allowing a width of only 1 ft. and if this will average \$35.00 there should be a profit of \$20.00 per ton in working it out.

GEORGE M. COLVOCORESSSES
MINING AND METALLURGICAL ENGINEER
1102 LUHRS TOWER
PHOENIX, ARIZONA

June 23rd, 1937

Interim Report on Work Conducted by Colvocoresses and
Chalmers at the Monte Cristo Mine. - - - - -

Mr. Louis J. Chalmers, Attorney for Mrs. L. H. Chalmers
Phoenix
Arizona

Dear Sir:

Following the execution of our letter-agreement of April 27th, 1937, my title to the Monte Cristo has been perfected by obtaining and recording a deed to a one-half ($\frac{1}{2}$) undivided interest from Dr. Earle W. Phillips, also by obtaining a deed to a one-half ($\frac{1}{2}$) undivided interest from Mrs. Grace Nolan, who had inherited the other half interest in this property. The latter deed has not been recorded by advice of counsel on account of certain complications which have arisen in respect to some other property belonging to the Estate of her husband, the late Thomas C. Nolan, but attorneys in both Phoenix and Prescott have assured me that these complications will in no way affect the legality of the title which I have obtained to the Monte Cristo.

A deed to a one-fifth ($\frac{1}{5}$) undivided interest in the said Monte Cristo has been executed by me in favor of Mrs. L. H. Chalmers, so that the present ownership stands eighty per cent (80%) in my name and twenty per cent (20%) in that of Mrs. Chalmers with privilege to Mrs. Chalmers to purchase an additional twenty per cent in accordance with the terms of the above mentioned agreement.

Mining work on the property has been carried on continuously since the middle of May. This has been confined to the north vein where an old adit tunnel was cleaned out, substantially timbered, and advanced towards the south. The total length of this adit is now one hundred feet from the portal.

The vein carrying gold-silver values has been followed. The ore above the tunnel had been stoped out by previous operators to a distance of 70' from the portal. At this point the vein had been lost but we picked it up again as it swung into the east wall and as we have advanced samples have been taken at frequent intervals.

The average width of the vein is approximately one foot, the east wall is hard blue diorite and the west wall is altered quartz-schist or quartz-diorite. The strike is almost due North-South and there is a very slight dip to the west, but for practical purposes the vein may be considered as vertical.

The best values have uniformly been found along the floor of the drift bearing out my theory that this adit has been developing the top of an ore body and this is exemplified by the fact that samples taken near the ceiling of the drift or in the old stopes above are of much lower grade than those which have been secured near the bottom of the drift or along the floor. This is reasonably explained by the fact that the values near the surface have been leached, while a zone of secondary enrichment probably lies along the floor of the drift and for some distance below.

The grade of the ore has also improved steadily as the drift advanced to the south and gained depth under the crest of the hill, the surface of which is now nearly 50'. above the floor of the adit.

At a distance of from 30 to 50 feet from the portal samples from the vein assayed from \$11.00 to \$14.00 per ton in gold and silver, 70' from the portal these values had increased to \$20.00, 80' from the portal to \$30.00 and the last samples taken 90' in from the portal gave a return of \$65.11, so that we have every reason to believe that we are advancing towards the best portion of the ore shoot and every incentive to continue this advance.

The fund originally provided for this exploration, namely \$1,000.00, will have been almost completely expended by the end of June at which date the work will have to be discontinued unless more funds are provided, but, I believe it is greatly to the interest of all parties concerned to continue this work in view of the very favorable results to date and the prospect of better ore being found as our work continues.

It would be my plan to continue drifting as long as the ore continues to increase in value or in any event for an additional 20 to 30 feet/^{at} which point a small stringer showing silver chloride should intersect the vein and some additional enrichment may be expected.

Assuming that the values continue as at present or improve, I then propose to sink a winze, say 10' in length and to a depth of approximately 20' and to stope out the vein from the winze and drift and from both sides of the winze in sufficient quantity to produce at least a minimum carload of ore (30 tons) for shipment to a smelter. If the average gross value of this ore should be around \$45.00 per ton, the net return would be close to \$1,000.00 from the carload shipment, while if the average value

4- L. J. Chalmers

were \$65.00 the return would be approximately \$1500.00.

In order to properly conduct this work I recommend an additional expenditure of \$2,000.00 to be allocated approximately as follows:

Advance of drift to winze	\$ 250.00
Sinking winze, approximately 20'	400.00
Stoping ore	250.00
Road from camp to adit tunnel	200.00
Trucking ore to Prescott & freight to smelter	200.00
Further development on vein	400.00
Incidentals & additional mine and camp equipment	<u>300.00</u>

TOTAL	\$2000.00
-------	-----------

This fund should carry us along until the returns are received from the carload shipment, assuming that the quantity and grade of ore continues, as now appears probable, and we should then have at our disposal the selling price of the ore with which to continue. It is also my opinion that the showing in the mine would at that time be substantially better than it is at present so that this property might then appear attractive to parties who would cooperate in providing more permanent equipment, including a compressor, hoist, and machine drills, which would enable future mining to proceed much more rapidly and economically than under present conditions when the men are working with handsteel in very hard ground.

If we should now discontinue all further development and concentrate our attention on the production of ore from the vein it is probable that a fund of \$1,000.00 would be sufficient to permit the extraction and shipment of a small carload of ore, but we could not, under these conditions, feel confident of producing much of the better grade of material such as is represented

5- L. J. Chalmers

by the last sample of the drift, and moreover in mining the carload we should have to gouge out the available ore thus leaving the mine in a poor condition where considerable additional expenditure would be necessary in order to resume or continue our operations, while its general appearance would not make it nearly so attractive to other parties, as would be the case if the first procedure can be carried out.

Yours very truly,

J. M. Colverson

GMC: DF

NOTE RE MONTE CHRISTO 1/2/35

		Height above adit	
			<i>Adm. Inter. hnd.</i>
Elevation at collar of shaft and adit portal on my barometer is	6250		
Elevation Walker adit	6300	50	60
Elevation, top of cross vein	6400	100	110
Elevation top of hill	6470	220	230
Elevation north adit	6420	170	180
<i>u Creek bed below north adit</i>	<i>6350 (?)</i>	<i>100</i>	<i>110</i>

Length of new drifting on adit to get under the north ore shoot at portal of north adit--450' and would have a back (allowing for grade) of 160'.

Length of north shoot proved by north adit---100' (and probably it extends further to the north.)

Assumed block of ore in north shoot above extension of adit

$\frac{160 \times 100 \times 1}{13}$ equals say 1200 tons which should yield profit of \$20,000 and cost of extending adit say \$6000 but might pick up a lot of ore before north shoot is reached.

JANUARY 10th, 1935

Since this report was written additional development has proved that the main vein splits about 400' north of the south end line. One fork continues due north but has only been followed about 100' from the split. The other fork runs north 30° East and is opened up again six hundred feet north of the split by an old shaft now caved and an adit drift which has been run in close to the top of the hill on its north side for a distance of 65' and throughout this length there is an eight inch vein of soft oxidised ore badly leached, but still carrying values around \$20.00 per ton.

This gives every indication of changing into high grade solid sulphide ore at a slightly greater depth and it is reliably reported that excellent ore was shipped from the old shaft.

This recent development confirms the belief that the ore shoot either continues throughout the length of the claim or that there is another shoot near its north end.

S. H. C.

3 copies
Samples Taken by S. H. C. 4/14. 34
Notes Re: Monte Christo Mine

Visited with Childers 4/14/'34.

Samples

#1. From vein of ore 2' wide, in breast of drift where men are working about 25' below surface and 40' south of the north shaft.

Au = 0.10 oz.)
Ag = 15.9 oz.) Value \$13.75 per ton

#2. From vein 2' wide at same elevation and about 30' south of sample #1.

Au = 0.04 oz.)
Ag = 5.6 oz.) Value \$5.01 per ton

#3. Taken from vein only 8' below surface and from face of cut 100' south of #2 sample and about 150' north of portal of adit tunnel. Width 18"

Au = 0.74 oz.)
Ag = 7.9) Value \$30.99 per ton

#4. Taken in the back of the adit tunnel about 10' north of the winze and about 50' north of portal of adit tunnel; width 1'.

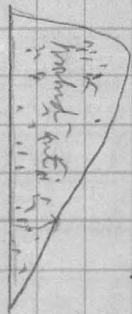
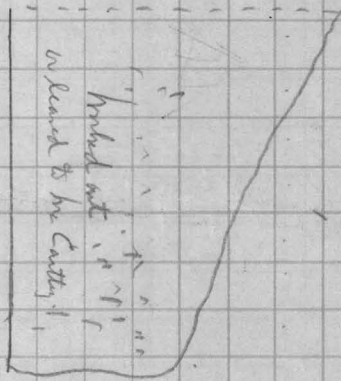
Au = 0.09 oz.)
Ag = 0.50 oz.) Value \$3.47 per ton

#5. Pieces of vein matter with quartz and iron sulfide, sand to come from the winze in the adit tunnel.

Au = 0.48 oz.)
Ag = 59.5) Value \$55.17 per ton.

