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Bill Kerr 3/1/74

Wilfong about to be run out of county

Claim status is very questionable

Backed by used car dealers in L.A.

Lot of old claims in some area. May have made deals with previous owners.

Gravity data may be available

Skatt on qtz vein + shear zone.

Present work by Conoco is based on geologic concept.

No validation work.

Bud & Grover

Aztec Visit 2/5/74

~~No asking terms.~~

Front money
$50,000.00
$4,000 month
Buy out
$4,000,000.00

Long term option
payments apply
on option price

Mr. Wilfong. Sec-tres
Mr. Stanley L. Avery Pres.
96%

Paul

Aztec 2/18/74

$25,000 down
3,000 / mo

$4,000,000 buy out
5 yrs, with renewal.

Wilfong	Grover
Dresser	Bud

SOLERO
Santa Cruz County
Tyndall Dist.
Cu, Pb, $1,000,000 buyout $1000.00/mo
8656 acres pat. Mineral +2500.00/yr. taxes
Frank Shrader Report 180 day option

O/d Eureka
Specimens from Old Eureka - Royal Blue

Bob Wilfong

Duke Dresser Atlas Powder

DA Home

DRESSER ASSOCIATES
8420 E. Sage Drive
Scottsdale, Arizona 85253
602/947-1675

D. G. ("Duke") Dresser

~~REPRESENTING~~
~~B & L Industrial Sales~~
~~P.O. Box 1106~~
~~Sedona, Arizona 86336~~

STATEMENT OF LIABILITIES

EXHIBIT 2

Notes payable to Directors and other individuals*

*Comprising $4,000.00 one year note dated 8/5/69 payable to DONAL LANIER bearing interest @ 6%.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS:

RECEIPTS:		
Cash from Officers and Directors		$49,283.00
Loans from Officers and Directors		4,000.00
	TOTAL	$53,283.00
DISBURSEMENTS:		
Exploratory and Development Costs including posting, locating, assessment work, road work, sinking shaft and tunnel, grading, labor, explosives, assays, geologists, engineers, office expenses, etc.		$46,400.00
Organization Expense		2,480.00
Prepaid Insurance		287.00
Equipment Purchases		2,658.00
	TOTAL	$51,825.00
Cash in Bank		1,458.00
TOTAL RECEIPTS AND DISBURSEMENTS:		$53,283.00

STATEMENT OF CAPITAL SHARES

EXHIBIT 3

AUTHORIZED COMMON NON-ASSESSABLE STOCK:	5,000,000 Shares
At a Par Value of $ .10 per share	
ISSUED AND OUTSTANDING:	
(a) For Cash @ .435 cents per share	113,282 shares
(b) For assets including 38 Lode Mining Claims	1,500,000 shares
(c) Promotional Services	200,000 shares
(d) For labor and services, including assessment work and development work.	386,718 shares
TOTAL SHARES ISSUED AND OUTSTANDING:	2,200,000 shares
TOTAL SHARES UNISSSUED:	2,800,000 Shares
TOTAL	5,000,000 shares

OFFERING CIRCULAR

AZTEC EXPLORATION AND DEVELOPMENT COMPANY, INC.

1445 East Thomas Road
Phoenix, Arizona, 85006

An Arizona Corporation
150,000 Common Shares
(Par Value $.10 per Share)

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE.

OFFERING

Aztec Exploration and Development Company, Inc., was incorporated under the laws of the State of Arizona on April 8, 1968. The Company is offering 150,000 shares of its NON-ASSESSABLE Common stock for the purposes hereinafter set forth.

OFFERING PRICE TO PUBLIC (1)	UNDERWRITING DISCOUNTS OR COMMISSIONS (2)	PROCEEDS TO COMPANY (3)
Per Share $1.00	None	$1.00
Total $150,000.00	None	$150,000.00

(1) There is no market for the common stock of this Company, and the offering price of the stock was arbitrarily determined by the Directors and bears no relationship to the assets of the Company.

(2) This offering is not being made through any underwriter, but is being made by the issuer through the Officers and Directors of the issuer.

(3) These proceeds are computed prior to deducting expenses of Counsel, Engineers, Accountants, Registration Fees, Expenses, including printing to be borne by the Company, estimated at $14,000.00

(4) The exploration and development of mineral properties is highly speculative and involves risk of loss. (See Risk Factors).

(5) If the entire offering is sold there will be substantial dilution of the value of the shares held publicly, and substantial increase in the value of shares held by Officers and Directors of the Company. (See Dilution).