Monte Christo

Under line about 60 ft. below the ground

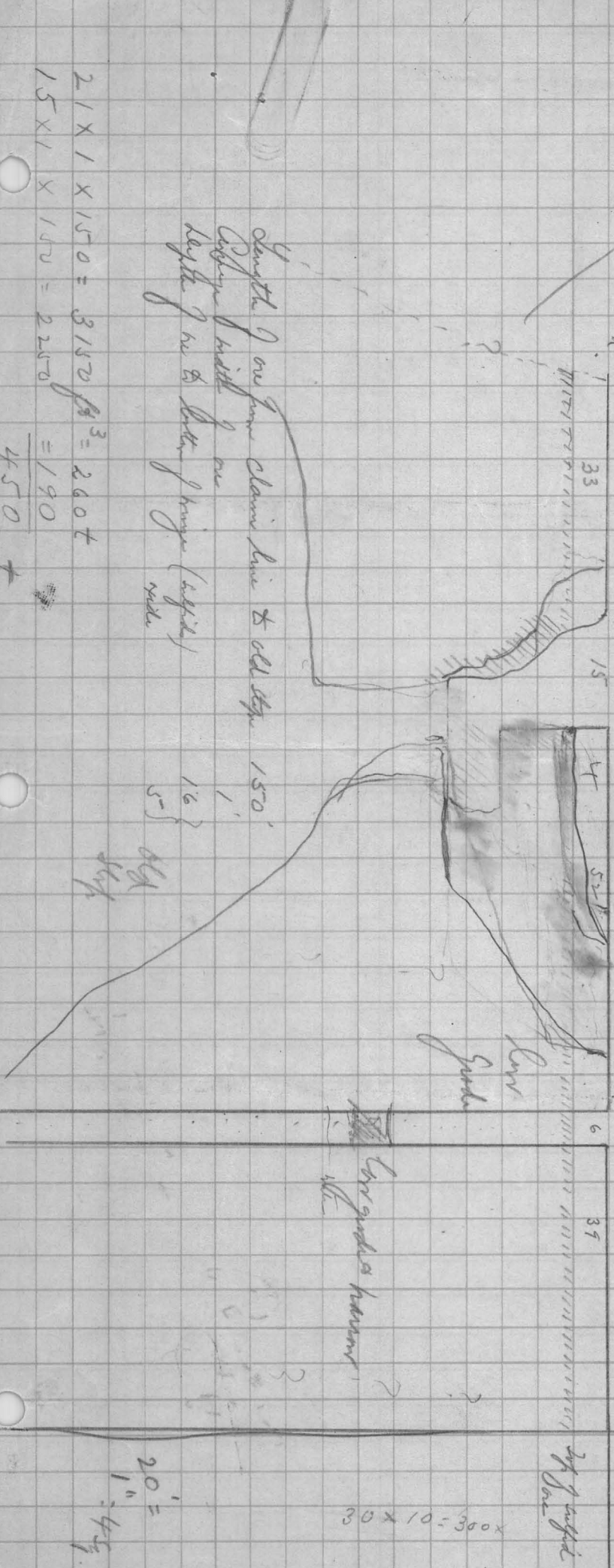


30 x 10 x 46
12/13/100
13/70

largest lot of @30 = 450

South end made good
North end lining claim
Hollow Room

Hidden
Treasures



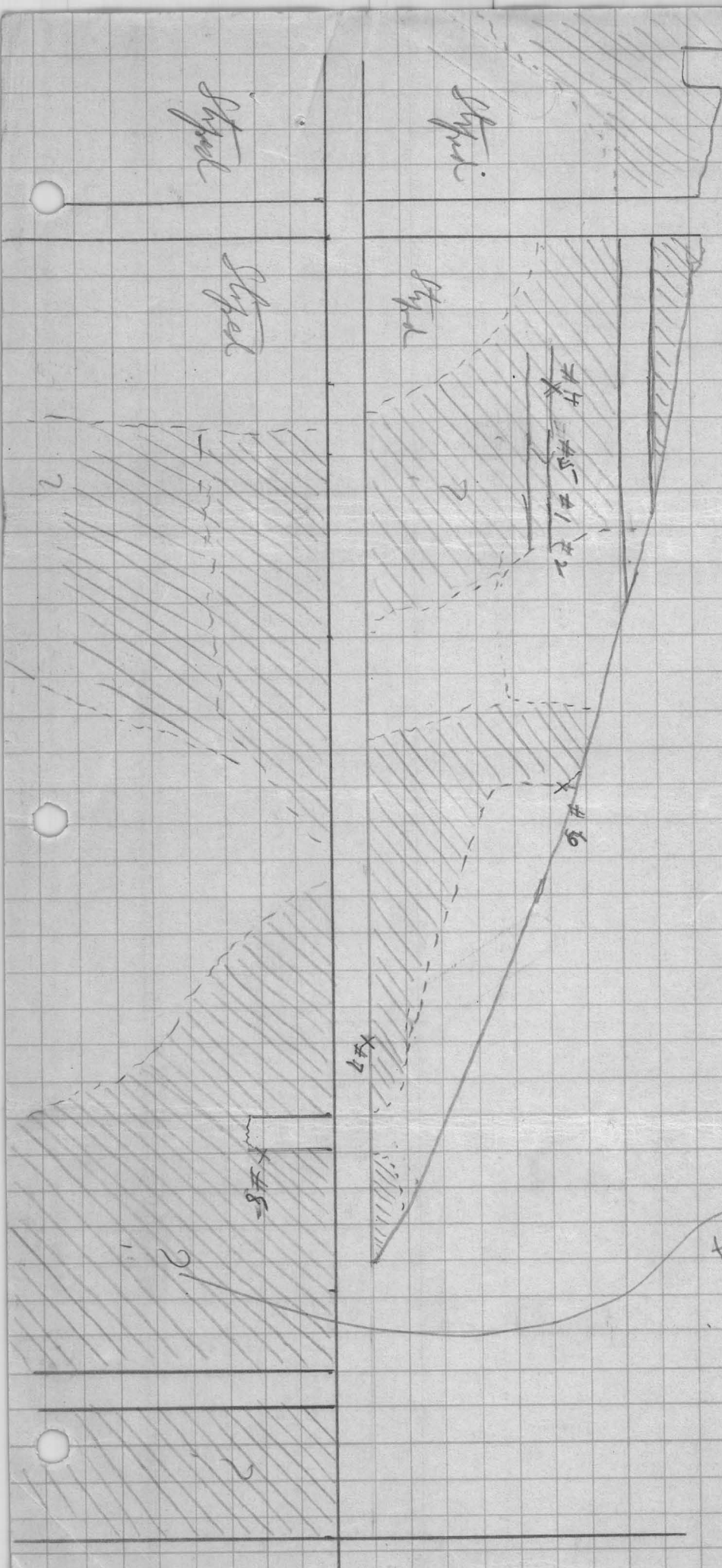
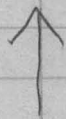
Length of one line claim line to old top 150'
Length of width of one
length of one to bottom of range (approx)
width

16'
5' } old top

$$\begin{array}{r} 21 \times 1 \times 150 = 3150 \text{ ft}^3 = 260 \text{ t} \\ 15 \times 1 \times 150 = 2250 \\ \hline 450 \text{ t} \end{array}$$

$$30 \times 10 = 300 \times$$

$$20' = 1' = 45'$$



Pollen said to be 175 x 75
x1 = 13600 cu ft =
1000 tons

Scale 40' = 1"

MONTE CRISTO, Pat. Survey # 2410.

in Sect 25

Township 13. N. Range 2 W. G. & S. R. B & M. Line,

Hassayam
Mining District.

#2

11081'

N. 30° 45' 30" E

600'

PRINCE
ALBERT.

HIDDEN
TREASURE

J. J. Nolan & John Hitchens, Owners.

16. $\frac{6}{18}$ Aug. $15 \times 6 = 90 - 15 = 75.00$

17. $\frac{6}{18}$ John Miller $15 \times 4.5 = 67.5 - 15 = 52.50$

18 $\frac{6}{18}$ Andy Ballek $15 \times 6 = 75 - 15 = 60.00$

187.50

18750

320.15

19 Aug for str 2500 10.00

20, 4, 4, 30, 00

$$10.0 \times 60 = 6000$$

5-2-2

2020

30, 20

File Monte Cristo

May 8, 1950

Mr. Floyd M. Stahl
Attorney-at-Law
Title & Trust Building
Phoenix, Arizona

Dear Mr. Stahl:

On March 27th I sent Mrs. L. H. Chalmers two copies of an agreement that would enable a Mr. E. C. Kent to unwater the Monte Cristo Mine and prospect for ore.

Mrs. Chalmers has a 45% interest in this property with my late father holding 55%. Assuming that Mrs. Chalmers does not have an active interest in this mine I would appreciate a letter from you, as her attorney, authorizing me to act on her behalf regarding this property so that the mine will not remain dormant. My mother, who is sole heir to my father's estate, has requested me to do likewise in her behalf and I believe it is the only way in which the mine might possibly yield some production. Incidentally, I have paid the taxes on this property since my father's death.

Your obtaining and returning to me the two copies of the agreement sent Mrs. Chalmers would be appreciated, and unless Mrs. Chalmers objects I will sign this agreement and allow Mr. Kent to proceed with his proposed work.

Very truly yours,

Alden P. Colvocoresses

APG/ke

*File
Monte Cristo*

March 13th 1950

Groom Creek Route

Mr, Alden Colvocoresses
Box 537 Superior
Arizona

Dear Mr, Colvocoresses:

Please pardon the delay in our correspondence, In regards to the Monte Cristo Mine, Due to the press of work on my part.

I find your letter of Oct, 17th 1949, Quite fair in regards to a operating lease, If the ore was proven to be in the mine, that lease would be very fair.

May I suggest however in veiw of the expense involved in Pumping and retimbering, That will be required, Before the extent of the ore can be determined, That we have an inspection agreement made up, For a term of one year, If on entering and finding ores of a commercial grade, Then that agreement could be exchanged for a lease, On the terms we have discussed.

Under this arrangment, Your mother would not be put to any expense as to the transfer of title.

And as for my part I would not be handicapped with royalty payments, When I have not as yet found ore's to ship.

I will take the liberty of enclosing an working agreement of the type that I would require.

Should this meet with your approval, It would require Mrs, Colvocoresses and Mrs, Chalmers Notorized Signature, And I would be able to start on the mine at once.