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER BY THE COMPANY TO SELL, NOR A SOLICITATION OF AN OFFER TO PURCHASE THE SECURITIES OFFERED HEREBY IN ANY STATE OR TO ANY PERSON TO WHOM IT IS UNLAWFUL FOR THE COMPANY TO MAKE SUCH OFFER OR SOLICITATION

The Date of this Offering Circular is January 14, 1970.

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FINANCIAL STATEMENTS

There are included herein the following Financial Statements:

EXHIBIT 1—STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL EXPLORATORY AND DEVELOPMENT COSTS:

EXHIBIT 2—STATEMENT OF LIABILITIES:

EXHIBIT 3—STATEMENT OF CAPITAL SHARES.

AZTEC EXPLORATION AND DEVELOPMENT COMPANY, INC.,
ROBERT E. WILFONG, President
Issuer

AZTEC EXPLORATION AND DEVELOPMENT COMPANY, INC.

1445 East Thomas Road
Phoenix, Arizona

STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL EXPLORATORY AND DEVELOPMENT COSTS

October 1, 1969

EXHIBIT 1

CURRENT ASSETS:	
Cash in Bank	$ 1,458.00
Prepaid Insurance	287.00
EQUIPMENT:	
Mining equipment, vehicles, office equipment	$ 2,658.00
INVENTORIES:	
Approximately sixty tons of Oxide Copper Ore.	
PROPERTY:	
Thirty-eight Lode Mining Claims Comprising 760 acres, acquired for 1,500,000 shares of Common Stock	
UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS:	$46,400.00
UNAMORTIZED ORGANIZATIONAL EXPENSES:	$ 2,480.00
TOTAL ASSETS:	$53,283.00

fornia. 1962-1964, Chief Design Engineer and Director of Marketing for Schwien Engineering Company, West Los Angeles, California. 1960-1962, Chief Engineer for Trans-Western Ion Mfg. Company, North Hollywood, California. 1955-1962, Project Engineer for Whittaker Controls Corp., Van Nuys, California. BSME Degree.

EARL A. HESTRIN: 2nd Vice President and Director, 1964-Present, Owner Western Investment Properties Company, Encino, California, Real Estate Brokerage Firm, 1961-1964, Sales Representative for Investment Properties Company, Los Angeles, California. A graduate of University of Southern California. Bachelor of Science Degree. Active in the investment field and real estate development. Officer in the USAF during World War II.

SIDNEY M. GOREN DDS: 3rd Vice President, and Director, attended University of Illinois, graduate of Loyola University School of Dentistry, practiced Dentistry in Chicago, Illinois for over 20 years, retired from practice. Presently investor in real estate.

STANLEY L. AVERY: Secretary-Treasurer and Director, graduate of Drake University Law School in 1932, admitted to Iowa Bar in 1932; Counsel for Federal Land Bank of Omaha, Nebraska, 1933-1936; Attorney for Royal Liverpool Group Insurance Companies, Los Angeles, California, 1936-1942, member Law firm of McCutchen-Thomas-Mathew-Griffith and Greene, Los Angeles, California. 1942-1945, Private practice in Los Angeles, California from 1945 to date; Member of State Bar of California, Los Angeles County Bar Association, California Trial Lawyers Association, Phi Alpha Delta National Law Fraternity, admitted to practice in U.S. District Court and U.S. Ninth Circuit Court of Appeals.

NELSON W. TAYLOR: Director, Thirty-five years of field and laboratory experience as a mining engineer, field geologist, assayer, and consulting geologist. 1929-1931, Phoenix Utilities Company, subsidiary operation of the Electric Bond and Share Company; evaluation and acquisition of oil and gas properties in the South and Southwest United States and Mexico. 1932-1941, Field Geologist and Limestone Specialist for the United States Government. Consultant to various public and private agencies, including, the Bureau of Mines and Bureau of Land Management. 1941-1945, partner in the firm of Dodd and Archer of Lackbourne, Ohio, engaged in core drilling for coal and coal production for World War II steel manufacture in the Eastern Appalachian Region of the United States. 1946-Present, Independent Consulting Geologist and Assayer acting in supervisory capacities for oil, gas and other companies engaged in minerals exploration in the United States, Canada and Mexico. Property appraisal, evaluation and acquisition. Education: Colorado School of Mines and New Mexico School of Mines.

DONALD E. LANIER: Assistant Secretary-Treasurer and Director, is the previous owner and operator of Lanier Funeral Service, Inc., for over twenty-nine years, sold the corporation during 1969. Past President of Fran-O-Lite Minerals, Inc., experienced builder and developer of real estate, Retired at present.

BILL LISH: Director, In business with father Ira Lish, prospecting, exploring mineral properties, heavy equipment contractors. 1955-1960 U.S. Navy, 1960-1962, Sub-contractor in the building industry. 1962-64, Fry Plymouth Sales, Denver, Colorado, Sales Representative. 1965-Present, Allen Paul Oldsmobile Company, Inglewood, California, Sales Representative.

MARSHAL GOLDSTEIN: Director, last six months 1969, Regional Sales Manager, Guild Wine Company, San Francisco, California. 1964-1969, Co-owner AMCO Copying Service, Van Nuys, California. 1958-1964, Field Representative E. J. Gallo Wine Company, graduate of Los Angeles State College, B.A. Degree in Education.

INTRODUCTORY STATEMENT

Aztec Exploration and Development Company, Inc., an Arizona Corporation, was organized April 8, 1968. The Company proposes to do exploratory work in search of commercially mineable ore bodies on the copper prospect it now holds.

The Company has expended $46,400.00 to date in the exploration of its copper property. The areas of principal exploratory interest have not been geologically mapped and the sampling done has been sparse and inadequate. Accordingly, the Company has developed only limited information as to the extent and copper content of the mineralized areas it has exposed. It is apparent, however, from observation and limited sampling done that the exposed areas are substantially too low in copper content to support a mining operation. The main exploratory interest lies in the possibility of concentrations of copper values at depths of 250 to 450 feet. It is intended to explore at these depths under three areas of mineralization and to also conduct drilling at similar depths elsewhere on the property in a blind search for enriched deposits. There is no known commercially mineable ore body at the company's properties. Funds are needed for exploration drilling.

Financing is also sought by the issuer to pay expenses of this issue, provide operating capital and to prospect further the mineralized areas on presently held mining claims. The 150,000 shares offered hereby are to be sold by the Officers and Directors of the Company on a best efforts basis with no guarantee that all or any such shares will be sold. If all of the shares contemplated to be sold are sold, the purchasers would not have a majority of the then outstanding stock and would not be in a position to determine corporate policy. There is no foreseeable need for any of the unused funds at this time.

RISK FACTORS

In an undertaking of this nature, there is a high degree of risk involved, even though surface indications are considered sufficient to warrant further exploration in search of commercially mineable ore bodies.

a. The mineralized areas which the Issuer has exposed are apparently too low in copper content to support a mining operation.
b. There is no known commercially mineable body at the company's properties. The purpose of this offering is exploratory.
c. Title to the unpatented mining claims is held by the right of location as provided by the laws of the United States of America and the State of Arizona. It is recognized that the Company has only possessory rights to the claims held by it and title based on the acquisition of these possessory rights is subject to hazards against which the Company cannot warrant.

DILUTION

The Officers and Directors will own 2,200,000 shares of the outstanding stock representing 93.62% of all outstanding shares if all of the offering is sold, for which they have paid $ .0242 per share in cash, rendered services, and transferred assets for a total cash investment of $53,283.00, making the book value before the issue is sold $ .0242 per share. If the entire offering of 150,000 shares is sold the public purchasers will own 6.38% of all shares then outstanding for which they will have paid $1.00 per share for a total cash investment of $150,000.00, increasing the book value of the shares held by the Officers and Directors to $ .0865 per share and decreasing the public purchasers book value in the amount of $ .9135 per share, resulting in an actual book value of $ .0865 per share for each share held by public purchasers.

CAPITALIZATION

Aztec Exploration and Development Company, Inc., is capitalized for 5,000,000 non-assessable shares with par value of $ .10 per share. There are no outstanding options, warrants or rights to purchase any of the securities of the issuer nor is there any contractual obligation encumbering any of the unissued shares of the corporation. The shares carry cumulative voting rights.

Kind of Security	Amount Authorized	Amount Outstanding Before Offering	Amount Outstanding After Offering
Common Stock	5,000,000 Shares	2,200,000 Shares	2,350,000 Shares

PROPERTY HOLDINGS

The principal tangible assets of the issuer comprise a mining property prospect of thirty-four (34) lode mining claims located in Sections 15, 16, 21, 22, 27 and 28 Township 4, Range 9 East, Pinal County Arizona, approximately 3 miles northerly of Florence, Arizona in that County. This property is located one mile north of a hard surface highway, the roads leading to the property have been cut by bulldozers and are passable by any type vehicle; however, some improvements would be needed in order to use them for haulage roads. This would create no problem since the terrain is flat. An electric power line runs through the property, however, no arrangements have been made to use these facilities up to the present time. If power is needed on the property in the future, arrangements could be made ot use this power at vary little expense to the Company. The limited amount of water needed on the property to date has been transported in by tanks, however, if water is needed on the property in greater volume there are several methods available. The water table is approximately 350 feet, therefore, sufficient wells could be drilled. A ranch one mile to the south has a well which is not in use and could be leased, and water piped to the property, and water could be piped from the town of Florence, three miles to the south. At the present time water and electric power are not connected to the property, but the company forsees no problems involved in these areas due to the short distance from the property to the town of Florence. The Gila River is 1½ miles to the south, and the elevation of this property is 1,550 feet with flat terrain.