Very Truly Yours



E.C. Kent
Groom Creek Route
Prescott Arizona

March 27, 1950

F the Monte Cristo

Mrs. L. H. Chalmers
230 E. McDowell Road
Phoenix, Arizona

Dear Mrs. Chalmers:

As you may see by the enclosed agreement, a Mr. E. C. Kent of Groom Creek is anxious to dewater the Monte Cristo mine and look for ore. Personally, I think it is a worthwhile move as it involves no expense on our part and may possibly develop some pay ore.

At the time of Dad's death we overlooked the Monte Cristo and the title has never been transferred to mother, who is Dad's sole heir. However, I have been paying the taxes and should this inspection reveal some ore, we will promptly have the title transferred to Mother's name. I note from my father's files, which I now have, that you hold a 45% interest in the property and that yours and Mother's signatures in duplicate are required to enable Mr. Kent to enter the property. Mr. Kent has requested that the signatures be notarized, which I trust will not cause undue inconvenience. Before I let Mr. Kent on the property I will see that non-liability notices are posted and recorded that will give the owners full protection.

Please pardon my not having written sooner regarding this matter and Mother can be reached by phone, 6-2705, in Phoenix, and I know she will be glad to discuss this matter with you.

The agreement was drafted by Mr. Kent and is not in the best of form, but I am sure it is perfectly legal for the purpose it is intended.

Your returning the agreements at your convenience to me or my mother would be appreciated.

Very truly yours,

Alden P. Colvocoresses

APC/ke
Encs.

March 23, 1950

Mr. E. C. Kent
Groom Creek Route
Prescott, Arizona

Dear Mr. Kent:

Thank you for your letter of March 13th with enclosed agreements. I consider your proposal to be quite fair and will take the matter up with Mrs. Chalmers and my Mother in the near future. As soon as I have the opportunity to secure their signatures you will again hear from me.

Very truly yours,

Alden P. Colvocoresses

APC/kc

GEORGE M. COLVOCORESSES
MINING AND METALLURGICAL ENGINEER
1102 LUHRS TOWER
PHOENIX, ARIZONA

October 17, 1949

Mr. E. C. Kent
Groom Creek Route
Prescott, Arizona

Dear Mr. Kent:

The Monte Cristo Mine to which your letter of October 3rd refers was 55% owned by my late father. The other part is owned by a Mrs. L. H. Chalmers, 230 E. McDowell Road, Phoenix, Arizona.

Before a lease can be given the title, which is still in my father's name, must be transferred to my mother, who is his sole heir. As I know Mrs. Chalmers' views on the matter I offer the following conditions on which my mother and Mrs. Chalmers would be willing to lease the property. 10% royalty payment with a minimum royalty of \$25.00 per month and a five year option to buy at \$10,000.00. Also we would require a \$50.00 payment upon signing of the lease to cover the costs thereof.

Should the above terms be acceptable let me know, and I will take steps to transfer the title and execute a lease in your favor.

Very truly yours,

Alden P. Colvocoresses

APC/kc

Prescott Arizona

Oct. 17th 1949

Groom Creek Route.

Dear Miss Collocan,

As I have not heard from you in regards to my letter of the 3rd of this month, I am writing you this note in regards to leasing the Monte Cristo mine, which you own.

I have the very latest type pumps, and am quite sure I can pump the water out of the main shaft. As I will start mining the Hidden treasure mine later this month, I would like to also start on the Monte Cristo as both properties join. In the event the ore has been completely removed from the Monte Cristo then we will both be sure that there is no money to be made from the property, but I feel that there is a large amount of good ore below the 200 ft level ready to be mined, this of course is what has been told me by other miners that worked in the mine. May I hear from you soon.

E. C. Kent

Prescott Arizona Oct, 3rd 1949

G.W. Colvocaresses
P.O. BOX 537
Superior Arizona

Dear Sir:

It has come to my attention that you are the owner of the Monte Cristo Mine in Groom Creek. The writer has the adjoining mining claims to the South under lease and option, From Mr, Morris & Neil Bennett. We have been able to control the water problem in the Hidden Treasure Mine, And would like to obtain a mining lease and option on your property, In the event we are able to pump your mine down to working levels.

The writer has the latest type deep water pumps and the equipment to open the mine. Our lease on the Hidden Treasure calls for a Ten per cent royalty And a option price within five years of Ten Thousand Dollars, We would like your opinion on granting a lease & option by return mail. We are ready to start mining operations at once.


E.C. Kent
Groom Creek Route
Prescott Arizona

PROPOSAL FOR FINANCING DEVELOPMENT
OF THE MONTE CRISTO MINE

June, 1941

The Monte Cristo Mine comprises one patented mining claim located at Groom Creek, 6 miles from Prescott, Arizona. It is owned in fee by Mrs. L. H. Chalmers and G. M. Colvocoresses and there are no debts or encumbrances of any character.

The mine has been worked at intervals since about 1870 and produced high grade gold-silver ore to the value of over \$100,000.00 plus a considerable quantity of lower grade or milling ore of which no record is available.

The value of much of the high grade ore was in excess of \$100.00 per ton and the recent shipments by the owners and lessees have carried around \$50.00 per ton.

The high grade vein was largely worked out in the southern portion of the claim and down to the 100' level. This vein was faulted and the continuation north of the fault has not been developed although it is believed that the work done in 1937 has indicated its location and this can be substantiated by a small amount of additional exploration in conjunction with which it is proposed to reopen a portion of the old workings and mine out the remaining pay ore in the upper levels and, if conditions justify, to develop and mine below the 100' level from the old shaft which has a depth of 400'.

If the values in the main vein persist to the north of the fault and continue downward to the 200' level there is a reasonable possibility that ore to the value of over \$400,000.00 may yet be mined from this claim from which a profit of \$200,000.00 might be realized, but in order to demonstrate this possibility it is necessary to purchase and install proper mining equipment including compressor & air drills, reopen portions of old

workings and continue the development work beyond the fault, all of which will involve an expense of about \$12,000.00. This investment must be classed as a mining gamble but it is believed to be well justified by the past record, present conditions and chance of a very substantial profit.

The present value of the mine is obviously problematical but for purposes of this transaction it is suggested that it be placed at \$30,000.00 and on that basis that the present owners offer to sell a 49% interest for \$14,700.00 with the guarantee that \$12,000.00 of this money will be efficiently expended for the equipment, exploration, development and operation of the mine.

If the development work accomplished with this fund should result in opening up the main vein beyond the fault or in proving substantial extensions of the ore-bodies in the old workings, it is probable that the mine would then be on a self supporting basis and that the returns from shipments would speedily pay back the capital investment and permit the continuance of profitable operations for an indefinite period.

There can be no guarantee that these expectations will actually materialize but as a speculative mining investment it is believed that this venture is one of promise and merit.

S. h. c.

Colvocoresses & Chalmers
1102 Luhrs Tower
Phoenix, Arizona

STATEMENT TO ACCOMPANY APPLICATION OF COLVOCORESSES AND CHALMERS
TO RECONSTRUCTION FINANCE CORPORATION FOR A DEVELOPMENT LOAN FOR
WORK AT THE MONTE CRISTO MINE.

Exhibit A.

Reference to Item 4, Exhibit A.

According to the best information now obtainable the first location on this property was made sometime prior to 1870. The present claim was located January 5th, 1891, surveyed for patent August 12, 1904 and patented.

The number of the patent survey is 2410 and full record of same is to be found in the U. S. Land Office in Phoenix, #46486 - Mineral Certificate #366 and in the records of Yavapai County.

The mine has been developed and operated by various owners and lessees and only fragmentary information concerning their identity and activities is now available.

The present applicants are owners in fee of this patented claim, the same having been acquired by G. M. Colvocoresses by purchase from the former owners as evidenced by the County Records and deed from E. W. Phillips dated May 18th, 1937 and deed from Grace Nolan dated July 1st, 1938. (Copies attached.)

A 45% undivided interest has been conveyed by G. M. Colvocoresses for proper consideration to Mrs. L. H. Chalmers, a widow, so that the present ownership now stands 55% to G. M. Colvocoresses and 45% to Mrs. L. H. Chalmers.

All State and County Taxes on this property have been fully paid as evidenced by the tax receipt attached and there

are no liens or encumbrances whatever.

Applicant Colvocoresses is a Mining Engineer by profession and record of his activities and experience will be furnished if desired. It may be found in Who's Who in Engineering, 1931 Edition or in the membership list of the Mining and Metallurgical Society of America.

Item No. 5. Exhibit A.

Monte Cristo Claim is located in the Hassayampa Mining District, Yavapai County, Arizona in Section 25, Township 13 N, Range 2 West, Gila and Salt River Base & Meridian.

The nearest railway station is Prescott, 6½ miles distant by good road.

Item No. 6. Exhibit A.

(a) One claim only, Monte Cristo, patented, plat of Government survey attached.

(b) Patent Recorded on page 510 of Book 81 of deeds of Yavapai County, General Land Office #46486 Mineral Certificate #366.

(c) Acreage as per survey 14.577.

(d) No producing mines of any size in immediate vicinity. Several small producers on some of which development and a little mining now in progress. No present operations at Monte Cristo. Last development work done by owners in 1937.

Item No. 7. Exhibit A.

Development suspended by owners for lack of funds and through realization that nothing worthwhile could be accomplished unless a proper plant were installed (the rock being too hard to be worked by hand-steel) and the main adit extended north beyond the fault with crosscuts to pick up the vein and

Colvocoresses & Chalmers
1102 Luhrs Tower
Phoenix, Arizona

drifts to develop the length and value of the ore shoots on main vein and cross vein all of which would involve a cash outlay estimated at about \$20,000.

Item No. 8, Exhibit A.

It is proposed to allocate for repayment of the loan all of the net earnings from operations beyond a reasonable reserve for working capital.

Item No. 10, Exhibit A.

(b) No agreements other than by letters but these can be supplemented by further agreements if desired by the R.F.C.

Exhibit B.

Item A.

- (1) Copy of report by Harrington Bleauvelt
- (2) Report by G. M. Colvocoresses

Item B.