The issuer also has four (4) lode mining claims located in the Superstition Mountains approximately 15 miles north of a hard surface road in Township 1 North, Range 11 East, Sections unsurveyed, Pinal County, Arizona, approximately 26 miles northwesterly from the town of Superior in that County. The elevation of this property is approximately 4,800 feet and the roads leading to this property require the use of a four wheel drive vehicle. There is no electric power available, the only water available is from a nearby spring, and the roads would require considerable improvement in order that a regular vehicle could have ingress-egress. In order to move equipment to this property it would require the building of at least two miles of road, and it would be necessary to produce power on the property.

HISTORY

Aztec Exploration and Development Company, Inc., an Arizona Corporation, was formed and incorporated on April 8, 1968. The incorporators were Messers. Robert E. Wilfong, Steve Karolyi, and Stanley L. Avery. Mr. Karolyi has since resigned from the corporation due to other interests. The thirty-four (34) claims located near Florence were located by Mr. Karolyi between January and March 1967, and were assigned to the corporation on April 4, 1968. The four (4) claims located in the Superstition Mountains were located by Mr. Wilfong and Mr. Korolyi in March, 1968, and assigned to the corporation.

NAME AND POSITION HELD	SHARES TO BE RECEIVED
EARL A. HESTRIN, 2nd Vice President and Director 4694 White Oak Place Encino, California	45,000 Shares
SIDNEY M. GOREN, 3rd Vice President and Director 23840 Albers Woodland Hills, California	100,000 Shares
DONALD E. LANIER, Assistant Secretary and Treasurer and Director 13017 Hadley Street Whittier, California	110,000 Shares
NELSON W. TAYLOR, Director 2258 West Court Street San Bernardino, California	50,000 Shares
BILL LISH, Director 5400 Newcastle Street Encino, California	45,000 Shares
MARSHAL GOLDSTEIN, Director 12952 Ratner Street North Hollywood, California	15,000 Shares

The President and Secretary-Treasurer of the issuer are the promoters.

The Officers and Directors of the issuer have not drawn any salaries as of this date. Mr. Wilfong has devoted one and one-half years full time to the corporation without compensation. Mr. Avery has devoted a great deal of his time to the corporation without compensation, and both have used their own funds for the corporations' expenses. If Officers and Directors are employed by the issuer, they will be compensated at a rate not to exceed $100.00 per day for actual time spent in such employment.

The ownership of stock of the issuer by these Officers is as follows:

ROBERT E. WILFONG	1,100,000 Shares
STANLEY L. AVERY	1,100,000 Shares

ROBERT E. WILFONG: President, 1945-1952, self-employed heavy equipment contractor in the building industry, bought and sold heavy equipment. 1953-1956, General Manager for Lowen-Thomas-Brown, Automobile Distributors for Rocky Mountain Region. 1956-1957, General Manager, Vice President, Nash LaBrea, Nash North Hollywood, Los Angeles, California. 1958-1960, General Manager, Fry Plymouth Sales, Denver, Colorado. 1961-1964, General Manager, Bacon Sales Company, Hermosa Beach, California. 1965-1968 Owner, President, General Manager, Foothill Dodge, Inc., Tujunga, California. Chrysler Corporation requested that the dealership be closed, no reason was given, Mr. Wilfong now has litigation pending with Chrysler Corporation. 1968-Present, Aztec Exploration and Development Company, Inc., President, Promoter, Prospecting, examining other mining properties, staking claims, etc. October 1969-Present employed by Hamilton Buick, Van Nuys, California as a Sales Representative. Have been prospecting for mining properties for over twenty-years part time.

DUANE MOUER: 1st Vice-President and Director, 1968-Present, General Sales Manager for Pollard-Ravenscroft Chevrolet Company, Van Nuys, California. 1966-1967, General Sales Manager for Livingston Pontiac, Canoga Park, California. 1964-1965, General Manager for Jefson Chrysler-Plymouth, Palm Springs, Cali-

The issuer has no provision for dividends at this time. The declaration of future dividends will, of course, depend upon the earnings and financial condition of the company.

The company has not had any cash transactions during the time it has been incorporated.

METHOD OF OFFERING

The stock offering will be sold by the Officers and Directors of the issuer on a best efforts basis, until such time as an underwriter is engaged, at which time this circular will be amended accordingly to meet the requirements of the United States Securities and Exchange Commission.

TITLES TO THE PROPERTIES

Title to the unpatented mining claims is held by the right of location as provided by the laws of the United States of America and the State of Arizona. There are no known deviations from the statutory requirements in locating, posting, and filing the claims held by the company, and the claims are not known to be subject to any infirmities of title other than the ordinary hazards of unpatented mining claims. The company feels that due diligence has been used in establishing the claims and maintaining them during the company's ownership. It is recognized that the company has only possessory rights to the claims held by it and title based on the acquisition of these possessory rights is subject to hazards against which the company cannot warrant. All annual assessment work for the year 1969 has been done.

There is no present litigation in which the issuer is involved, and no known potential litigation. It is required that $100.00 per year be expended on each unpatented claim in order to preserve its status. Such requirements have been met up to the current year by the issuer.

MANAGEMENT AND ITS MATERIAL INTEREST

The executive officers of the company are:

NAME AND POSITION HELD	SHARES OWNED BENEFICIALLY
Robert E. Wilfong President and Director 16340 Moorpark Street Encino, California, 91316	1,100,000 Shares
Stanley L. Avery Secretary-Treasurer and Director 4540 Carpenter Avenue North Hollywood, California, 91607	1,100,000 Shares

The shares listed herein constitute all of the shares of the issuer presently outstanding and are held by the persons named in the amounts shown. It is the desire and intention of Robert E. Wilfong and Stanley L. Avery, at such time as they may be lawfully permitted to do so, to divest from themselves and transfer 400,000 shares of the stock held by them to the Officers and Directors of the issuer hereinafter named in the following amounts for their services and financial assistance.

NAME AND POSITION HELD	SHARES TO BE RECEIVED
DUANE MOUER, 1st Vice President and Director 5209 North Cangas Drive Agoura, California	35,000 Shares

The Company now holds, by right of location, the locators having conveyed their interests to the corporation, thirty-eight (38) unpatented lode mining claims comprising 760 acres. The annual assessment work on all of the thirty-eight (38) claims has been completed and proof of labor filed in the local recorder's office of Pinal County, Arizona, prior to September 1, 1969. There is no history of mining on any of these claims. To date approximately $46,000.00 has been expended on these properties for posting, locating, assessment work, exploration work, assaying, geology and engineering.

GEOLOGY

Much of the area of the thirty-four (34) claims near Florence is covered by sand, gravel, caliche and alluvial material. The rock of the areas exposed by the exploration work done here to date, is a gray weathered and hyprothermally altered granitoid rock of Cambrian or Pre-Cambrian age.

There is no outstanding geologic structure here except for a general development of some thin veins 4 inches to 1 foot in thickness which strike across the three exposed areas of the property in a North 60° East direction. The three areas cleared of the overburden are the shaft area which is located approximately 3,200 feet north of the Hunt Highway, the north area which is located approximately 2,500 feet north of the shaft area and the central area which is located approximately 1,000 feet southwest of the north area. Each of these areas has been cleared of the overburden for approximately 300 feet by 500 feet to bedrock. The veins exposed in these three areas are essentially vertical; some dip steeply southward. The copper minerals here fill old fractures in the granitoid rock of the property. A series of thin veins containing copper minerals occurs in all three exposed parts of this property. The strike of the three mineralized structures shows that there is no continuity between them. No systematic sampling of the veins has yet been conducted.

In some other mining districts in Arizona copper enriched zones occur in depth. Some of the drilling proposed here will be in search of such a deposit.

EXPLORATION WORK TO DATE

The following exploration work has been completed to date: A fifty (50) foot deep shaft has been sunk in the fault zone. From the bottom of this shaft a drift runs eighty (80) feet along the strike to the east and approximately one hundred (100) feet to the west. This work was abandoned for lack of economic feasibility. Three areas about three hundred (300) feet by five hundred (500) feet and located approximately one thousand (1,000) feet and twenty-five hundred (2,500) feet apart to the west and to the north have been cleared of the overburden by bulldozers to bedrock. It is within these areas that indications of mineralization described herein were disclosed.

SUPERSTITION MOUNTAIN PROPERTY: The work accomplished on the four (4) claimes in the Superstition Mountain area consists of posting, location work, and the digging of an open trench by hand approximately eight (8) feet in depth, fifty (50) feet below the outcropping on the top of the mountain. No further exploration has been accomplished to date due to the difficult terrain in this area and lack of proper equipment. This property is not considered of material importance at this time.