Gold and Silver.

Item C.

See Item A-(2)

Item D.

- (1) See Item A-(2)
- (2) No recent production, future production cannot be estimated.
- (3) Water rises to within 8' of collar of shaft, hence all workings on and above adit level are dry. Flow into mine at 100' should not exceed 20 gal. per minute but probably increase to double that amount or more at 400' level.

Item E.

No present plans to mill ore on property. Shipments to smelter can be made on approximately the same terms as shown in '33 and '34 settlement sheets. Copy of one sheet attached in Appendix to A-(2). Trucking to R.R. at Prescott, 6½ miles, can be contracted for \$1.50 per ton or less if regular shipments can be made. Local custom mills may also furnish a market for lower grade material.

Colvocoresses & Chalmers
1102 Luhrs Tower
Phoenix, Arizona

Item F., Exhibit B.

Water supply from mine ample for all proposed operations at all times of year. Domestic water obtained from local springs or hauled $\frac{1}{2}$ mile from well at Groom Creek P.O. in dry weather.

Item G.

Equipment to be operated by gas engine using gasoline or heavier grade of oil.

Item H.

(1) Estimated cost of drifting or crosscutting about \$12.00 per foot,- very hard rock mainly blue diorite. Vein material softer near surface.

(2) No expectation of milling ore, will ship to smelter or custom mills.

Copies of Deeds to G. M. Colvocoresses attached. Further information re title available in Records of Yavapai County. Partnership Agreement between G. M. Colvocoresses and Mrs. L. H. Chalmers limited to this property only and with no personal liability to either party. Present agreement evidenced only by letters but further documents can be executed if desired.

APPLICATION FOR A DEVELOPMENT LOAN

(Class B, Limited to \$20,000)

NOTE.—Read carefully Reconstruction Finance Corporation Circular No. 14 (revised) and all application forms before starting to prepare application.

Application of

(NAME) Colvocoresses and Chalmers
(ADDRESS) c/o G. M. Colvocoresses - 1102 Luhrs Tower
(CITY AND STATE) Phoenix, Arizona

For a Class B or Development Loan under authority of Section 14, of Public, No. 417, Seventy-third Congress, as amended.

Date September 15, 1939

In preparing application, execute one complete set of annexed forms (including maps, reports, and all other documents called for), and one set of annexed forms complete except supporting maps, assay reports, and other documents of which it is difficult to obtain more than one copy; then fasten each set, duly executed, with all exhibits attached, in a separate binder and send both sets to the Reconstruction Finance Corporation, 1825 H Street NW., Washington, D. C. It is preferred that all forms be filled in by typewriter. Fill in all blanks; insert "none" where appropriate.

Name of correspondent G. M. Colvocoresses
Address of correspondent 1102 Luhrs Tower - Phoenix, Arizona

Location of mine: County Yavapai State Arizona

Metals produced Gold and silver

Name and address of applicant should be written, stamped, or typed on each sheet of application and on all accompanying papers for identification.

If any space in any exhibit is not large enough to permit giving full information, such information should be written on separate sheets of paper labeled, lettered, and numbered to correspond with the respective exhibit, section, and subsection. Such sheets of paper should be attached to the application.

Application for Loan

Colvocoresses and Chalmers (hereinafter called "applicant"),
(Name of applicant)
a limited partnership hereby applies to RECONSTRUCTION FINANCE CORPORATION (hereinafter
(Indicate corporation, copartnership, individual)
called "R. F. C.") for a loan of not more than \$ 20,000.00 to be evidenced by a note or notes satisfactory to R. F. C. and secured as required by it.

Applicant submits as part of this application the attached exhibits, A, B, C, and D, and such other exhibits and papers as are attached hereto, and warrants and represents the statements therein to be true.

Dated September 15th, 193 9.

WITNESS:

Colvocoresses and Chalmers

WITNESS:

Per:

Per:

(Corporate application to be executed by the President and Secretary with corporate seal affixed; copartnership application to be executed by a general partner)

EXHIBIT A
General Information

1. NATURE OF BUSINESS.—Describe briefly the type of operation being conducted.
Mine is idle at present.

2. LOAN:

(a) Amount of loan applied for: \$20,000.00

(b) Full statement of necessity for loan: Applicants financially unable to carry on development work themselves.

3. PURPOSES OF LOAN:

(R. F. C. is authorized and empowered to make loans to corporations, individuals, and partnerships engaged in the development of a quartz ledge, or vein, or other ore body, or placer deposit, containing, as its principal value, gold, silver, or tin, or gold and silver, when, in the opinion of R. F. C., there is sufficient reason to believe that, through the use of such loan, there will be developed a sufficient quantity of ore, or placer deposits of sufficient value to pay a profit upon mining operations: *Provided*, That not to exceed \$20,000 shall be loaned to any corporation, individual, or partnership, for such development purposes. The proceeds of such loans may not be used to determine any ore-treatment process, or for the construction of mills, smelters, or refineries.

Notwithstanding the fact that part of a loan may have been disbursed, R. F. C. reserves the right to refuse to make any further advances on such loan, whenever, in the opinion of the Chief Engineer of the Self-Liquidating Division of R. F. C., the development work theretofore performed is not accomplishing, and further development work is not likely to accomplish the purposes for which the loan was made.)

Specific purposes for which applicant proposes to expend proceeds of loan applied for. (Detailed information should be given. Avoid general statements such as "Working Capital", etc.)

Nature of Expenditure	Amount	Percent
Preliminary expense including equipment	\$ 7000.00	30
Development work proper	13,000.00	70
(See Itemized estimate in report by G.M. Colvocoresses (Exhibit B - Item A (2))		
	\$20,000.00	100

4. HISTORY, MANAGEMENT, ETC.

This subject should be fully covered and should include the following information: Date mining property was originally located and brief statement of previous development and operation of said property; statement as to exact nature of applicant's interest in or ownership of the property, including date and circumstances under which acquired; if applicant or the mining property offered as security for the loan has been involved in receivership, reorganization proceedings, or bankruptcy, or if applicant has made an assignment for the benefit of, or effected a compromise with creditors, a full discussion of such matters; a full statement of the facts disclosing that applicant is engaged in the development of a mining property containing, as its principal value, gold, silver, or tin, and all pertinent facts regarding the mining business of the applicant and the management thereof, including the manager's mining experience.

5. LOCATION

Name of mining district, county, and State in which property is situated. If on surveyed ground, give section, township, and range. Give name and distance of railroad station.

6. MINING PROPERTY

- (a) Names and legal survey numbers of all patented claims or claims surveyed for patent; include claim map.
- (b) Names, dates of location, place and date of recording, and book and page record of unpatented claims.
- (c) Description of acreage, or placer ground, and recording data.
- (d) Names of any adjoining or neighboring productive properties.

7. OPERATION

(a) Are operations being carried on at present time? If so, describe operations including number of men employed.

(b) If operations are not now being carried on or have not been continuous, give dates of suspension and resumption of operations, reasons for such suspensions, and description of most recent operations.

8. STATE WHEN AND HOW LOAN WILL BE REPAYED.

9. IF APPLICANT IS A CORPORATION, SUPPLY THE FOLLOWING:

(a) GENERAL INFORMATION

1. Principal office and place of business _____ Not a Corporation

(Street and number)

(City)

(State)

2. When organized.

3. Under what laws organized.

4. Names of States in which qualified to do business.

(b) NAME AND ADDRESSES OF OFFICERS, DIRECTORS, AND 10 LARGEST STOCKHOLDERS

Name and address	Official title (if officer is also director indicate by "D")	Annual salary, commissions, bonuses, etc., received from applicant and/or affiliates during last fiscal year	Number of shares held	
			Common	Preferred
TOTAL				

(c) CAPITAL STOCK ISSUES:

	Authorized	Outstanding	Par value	Number of shares	Dividend rate	
					Last paid	Fixed by charter
Common stock.....	\$.....	\$.....	\$.....			x x x
Preferred stock.....						

(d) ARTICLES, BYLAWS, ETC.—Copies of Articles of Incorporation, bylaws, and certificates of authority to do business, with all amendments to date, certified and sworn to by applicant's Secretary, all to be attached hereto as EXHIBIT "E".

10. IF APPLICANT IS A PARTNERSHIP, SUPPLY THE FOLLOWING:

(a) NAMES AND ADDRESSES OF ALL PARTNERS:

NAME (Indicate if any partners are limited or special partners)	ADDRESS
G. M. Colvocoresses	1102 Luhrs Tower, Phoenix, Ariz.
Mrs. ^L Louis H. Chalmers	230 E. McDowell Road, Phoenix, Ariz.
Merely special partners in this particular enterprise through co-ownership of property.	

(b) AFFIDAVITS AND AGREEMENTS.—Copies of all partnership affidavits and agreements, certified and sworn to by the partner signing the application, all to be attached hereto as EXHIBIT "E".

11. TAXES

Amounts of all Federal, State, municipal, and other taxes and assessments:

(a) Delinquent at the time of the filing of this application. none .

(b) Levied or assessed each year for the past 3 years. As per receipts attached.

EXHIBIT B

Technical Data

The data required by Exhibit B should be supplied in detail on separate sheets of paper attached at the end of this Exhibit. Data should be lettered and numbered to correspond with the respective paragraphs below.

A. REPORTS

Furnish any reports available that apply to this application.

B. METAL OR METALS

Statement of metal or metals to be produced.

C. EXISTING DEVELOPMENT

1. Give a general description of the ore or gravel occurrence.
2. Furnish all possible information with regard to the ore occurrence. If maps and sections of the mine or placer are not available pencil sketches are acceptable. However, such sketches should, if possible, be drawn to scale, or if not, dimensions must be shown. **Give results of sampling all ore bodies, stating clearly how samples were taken, giving width and location of each sample. Show the location and width of sample on maps submitted.** For placer deposits give the values obtained from each shaft or drill hole and state how the values were determined. Show the estimated yardage and value.
3. Submit assayers' reports, when available, giving metal content of each sample and number each sample to correspond with sample numbers on the maps submitted.
4. State type of mine, whether tunnel or adit, shaft, open-cut, placer, drift, etc., and show in detail the amount of development work. State distance along vein between levels and to surface. Indicate condition of workings, noting necessary repairs, if any.
5. List present equipment on property and describe condition. None- two cabins in poor repair.