FUTURE PLANS FOR EXPLORATION AND DEVELOPMENT

FLORENCE PROPERTY

This is an exploratory venture. The money made available to the Company is to be spent to determine whether a commercially mineable ore body exists. A number of diamond drilled holes are planned. Just how many holes and their depth will depend on the evaluation of results as each hole is drilled. It is estimated that at least two holes will be required in each of the three (3) exposed areas. Since the veins are vertical or dip steeply southeastwardly, it is planned to cut some of the core holes at an angle or as near perpendicular to the veins as possible. This is to determine whether they exist at depth and, if so, the total width and average copper content. An average depth of between 250 and 450 feet is estimated for the holes. These holes are to be drilled to these depths on the possibility that a secondary enriched copper zone, as occurs in some properties in Arizona, may exist here. If these core holes reveal encouraging mineralization then additional holes will be drilled.

It is planned to map the location of the core holes and take samples and assays at proper intervals, depending upon the richness of the material, to determine feasibility of future work.

If the first several core holes are discouraging, the effort will be stopped in that area and other parts of the property will be explored. It is possible that as many as fifteen (15) blind core holes will be drilled in search for unknown mineral structures.

After this preliminary exploration program is completed and reasonable effort has been made to find commercially mineable ore bodies, future plans either to abandon or to develop the property will be made depending upon results of this evaluation.

SUPERSTITION MOUNTAIN PROPERTY

This area is heavily covered by brush. There exists here a series of mineralized quartz veins some of which show traces of silver minerals. It is intended to clear the brush covering the vein system and dig test pits so as to properly sample and assay the material of these veins. Most of this, because of the rugged terrain, will have to be hand work. Future work in this area will be contingent on the results of the preliminary testing and geological studies.

CONTEMPLATED USE OF PROCEEDS

Aztec Exploration and Development Company, Inc., proposes to use the financing to be obtained by this offering to pay the cost and expenses of organization, to provide operating capital, and to explore the properties presently held.

If the drilling program is stopped for lack of success the unused funds of this issue will be used in the search of new properties for exploration.

In view of this program, obviously only an estimate can be made of the various obligations and disbursements that will be entailed in the proposed projects. The results of exploration could change the entire plan of disbursements. The following is an estimate of the disposition of the proceeds in the approximate order of priority in which they will be allocated.

(1)	ORGANIZATION:		
	(a) Legal Services:	$4,500.00	
	(b) Filing Fees and Licenses:	2,500.00	
	(c) Miscellaneous:	1,000.00	$8,000.00
(2)	SECURITIES CLEARANCE:		
	(a) Legal Services:	$2,500.00	
	(b) Travel, Fees and Incidentals:	1,500.00	
	(c) Accountant's Services:	500.00	
	(d) Offering Circular:	1,500.00	$6,000.00
(3)	OPERATION (one year)		
	(a) Administration:	$6,000.00	
	(b) Miscellaneous:	1,500.00	$7,500.00
(4)	EXPLORATION OF PROPERTIES:		
	(a) Mapping and Surveying:	$3,500.00	
	(b) Drilling program:	27,000.00	
	(1) Two core drill holes planned in each of the three cleared areas to a depth of 450 feet or more depending on results.		
	(2) Fifteen core drill holes of blind drilling to a depth of 450 feet.	65,000.00	
	(3) Sampling and Assaying	5,000.00	
	(4) Consulting Geologists	5,000.00	$106,000.00
(5)	PURCHASE OF EQUIPMENT:		
	(a) Light duty equipment	$6,500.00	
	(b) Hand tools and Miscellaneous	1,500.00	$8,000.00
(6)	UNCOMMITTED FUNDS:		$13,500.00
	TOTAL FUNDS		$150,000.00

PUBLIC OFFERING

The offering price is essentially an arbitrary one determined by the Board of Directors of the issuer and having no direct, presently ascertainable relation to the value of the company's property. There is no established market value for the issuer's stock and none has been sold upon the open market.

The work described in this circular will be commenced as soon as adequate funds are available.

There is no assurance or guarantee that all of the 150,000 shares offered herein will be sold nor as to what number thereof may be sold.

None of the proceeds of the sale of shares will be refunded to the purchasers in the event the actual proceeds received by the company from the sale of shares are not sufficient to accomplish all of the purposes set forth in this circular. The items listed are in order of priority in which it is anticipated that the funds will be expended for them.

If the entire offering is not sold the exploration program will be pursued as fas as possible from funds actually received. Should results prove to be discouraging, the work will be discontinued and other exploration work substituted. At the discretion of the Officers, it may be performed on other properties that may be acquired in the future.

February 13, 1974

Mr. Robert E. Wilfong
Aztec Exploration and Development Co.
P.O. Box 349
Florence, Arizona 85232

Dear Mr. Wilfong:

Thank you for the visit to Aztec's property at Florence on January 28, 1974. I'm sorry I missed you when you visited our offices.

Mr. Eimon has given me notes he took during your conversation. The terms you are asking are beyond our estimate of the value of this property in its present state of development.

We are agreeable to something in the range of $10,000.00 per year option and your $4,000,000.00 end price. Please let us know if these terms are satisfactory.

Very truly yours,

Dennis C. Temple
Senior Geologist

ESSEX INTERNATIONAL, INC.

DCT:td

AZTEC EXPLORATION AND DEVELOPMENT CO.

January 29, 1974

A field trip was made on Jan. 28, 1974, accompanied by Mr. Bob Wilfong of Florence, Arizona, to inspect the property of Aztec Exploration and Development Company.

The property is located approximately 2 miles north of Florence, Arizona in Sections 21, 22, and 23, T4S, R9E. The north, west and south boundaries of this property are contiguous with claims staked by Conoco. The mineral deposit reported by Conoco is located approximately one-half mile to the southwest of this property in Section 28.

Reports and maps have been submitted by Aztec and copies are in the file. Reportedly no other information is available on the region.

Two areas, approximately 200 feet on a side, have been cleared by dozer and are the only outcrops on the property. The walls of several trenches within the cleared areas expose the rock types present. Oracle granite, with local chlorite and argillic alteration is cut by several andesitic to basaltic dikes and abundant minor faults. Good hematite and less limenite stain is widespread in one of the clearings and locally abundant near faults in the other. Fair copper oxide stain is locally present near faults, but represents negligible volume where exposed. The general impression gained is one of a possible porphyry copper system nearby, but not exposed at present. The remainder of the property is covered by river gravels. Where penetrated, these gravels are up to 1200 feet thick.

Getty Oil Co. drilled two holes on the property. A brief examination of the core from these holes was made in order to determine the rock and alteration types present and the character of mineralization.

The first hole is located near the southwest corner of Section 22 and extends approximately 2000 feet deep. Oracle granite with chloritic alteration of mafics is present throughout. Several fractures and small faults were seen. Pyrite is located on fractures accompanied by rare specks of chalcopyrite. Total sulfides are less than 0.2%. It appears this hole is located in the propylitic zone of a hydrothermal system. Since Conoco has drilled a reported porphyry copper deposit approximately one-half mile to the southwest, the alteration and mineralization seen could be a fringe effect for that system.

The second hole is located near the northwest corner of Section 26 and extends approximately 1280 feet deep. Oracle granite is present, with the mafics altered to muscovite and a bleached appearance. K-feldspar may have been added during this alteration. Local minor amounts of pyrite were seen. This hole may be located near a late intrusive and possibly indicates the presence of additional intrusive centers.

Some time was spent observing Conoco activities. Several holes have been drilled to the west of Aztec's property. This work may represent blind evaluation of the claims in that area and not point to mineral deposits. Core chips were found near two holes that indicate the presence of a fine grained quartz monzonite intrusive, basalt dikes and weak chloritic alteration with spotty pyrite.

The ~~one~~ two reported areas of outcrop on Conoco land ~~was~~ were visited.

Oracle granite is cut by aplite and basalt dikes. Minor limonite and rare copper oxide stain was seen near the dikes. This outcrop is located in the southeast portion of Section 16. On the side of Postous butte, Oracle granite is cut by a fine grained granitic and local fair FeOx stain is present on faults,

Diamond drilling is in progress on 200 feet centers in the west central portion of Section 28. Four drills were seen close together and another, further to the east, where the deposit was reported to be located. A rotary drill was parked near the others, that reportedly arrived during the past few days.

Conoco has reportedly performed siesmic, I.P., and geochemical surveys on their property and probably on Aztec ground. Mr. Wilfong said he has seen signs of the work, but has not caught the workers and does not have results from the work. A new survey line was observed in the southeast portion of the property during this visit.

The outcrops and core seen represent a small part of this property. The outcrops are moderately encouraging, but the core from the first hole is discouraging, since it is located between the property and Conoco's deposit. Geophysical evidence will be required to evaluate the majority of the area covered by this property.

At all of the outcrops seen there were multiple rock types and miner mineralization. Conoco's deposit is nearby, but may not affect this property when mined. On its own merits, it is recommended that further effort be expended in order to obtain an option, if favorable, long lasting terms can be obtained.

D.C.T.

AZTEC EXPLORATION & DEVELOPMENT
COMPANY
POST OFFICE BOX 349
FLORENCE, ARIZONA 85232

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INTRODUCTION

I N T R O D U C T I O N

Aztec Exploration & Development Company was incorporated in the State of Arizona on April 8, 1968 with the principal purpose to explore a copper prospect held by the incorporators near Florence, Arizona. The property eventually was expanded to the present 84 contiguous lode mining claims covering 1,680 acres.