D. PROPOSED DEVELOPMENT

1. State clearly and in detail the work proposed and show the expected tonnage and grade of ore that will be developed by this work. Estimate the cost of producing and marketing the product.
2. State recent daily, monthly, and annual production of ore (if any) and estimated production if loan is granted; if placer, in yards of gravel per day.
3. State whether workings are dry or wet; if latter, amount of water that has to be pumped, gallons per minute, to keep water down.

E. MARKETING OF PRODUCT

Explain fully the product produced, whether it is milled on the property, shipped to custom mill or smelter, or shipped direct to the mint. In any case, supply all cost data with regard to marketing.

F. WATER SUPPLY

State whether water supply for all proposed operations is sufficient during all seasons of year. State amount in gallons per minute, miners' inches, or second feet. If available, state the maximum, minimum, and average flow. Describe the source of the water supply and its dependability.

G. POWER

State kind and source of power proposed to be used in operating the property.

H. COST

State past (if mine has been in operation) and estimated future:

1. Detailed mining cost per ton of ore or per cubic yard of gravel and per foot of development work.
2. Detailed milling cost per ton of ore treated.

NOTE.—No charge is made for the preliminary field examination of a property by this Corporation's Supervising Engineer. However, if a loan is made, the cost of the examination is reimbursable from the loan. An examination will not be authorized, unless data submitted with the application reveal that the property warrants development.

EXHIBIT C

Current Financial Statement

As of None Sept 15th, 1939
(It is desired that this should be not more than 30 days prior to date of application)

BALANCE SHEET

ASSETS		
Current Assets:		
1. Cash		\$ None
2. Notes receivable		"
3. Accounts receivable		"
4. Inventories, materials on hand, etc.		"
TOTAL CURRENT ASSETS		"
Fixed and Other Assets:		
5. Plant used in business	Lands	One mining claim
	Buildings	Two cabins in poor repair
	Ores	none
6. Machinery		none
7. Equipment, furniture, fixtures, etc.		none
TOTAL ASSETS		
LIABILITIES		
Current Liabilities:		
8. Notes payable		none
9. Accounts payable		"
10. Other current liabilities		"
11. Liabilities accrued but not yet payable (interest, rent, taxes, wages, payments due on account of leases, options, or other contracts, etc.)		1939 taxes.
TOTAL CURRENT LIABILITIES		
Fixed and Other Liabilities:		
12. Mortgage debts, bonds, etc.		none
13. Contracts for lease, royalty, or purchase which constitute charges:		"
14. Other liabilities (describe)		"
TOTAL LIABILITIES		

EXHIBIT D

Fees, Commissions, Etc.

(No fees or commissions shall be paid by applicant for the purpose of procuring a loan, but reasonable compensation may be paid for proper services actually and necessarily rendered to applicant. If an application is granted it is to be expected that prior to disbursement the Corporation will require that it be furnished with certificates and agreements from applicant and from persons retained to render services to applicant, in form satisfactory to the Corporation, that all compensation shall be subject to the approval of the Corporation.)

All fees, commissions, salaries, charges, compensation, and things of value paid or delivered, or agreed to be paid, or delivered, or contemplated to be hereafter paid or delivered by or on behalf of applicant in connection with the application and/or any loan granted are as follows:

Name	Description of services	Amount paid	Amount agreed or contemplated to be paid
Owners making application direct, no fees or commissions contemplated unless special technical or legal services required by R.F.C.		\$	\$ None

Further inf. on Monte
Cristo Mine -

- (a) Mining Journal
- (b) USGS booklets
- (c) Bradshaw Atlas

Maps from Grey
Bag placed in
file.

Stella J.
June - 1958



House of Representatives
STATE OF ARIZONA
SIXTH LEGISLATURE

May 19-1929.

Dear Mr. Nolan -
Prescott Ariz.

I spent most of last week out on the creek and was called back to ~~Prescott~~ ^{Phoenix} before I could get in to see you.

I have decided that I will not try to handle the water at the Monte Cristo. I found the Bennett property flooded, and to open the Monte Cristo would necessitate draining the whole area. Due to my arrangement with Jim Slack I would not feel justified in raising money to handle the water.

I feel confident that there is considerable ore in the Monte Cristo and believe that one with sufficient Capital to pump the water would be repaid, I don't think that the mine has really been prospected properly from the lower levels. Perhaps at some later date if the property is still open, and I am free from the present arrangement I have with Slack. I will ask for another lease and work the lower levels. I am enclosing my check

for \$37.³⁷ on the lost Car.

Jim expects to live out there, at least for the present, unless your new leasons put him off.

I will be back in Prescott the latter part of this week - to remove my outfit from the Cabin.

The two Cabins are in good shape - and I will close the Tunnel.

Will be in to see you next week.

Yours very Truly

Arthur S. [unclear]

Box 434

Plibury

Monte Christo

A 5/14

P.O.Box 2632, Tucson, Arizona.
May 12, 1936.

36

Mr George M. Colvocoresses
1108 Luhrs Tower, Phoenix, Ariz.

Dear Mr Colvocoresses:-

Your letter of April 30th did not reach me until yesterday, as I was out of town when it came.

Unfortunately I do not happen to have the records of the assays made at the Monte Christo in 1920. I do however distinctly remember that the results in the lower levels were very disappointing and did not justify any further work on these levels. As I remember it, the vein was small and the values very low.

Mr Copley and myself did a very thorough job of sampling, taking quite large samples, which were cut down and if I remember rightly, Mr Copley made all the assays himself. I do remember that we considered these lower workings as of no commercial value and our report on them was unfavorable. I do not think you would be justified in going to the expense of unwatering them.

very truly yours,

Walter X. Osborn.

Walter X. Osborn.

Copy of a report made by H. Bleauvelzt

had dated
January 1898

The Monte Christo Group of Gold and Silver Mines.

Location

The property lies upon Groom Creek, only six miles from Prescott, Yavapai County, Arizona, and is reached by wagon road (the State Highway) on a uniform grade.

Mining Claims:

The group consist of three mining claims; the Monte Christo, May Morgan and Rocky Point. The Hidden Treasure mine being the South extention. (H. S. S. C.) Subsequently the Monte Christo claim has separated from the other two.

Development Work:

Most of the work is done upon the Monte Christo and consists of a tunnel nearly 500 feet long; and air shaft 95 feet to the surface from the tunnel; a double compartment working shaft 412 feet deep and the following levels as shown on a map.

50 ft. level, 100 feet long.
100 ft. level, 385 feet long.
200 ft. level, 340 feet long.
300 ft. level, 210 feet long.

also numerous crosscuts, upraises and small shafts upon the various claims.

The above mentioned levels run North from the 412 ft. shaft; the vein pitching slightly to the East; the shaft passes through the vein below the 100 ft. level and crosscuts are run over to it below that point. That at the 400 ft. level work was stopped just as crosscut from shaft was about to reach vein.

Development work South was stopped in the Hidden treasure ground (an option having been taken upon this claim) just before the ore shoot was reached.

In the early days of mining in this locality a remarkable rich shoot of free milling ore was found on the Hidden treasure ground

about 500 to 550 feet South of the dividing line between it and the Monte Christo mine. This was taken out and worked by crude processes and a great many thousands of dollars extracted. It was to get under this rich shoot of that, that the 200 ft. level of the Monte Christo was extended South but not far enough to reach it.

Ore Character- Monte Christo vein

The Monte Christo ore is a quartz containing native (Mattalic) silver in wires and ^{leaf} leaves; also iron sulphides (pyrite) that carries the gold values.

A great deal of this ore has been shipped, went as high as 150 ounces silver, \$60.00 in gold, while the ore that was milled made concentrates in values up to 125 ounces silver, $3\frac{1}{2}$ ounces gold; The ore milled containing values from 18 to 40 ounces silver, \$8.00 to \$16.00 gold as it was taken from the mine, the concentrates being shipped to smelting works. There is at present some of this class of ore in sight in the mine.

The Monte Christo is one of the famous properties in the vicinity of Prescott. Its owners received numerous dividends from it during a period of ten years. Not being able to work it themselves, owing to their ages, they were rewarded with a net sum of from ten to twelve thousand dollars and others previously securing in the aggregate about fifteen thousand dollars; the beautiful masses and clusters of wire silver taken from the mine have found their way as specimens to many cabinets.

The property was never systematically developed but gouged out, the leasers following only after the richest ore.

An option having been secured upon the property a double
comp e

compartment shaft was sunk 412 feet deep and levels run every 100 feet in depth. A five stamp mill with concentrating tables was erected and some of the remaining ore in the old workings extracted and concentrated making a product as above stated. The lower level has not been completed into ore shoot as yet, the crosscut over to it from the shaft being but a few feet more and is one of the first places at which to commence development. When this is done, undoubtedly a shoot of the richest ore found in the vicinity of Prescott will be opened up, for the Monte Christo has had practically no poor ore, no low grade ore; no second class ore dumps have ever been seen on the Monte Christo; it has all been shipped away or converted into high grade concentrates.

Fifty feet north from shaft ^{the} at 400 ft. level should ^{run} ~~well~~³ into a body of beautiful ore, consisting of iron pyrite containing the gold values. Black sulphide of silver and leaves and wires in the form of little nests of native silver, as the silver is frequently found in little fine shoots would round and round like a small birds nest in the holes or cavities in the ore, frequently appear.

ORE Blind Vein

Another vein parallels the main Monte Christo vein, being on the surface to the west of the vertical 400 ft. shaft, and being intercepted by the shaft at the 100 ft. level and pitching to the East being again intersected at 200 ft. level by crosscut a distance of about 40 ft. and on the 300 ft. level by crosscut at a distance of about 75 ft. This vein intersects the Monte Christo vein north of shaft at a distance of about one hundred feet at each level and at each level and at these intersections ~~some~~ very good sulphide

ore has been found with values high in gold. As this vein goes North it separates more and more from the Monte Christo vein. About 200 ft. north from shaft on 200 ft. level a crosscut was run westerly to get over to the large "Crosscut" vein shown on map. This cut through the parallel vein about 40 feet West and where it was passed through it shows on the North side a small streak of galena pyrite ore a few inches thick that is probably the beginning of the ore shoot pitching northward and should be drifted upon.

This one of the localities to which I draw especial attention as being one of the places to do development work.

ORE CROSS CUT VEIN

This large vein runs northeasterly across the Monte Christo, also the parallel vein, crossing Monte Christo vein about 75 feet north of the air shaft in tunnel. This vein is a large red and yellow oxidized one, carrying streaks here and there running well into gold and has many shallow shafts and holes dug into it at the surface; at intersection of where it crosses the Monte Christo vein the adjacent wall rocks are much decomposed and small veinlets of silver and gold ore run in every direction. Much of the decomposed rock will pay to work but, so far, the shafts and holes at this point appear to have been sunk alongside of the vein proper and no development done upon it. The aforesaid decomposed rock runs 14 to 40 ounces silver and when a cross cut is run across this entire mass it will open up some ore that should run high in values. On the tunnel level 95 feet below the surface a cross cut is run within 10 or 15 feet of this big vein and is another locality to which I call particular attention for doing development work. The cross cut heretofore spoken of as running West from the 200 ft. level across parallel vein is about 40 ft. from this vein and will cut it 295 ft. deep and is

another point for development work.

ORE ROCKY POINT VEIN

This vein runs through the Rocky Point claim on which there is a shaft 60 feet deep; also some shallow cuts and hole which show oxidized ore with rich streaks through it but will require more extended and deeper work to determine its value.

IMPROVEMENTS

Upon the property there is a bunk house, boarding house, hoist building, blacksmith shop and superintendent's residence; also mill building suitable for five stamp mill, pipe lines and water tanks.

The Company that started work upon this property and equipped it, lacked capital to go ahead and soon came to grief, their option expiring and their equipment being taken for debts. As stated they stoped the ore pretty well above the one and two hundred ft. levels, although there is quite a block of fine ore ready to be removed ^{from} the 100 ft. level and just under the floor of that level. Above the 300 ft. level not much stoping has been done and upraises will have to be put into some of the shoots of ore and that block of ore developed.

FUTURE OF THE PROPERTY.

I think that the property with the expenditure of a few thousand dollars will be in a condition to pay dividends. It is an ideal locality, only six miles from the rail road, (thence twenty miles from the Humboldt smelter, and the best road in State out from the mine) One can drive to mine in a automobile in about twenty-five minute and work all the year around.

Freighting to and from the mine is done cheaply; wood and timber near at hand and water sufficient for all purposes.

(Signed) Harrington Bleauveldt

Date???

January 1898

W. H. B.
H. B. B.

M.C. 25. hammering
quartz & calcite in little X cut
from adit level about 60' from the
hinge & adit

M.C. 26

Across Cross vein at hinge
width 40"

M.C. 27

Chip sample for stinger of
Sulphide in ~~cross~~ cross vein just
above sample # 26

M.C. 28

Silver vein in north stope
just north of upper shaft $W = 4"$

M.C. 29

Sample in Silver stope on gold
vein near north shaft & above the logging

had dated, but probably written about 1898

COPY OF REPORT BY H. BLEAUVELT ON
THE MONTE CHRISTO GROUP OF
GOLD AND SILVER MINES.

LOCATION: The property lies upon Groom Creek, only six miles from Prescott, Yavapai County Arizona, and is reached by a wagon road (The State Highway) on a uniform grade.

MINING CLAIMS: The group consists of three mining claims; the Monte Christo, May Morgan, and Rocky Point. The Hidden Treasure Mine being the south extension.

DEVELOPMENT WORK: Most of the work is done upon the Monte Christo and consists of a tunnel nearly 500 ft. long; and an air shaft 95 feet to the surface from the tunnel; a double compartment working shaft 412 feet deep and the following levels as shown on a map.

50'	level;	100'	long
100'	"	385'	"
200'	"	340'	long
300'	"	210'	long, also numerous crosscuts, up-

raises and small shafts upon the various claims.

The above mentioned levels run north from the 412' shaft; the vein pitching slightly to the east; the shaft passes thru the vein below the 100' level and crosscuts are run over to the vein below that point. In the crosscut at the 400' level work was stopped just as the crosscut from the shaft was about to reach the vein.

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In the early days of mining in this locality a remarkable rich shoot of free milling ore was found on the Hidden Treasure ground about 500 to 550 feet south of the dividing line between it and the Monte Christo Mine. This was taken out and worked by crude processes

and a great many thousands of dollars extracted. It was to get under this rich shoot that the 200' level of the Monte Christo was extended south, but not far enough to reach it.

ORE CHARACTER-MONTE CHRISTO VEIN.

The Monte Christo ore is a quartz containing native (mattalic) silver in wires and leafs; also iron sulphides (pyrite) that carries the gold values.

A great deal of this ore has been shipped, went as high as 150 oz. silver, \$60.00 in gold, while the ore that was milled made concentrates in values up to 125 oz. silver; $3\frac{1}{2}$ oz. gold; The ore milled contained values from 18 to 40 oz. silver, \$8.00 to \$16.00 gold as it was taken from the mine, the concentrates being shipped to smelting works. There is at present some of this class of ore in sight in the mine.

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The property was never systematically developed but gouged out, the leasers following only after the richest ore.

An option having been sedured upon the property a double compartment shaft was sunk 412' feet deep and levels run every 100 ft. in depth. A five stamp mill with concentrating tables was erected and some of the remaining ore in the old workings extracted and concentrated making a product as above stated. The lower level

has not been completed into an ore shoot as yet, the crosscut over to it from the shaft being but a few feet more and is one of the first places at which to commence development. When this is done, undoubtedly a shoot of the richest ore found in the vicinity of Prescott will be opened up, for the Monte Christo has had practically no poor ore, no low grade ore; no second-class ore dumps have ever been seen on the Monte Christo; it has all been shipped away or converted into high grade concentrates.

Fifty feet north from the shaft the 400' level should run into a body of beautiful ore, consisting of iron pyrite containing the gold values. Black sulphide of silver and leaf and wires in the form of little nests of native silver, as the silver is frequently found in little fine shoots ^{ing} wind/round like a small bird's nest in the holes or cavities in the ore, frequently appear.

ORE BLIND VEIN.

Another vein parallels the main Monte Christo Vein, being on the surface to the west of the vertical 400' shaft, and being intercepted by the shaft at the 100' level and pitching to the East being again intersected at 200' ft. level by crosscut a distance of about 40' and on the 300 ft. level by crosscut at a distance of about 75'. This vein intersects the Monte Christo vein north of shaft at a distance of about 100' at each level and at these intersections some very good sulphide ore has been found with values high in gold. As this vein goes north it separates more and more from the Monte Christo Vein. About 200' north from shaft on 200' level a crosscut was run westerly to get over to the large "Crosscut" vein shown on map. This cut through the parallel vein about 40 feet west and where it was passed thru it shows on the north side a small streak of galena pyrite ore a few inches thick that is probably the beginning of the ore shoot pitching northward and should be drifted upon.

This is one of the localities to which I draw especial attention as being one of the places to do development work.

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ORE-ROCKY POINT VEIN.

The vein runs through the Rocky Point claim on which there is a shaft 60' deep; also some shallow cuts and holes which show oxidized ore with rich streaks through it, but will require more extended and deeper work to determine its value.

IMPROVEMENTS:- Upon the property there is a bunk house, boarding house, hoist building, blacksmith shop and superintendent's residence; also mill buildings suitable for five stamp mill, pipe lines, & water tank.

The Company that started work upon this property and equipped it, lacked capital to go ahead and soon came to grief, their option expiring and their equipment being taken for debts. As stated they stoped the ore pretty well above the 100 and 200 ft. levels, altho there is quite a block of fine ore ready to be removed from the 100' level and just under the floor of that level. Above the 300' level not much stoping has been done and upraises will have to be put into some of the shoots of ore and that block of ore developed.

FUTURE OF THE PROPERTY.

I think that the property with the expenditure of a few thousand dollars will be in a condition to pay dividends. It is an ideal locality, only six miles from the railroad (thence twenty miles from the Humboldt smelter, and the best road in state out of the mine). One can drive to mine in an automobile in about 25 minutes and work all the year round.

Freighting to and from the mine is done cheaply; wood and timber near at hand and water sufficient for all purposes.

(signed) Harrington Bleauvelt

DATE ????

GEORGE M. COLVOCORESSES
MINING AND METALLURGICAL ENGINEER
1102 LUHRS TOWER
PHOENIX, ARIZONA

Coffin Cup

September 1939.

REPORT ON PROPOSED DEVELOPMENT OF MONTE CRISTO MINE

This property consists of one small patented mining claim (14.577 acres) located in Yavapai County, Arizona, one-half mile from the Groom Creek Post Office and store and six and one half miles from the City of Prescott on the Santa Fe Railway. The Senator Highway passes by Groom Creek P. O., and a fair road leads to the Monte Cristo Mine.

The elevation is 6500 feet and climate excellent, permitting work at all seasons. Domestic water is obtainable from Groom Creek which flows near to the claim while water from the mine shaft can be used for other purposes. The surface is hilly and covered with a scant growth of yellow pine, black oak and underbrush.

GEOLOGY:

The county rock is mainly Yavapai Schist, intruded by dikes of diorite and porphyry. The ore is found in well defined veins along these dikes.

There is one main vein striking north and south and nearly vertical. This vein apparently traverses the entire length of the claim (1100 ft.) and has been developed northward from the south end line of the Monte Cristo Claim for a distance of 400 feet where it is cut by a cross vein and fault.

The vein splits into two branches for a certain distance south of the fault and surface showings indicate that both branches continue beyond the fault.

The ore shoot so far developed has a proven length of 400 feet and throughout most of this distance the mineralization is about five feet wide, but the pay streaks lie in two narrow seams 6" to 12" in width along the foot and hanging walls. The filling between these pay streaks is mostly crushed diorite with low values and in mining this material furnished a convenient filling for the stopes. There were apparently two successive periods of mineralization, the first fracturing of the rock resulting in filling the fissure with wall rock and the second opening up cracks along the walls in which the richer ore was deposited from solutions. The filling of these pay streaks is largely quartz containing free gold and silver associated with manganese minerals and iron sulphide and oxide. Traces of copper, lead, and zinc are noted.

There are several cross veins to be seen on the surface and one of them carries fair values but where opened up underground the values were not commercial.

HISTORY:

The mine was discovered prior to 1870 and worked in a small way for the production of high grade sorted ore. Many spectacular pieces containing both wire gold and wire or leaf

silver were found and shipments were made with value of several hundred dollars per ton, but no exact record of these is now available.

Prior to 1900, a shaft was sunk to a depth of over 400 feet with levels at 100, 200, and 400 depth, and the mine was equipped with a power and mining plant and a small mill. It is reported that the grade of ore decreased in the deeper workings, and this I can well believe since veins of this type rarely carry values to any great depth. Practically all of the past production of the mine seems to have come from above the 200 foot level, and there is probably no reason to expect any substantial future production from below that point.

The total production of the mine is said to have had a value in excess of \$100,000 in gold and silver. This was mostly in the form of high grade shipping ore but two mills have been erected in the past,- the last one in 1918,- and during the periods when they operated a considerable tonnage of lower grade material was mined and treated. I have been unable to secure anything more than fragmentary records of production and a few smelter returns from shipments made prior to 1934. Since that date my limited development work and the operations of leasers have resulted in shipments of 175 tons having a net value at present prices of over \$4500. (See Appendix A)

The accuracy of the old maps is very doubtful but it seems certain that the stoping did not include large portions of the mineralized area in the vein.

Monte Cristo File 1958

On May 6⁷⁵ - I
quoted Bob Langguth
@ wh 5-4089 the ^{Calvo} file on
above property for
\$ 350⁰⁰ (including my
reproducing fees) — But
he did ~~not~~ buy it.

Stella Treanier

According to the maps the main vein was mined from the shaft to a cross-vein and fault which lies 360' to the north and from the surface to a depth of 200' below the collar of the shaft which collar is about 200' below the crest of the hill north of the fault.

Between the shaft and the cross-vein-fault a large amount of stoping was done but many pillars and sections of the vein were left

ORE RESERVES:

Only one old report has been found and that was made by Harrington Blauveltdt probably in 1898. Blauveltdt had been familiar with the mine since the 80's and had charge of some of the work. He states that shipments ran up to 150 oz. silver and 3 oz. in gold to the ton and that much low grade ore had been concentrated. Substantial profit is supposed to have been made by the successive owners and leasers who generally worked out the richest pockets then in sight, but failed to carry on any systematic development.

Blauveltdt mentions the probability of finding high grade ore by extending the lower workings to the north and also advises development on a parallel vein which he says was found by crosscuts from the 200 and 400 foot levels. He also advises work on the cross veins and in general recommends the property very highly.

Personally, I have never seen the lower workings of this mine, as the water stands a few feet below the adit, but from such studies and inspection as I have made and such reliable information as I have obtained, I do not believe that it would pay to reopen it below the 200 foot level, nor do I now think that it would be advisable to consider erecting a mill or attempting to handle the low^{er} grade of ore. This situation may change as a result of future development.

During the past five years the work of lessees has been largely confined to the old pillars and sills near the surface for a distance of 300' north of the shaft and some of the harder ore has been left because of the difficulty of breaking this with hand-steel. Also, there are portions of these workings which could only be rendered accessible by cleaning out the main adit level at very considerable expense so that several portions of the vein have been left in place.

Although both the tonnage and grade of the remaining ore are very uncertain, I believe that there is a strong probability that a sufficient quantity remains in the main vein, above the adit level, and in the cross-veins to repay the expense of equipping the mine for operation and cleaning out the adit. A comparatively small additional expense would permit taking ore from some sections of the pillars and sill below the adit where samples have indicated that the vein will carry

over \$30.00 per ton for a width of about one foot.

The big chance for future profit in operating the Monte Cristo lies in finding and opening up the main vein to the north of the cross-vein-fault. This has never been done for all of the old workings either stopped at the cross vein or followed along it to the northeast evidently hoping to pick up a pay shoot. This strong cross-vein has a width of 3' to 4' and can be traced across the claim on the surface where it samples from \$5.00 to \$15.00 per ton, but where cut by the adit level the filling is quartz and calcite and, - although it contains stringers of sulphide which carry around \$25.00 to the ton, - the average grade of the entire vein is non-commercial at this point. However, the best surface showings lie to the west of the main vein and drifting on the adit level should be done in that direction.

The cross vein has evidently faulted the main-north-south vein apparently to the east but investigations on the surface, which is covered with vegetation and overburden, have not yet definitely proved the extent of the throw.

On the north side of the hill considerable development was done in 1937 on a showing which I believe will prove to be the faulted extension of the west fork of the vein. This was followed into the hill with an adit for over 100' where two shallow winzes were sunk but from these workings we mined only one ton of \$50.00 ore. We were working at a much higher level

than on the south side of the hill and it is probable that the zone of leaching has here extended downward for a considerable distance and robbed the vein of its original values.

Between the fault and the north line of the claim the main vein and its fork to the northeast should have a length of over 600', all virgin ground, and from the surface to the water level one might reasonably hope to mine some 3000 tons of \$40.00 ore if the vein holds width and values comparable to those which it contained south of the fault. The profit in mining such a block of ground might reasonably be estimated in the order of \$75,000 and an additional 5000 tons of ore may be found below the adit and above the extension of the 200' level from the main shaft. This should also be mined with substantial profit even assuming that there is a reduction in the grade similar to that which appears to have occurred in the old workings south of the fault.

It is this expectation of finding and opening up the vein to the north of the fault and mining pay ore from the surface to a depth of nearly 400' below the crest of the hill which, in my opinion, makes the development of the Monte Cristo an attractive mining venture.

In order to thoroughly test out this possibility I recommend the following program:

(a) Install a compressor with auxiliary equipment and air drills so as to permit breaking the very hard ore left be-

tween the surface and the adit level to the south of the fault.

(b) Clean out and retimber the adit level so as to be in a position to recover this ore and also provide an efficient and economical means of removing the waste and any ore that may be taken from the development and exploration drifts and crosscuts beyond the fault.

(c) Drift southwest along the cross vein under the promising outcrops which are noted on the surface and drift and crosscut north of the fault and cross vein for the purpose of finding and developing the faulted segment of the main vein which is believed to have been located in the north workings and partly developed by the north adit and winzes which are in the leached zone of the vein.

(d) If sufficient good ore is found along and below the adit, unwater the mine and continue the development and mining from the 100' level and later from the 200' level.

During the past four years over \$4000.00 has been spent in opening up the old mine and determining conditions which were previously entirely unknown except from the old maps and reports. No positive conclusions as to tonnage and grade of future production can yet be drawn but the future development will have the advantage of starting with a definite aim and the nature and scope of the proposed work can now be forecast with reasonably accuracy.

CAPITAL AND DEVELOPMENT EXPENDITURE:

The total expense involved in carrying through the program outlined above will be about \$20,000 as estimated below:-

Preliminary Expense

Repairs to road and camp buildings	\$ 800.00
Camp equipment & light truck	1000.00
Rails, ore cars, piping & small tools	1300.00
Rental or purchase of compressor & accessories	2000.00
Pumps and piping for water supply	400.00
Three air drills, hose, etc.	800.00
Drill Steel and forge, etc.	200.00
Installation of above equipment	500.00
	7000.00

Operating Expense

Cleaning out adit tunnel & retimbering from portal to fault	3000.00
About 600' of crosscutting and drifting north of fault to pick up faulted segment of vein.	7200.00
Cleaning out and retimbering upper shaft and essential portions of upper workings to permit development work on adit level and extraction of remaining ore above, also some development on surface of cross vein	2800.00
	\$20,000.00

The above estimates include all labor, supplies, insurance and a proper allowance for supervision, clerical work, etc.

In carrying out the work above outlined a considerable amount of pay ore should be recovered from the old fill

and muck in the adit and upper workings, also from such development as may be done in the vein. Thus an uncertain but probably substantial percentage of the investment may be repaid through the shipment of this material.

Moreover, an additional tonnage of ore in the vein (some of which has been sampled) will be rendered accessible and can then be mined with profit.

The future value of the property and subsequent program of operations must be largely dependent upon the results of the development itself, especially the work which will be done north of the fault and on the west section of the cross vein.

Respectfully submitted,

J. H. C.

Exhibits for Appendix:

- (1) Patent Survey of Claim. (1 copy)
- (2) Section map of workings - 1920 - and plan of adit. (1 copy)
- (3) Section map of workings - 1937 - (1 copy)
- (4) Partial Record of shipments from Monte Cristo Mine, one settlement sheet attached. (1 copy)
- (5) Record of Recent Samples - 1934-1938 - (2 copies)

GEORGE M. COLVOCORESSES
MINING AND METALLURGICAL ENGINEER
HUMBOLDT, ARIZONA
1102 Luhrs Tower, Phoenix

STATEMENT RE MONTE CRISTO MINE

September, 1937

The Monte Cristo Mine is located at Groom Creek, six miles from Prescott, Arizona. From about 1870 to 1905 it produced high grade gold-silver ore with values ranging from \$50.00 to \$200.00 per ton. The total output must have had a value of over \$100,000.00. There was also mined a certain amount of lower grade or milling ore of which no record is available.

The principal vein was mined from the main shaft to a cross-vein and fault which lies 360' to the north and from the surface to a depth of 200' below the collar of the shaft which shaft is about 200' below the crest of the hill north of the fault. Apparently the ore below this depth was of lower grade and would not pay to mine.

Between the shaft and the cross-vein fault a large amount of stoping was done but many pillars and sections of the vein were left and during the last thirty years one small company and several lessees have operated here at intervals and taken out a considerable quantity of ore which ran better than \$45.00 per ton. The lessees were working with hand steel and were therefore forced to leave the harder sections of the vein, which show similar values over widths of from 4" to 12".

The quantity of remaining ore is uncertain but there is at least one sizeable block between the upper shaft and the cross-vein which is now accessible and it is reasonably certain that ore could be profitably mined at this point if a compressor and air drills were installed. Smaller pillars of similar ore are indicated further to the south but cannot be reached until the adit is cleaned out.

A fair guess as to the tonnage which might be mined between the main shaft and the cross vein above the adit level is

GEORGE M. COLVOCORESSES
MINING AND METALLURGICAL ENGINEER
HUMBOLDT, ARIZONA
1102 Luhrs Tower, Phoenix

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200 tons with gross value of \$40.00 per ton representing a gross value of \$8000.00, and from this production a profit of \$4000.00 might reasonably be expected.

Very little is known about the ore below the adit which is only 8' above the water level, apparently a very considerable tonnage was left above the 100' level and a much larger quantity between the 100' and 200' levels, but there is reason to fear that the average grade is lower than above the adit--where some secondary enrichment has taken place.

From several old reports and maps it would seem that at least 1500 tons of ore has been left in the main vein between the adit and the 200' level on the south side of the cross-vein fault and that this should have an average value of \$30.00 per ton so that a net profit of some \$15,000.00 should result from its extraction.

Several other veins are noted on the surface of the claim and samples taken from or near to the outcrops have shown values which varied from zero to \$30.00 per ton. Some of these seem to be worthy of underground exploration, although no estimates of tonnage or value can be made at present.

The big chance for future profit in operating the Monte Cristo lies in finding and opening up the main vein to the north of the cross-vein-fault. This has never been done in the past for all of the old workings either stopped at the cross-vein or followed along it to the northeast evidently hoping to pick up a pay shoot. This strong cross-vein has a width of 3' to 4' and can be traced across several claims on the surface, but the filling is quartz and calcite and although it contains small stringers of sulphide, which carry around \$25.00 to the ton the average grade of the entire vein is non-commercial and not likely to improve except perhaps at a considerable depth. The cross-vein

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has evidently faulted the main-north-south vein, but to what extent and in what direction we do not know and careful investigations of the surface, which is covered with vegetation and overburden, have so far furnished no clue.

On the north side of the hill we have recently done considerable development on a showing which I believed might prove to be the faulted extension of the main vein. This was followed into the hill with an adit for over 100' where two shallow winzes were sunk but from these workings we mined only one ton of \$50.00 ore for we were exploring at a much higher level than on the south side of the hill and it is evident that the zone of leaching has at this point extended downward for a considerable distance and robbed the vein of its original values. I still consider that this is a promising showing, but would not recommend any further work here until we have explored the ground closer to the cross-vein-fault and if possible picked up the extension of the main vein immediately to the north of the fault.

Between the fault and the north line of the claim the main vein should have a length of over 600', all virgin ground, and from the surface to the water level one might reasonably hope to mine some 3000 tons of \$50.00 ore if the vein holds width and values similar to those which it contained south of the fault. The profit in mining such a block of ground might reasonably be estimated in the order of \$100,000 and an additional 5000 tons of ore should be found below the adit and above the extension of the 200' level from the main shaft. This should be mined with a nearly equal profit even assuming that there is a reduction in the grade similar to that which appears to have occurred in the old workings south of the fault.

It is this expectation of finding and opening up the main vein to the north of the fault and mining pay ore from the surface to a depth of some 400' with a profit in the order of

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\$200,000.00 which in my opinion makes the development of the Monte Cristo a very attractive mining gamble.

In order to thoroughly test out this possibility I recommend the following program.

(a) Install a compressor with auxiliary equipment and air drills so as to be able to mine the very hard high grade ore left in the old workings between the upper shaft and the cross-vein, drift to and across the fault and then crosscut on its north side in search of the faulted portion of the main vein and follow this with drifts if and when it is found.

(b) Clean out and retimber the main adit level so as to be in a position to recover the ore left in the pillars and stopes above this adit between its portal and the upper shaft and provide an efficient and economical means of removing the waste and ore that will be taken from the workings north of the upper shaft and the exploration drifts and crosscuts beyond the fault.

(c) If good ore is found along and below the adit, unwater the mine and continue the development and mining from the 100' level and later from the 200' level.

During the past four years about \$5000.00 has been spent in opening up the old mine and determining the conditions which were previously entirely unknown except from the old maps and reports. No positive conclusions as to tonnage and grade of future production can yet be drawn from this work but the future development will have the advantage of starting with a definite aim and the nature and scope of the additional exploration and development can now be forecast with reasonably accuracy.

FINANCIAL SITUATION AND PROPOSAL.

The total expense involved in carrying through the program outlined above will be about \$10,000.000, but may be

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divided into two portions, the first comprising the items "a" and "b" and the second comprising item "c" and while it would be advantageous to undertake all of this work simultaneously it is not necessary that this should be done.

The property consists of one patented mining claim with no debts or encumbrances of any sort whatever, and I am the owner of a 75% interest, the other 25% being owned by Mrs. L. H. Chalmers of this City.

I do not wish to give up the controlling interest in this property for I have put in a great deal of time and work as well as considerable money in its acquisition and development and I have real confidence in its future possibilities. I am willing to sell a 24% interest for \$12,000.00 with the proviso that \$10,000 of this money will be expended on the property for the equipment and development mentioned in this statement and such other development as may seem desirable as the work proceeds and that I will continue to give such portions of my time and attention to the supervision of this work as may seem necessary with no compensation other than the repayment of out of pocket expenses until the returns from shipments or other income put the mine on a self-supporting basis.

My partner and I will further agree that as soon as a working capital of \$2000.00 has been accumulated from earnings then 50% of the net returns from shipments or other incomes will be applied to the repayment of the cash which will be paid for this 24% interest until such repayment is completed after which any further profits or net earnings are to be divided pro rata as the interest of the various owners may then appear.

In the present program it may be noted that no provision is made for the installation of a concentrating mill or other treatment plant since I do not think it likely that any amount of low grade or milling ore will be found in the Monte Cristo Mine

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sufficient to justify placing a mill on the property. For the treatment of any small quantity of low grade ore I am confident that suitable arrangements can be made with some custom mill in the vicinity.

It will of course be possible at any future time to organize a corporation to take over the title and operation of this mine and provision for refinancing could then be made but for the present it appears to me that it will be simpler and more economical to operate as an informal partnership or syndicate and on the basis of private agreements between the owners, who will thus be definitely assured of a certain cash return from ore which is now in sight and the salvage of the equipment already purchased or to be purchased. The amount of this is problematical and at most it might not amount to more than \$400000 or even less, although I think there is every reason to believe that it would prove to be substantially greater. On the other hand if we are successful in finding the extension of the vein and its grade proves as good as it has been from the main shaft to the fault we will almost certainly realize a very large profit as mentioned with chances that this might be further increased by mining below the 200' level or from some of the other veins on the claim. As the situation stands today any further investment in the development of the Monte Cristo is purely a mining gamble and it is only submitted on that basis, but with the qualification that in my personal opinion it is a good and thoroughly justifiable gamble that should properly make an appeal to any one who is willing and able to risk the amount of money involved.

Attached to this statement is an itemized estimate of the cost of the new equipment required and the various steps in the proposed program of development and production, also a blueprint showing the main vein in section and the workings as taken from our own development work and the most reliable of the old maps and records that have been obtained.

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Estimate of cost of equipment required for thorough exploration and development at Monte Cristo Mine.

One two drill compressor (2nd hand)	\$1000.00
Receiver and piping for compressor	200.00
Air drills (2) steel and hose	400.00
Head frame, hoist house & piping at main shaft.	400.00
Hoist, cable & bucket at main shaft.	450.00
Pump at main shaft	100.00
Repairs and improvements to camp buildings	200.00
2 Ore cars and track for adit.	300.00
Pick-up truck	900.00
Small tools and accessories	350.00
Installation of all the above.	700.00
	\$5000.00

Salvage value of above if sold within one year should be about \$2000.00.

ESTIMATED EXPENSES OF PROPOSED EXPLORATION AND DEVELOPMENT.

Cleaning out adit and retimbering to cross vein	\$1000.00
Unwateringshaft to 100' level and cleaning drift to cross-vein.	800.00
Cleaning out around upper shaft & timbering	200.00
Crosscutting on north side of cross-vein-fault.	1000.00
Mining ore left above adit to upper shaft.	500.00
Mining ore left above adit from upper shaft to cross-vein.	1000.00
Supervision and overhead expenses (5 months)	500.00
	\$5000.00

Ore produced from this work should be at least 50 tons @ \$40.00 per ton equal--\$2000.00, but much more probably the quantity will approach 200 tons @ \$40.00, equal---\$8000.00.

If the proposed development, which will require about four or five months, should give unfavorable results and the mine is then believed to be worthless the net salvage of the equipment and minimum sale value of the ore produced should be at least \$4000.00 but ^{the} more probable return will be around \$10,000.

If the outcome of the work is favorable and results