A 50 ft. shaft was sunk and a tunnel 120 ft. in length was drifted on the exposed copper vein. However, it was discovered that this method of exploration did not prove the extent of the mineralization and this project was discontinued in favor of open pit and core drilling exploration to determine if a large copper deposit existed. It was necessary to raise funds for this development program by public sales of company stock.

In 1970 Continental Oil Company moved into the area immediately adjacent to the Aztec claims, staking claims on land available and by taking options on farm lands in the vicinity. According to recorded documents in Pinal County, Arizona, these options are valid until 1975. Continental Oil Company has taken all land bordering on the Aztec claims on the North, South and West. Continental has been and is now conducting an extensive drilling and exploration program which has been in effect from January, 1970 to the present date, which program has already expended several million dollars and is credited with "blocking out" very extensive copper ore deposits. Proof of this program has been reported in several news media, Continental Oil Company's Annual Reports for 1970, 1971 and 1972, The Wall Street Journal of 10/22/70, San Manuel Miner of April 24, 1972 and also TV News reports released through Phoenix, Az. TV Stations. Reference is made to articles and reports contained in later pages of this report.

Early in 1970, Continental Oil Company contacted Aztec officers for the purpose of negotiating a purchase of Aztec properties. Negotiations have been held on several occasions, however, no offer acceptable to Aztec has ever been proposed and no conclusions have ever been reached. Several other companies have recently expressed interest in Aztec properties but to date no options or committments of any kind have been given or authorized and all Aztec property and potential ore bodies remain the sole property of Aztec and its stockholders. In the meantime Continental Oil Company has drilled exploration drill holes most of which are set on 1000 ft. centers, all bordering and extremely close to Aztec property. Due to the distance between these drill holes it is believed that this was not a wildcat exploration but one designed to actually "block out" ore deposits, which fact has been reported in Continental's Annual Report for 1972. They have expended several million dollars on this exploration program and many thousands more are expected to be spent before it is completed.

Aztec has been limited in funds to conduct a full scale development and exploration program, however, a limited amount of exploration was

conducted and several 25 ft. tranches were cut by bull dozer to determine the mineralization and vein structures. In December, 1970 51,460 lbs. of ore was removed and shipped to Inspiration Consolidated Copper for a smelter test. Average copper content of that shipment was 2.56%. Roads have been constructed throughout the claims area so that all are accessible by light trucks as well as heavy equipment. A drilling program was instituted and which consisted of the following:

1-2000 ft. core drill hole- sulfide minerals appeared at 1420 Ft.
1-1200 Ft. core drill hole- sulfide showings also appeared.
1-400 Ft. core drill hole- 1-300 ft. hole and 1-50ft. hole all of which showed sulfide minerals.

Induced Polarization (I.P.) tests have been conducted on one Section of the property by McPhar Geophysics Inc. of Tucson, Az. These reports show definite metal factors on some parts of the property and probable in other parts tested. However, these tests were conducted with only 4 North-South lines and 1 East-West line, leaving a great deal of the property to be further explored for proven mineralization from this aspect. It is and has been highly recommended by them that additional Induced Polarization tests should be conducted on the east half of the property.

RECOMMENDATIONS:

Future exploration and additional Induced Polarization tests should be made and additional lines should be extended in the area covered; additional drill holes should be drilled in the most mineralized and suitable areas as shown by previous reports, tests and drillings. After the results are received from this program and if they prove encouraging then plans should be made for a more extensive exploration program or discontinue and wait to option the property to a major company for development.

Lack of funds have seriously curtailed the activities of Aztec for the past 1½ years. Aztec's principal objectives is to explore and locate new mineral properties of value, throughout the world, however, this objective has been curtailed due to the Florence project and since most of the exploration has been conducted by the company.

Aztec has also located other mineral properties which in some cases have excellent showings from limited assays and location work, however, due to the lack of funds and limited time involved it has not been possible to further explore and develop their potential. Any future program for development of the Florence property should also consider certain funds to be allocated to further prove and explore these other mineral properties. This work can be accomplished with equipment owned and using the Florence property as a base of operations.

Attached hereto are articles of interest concerning the Aztec Project in relation to the exploration and development by Continental Oil Company and other documents of interest.

FINANCIAL STATEMENTS

AZTEC EXPLORATION AND DEVELOPMENT COMPANY, INC
P. O. Box 349
Florence, Arizona 85232

STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL EXPLORATORY AND DEVELOPMENT COSTS

July 1, 1973

CURRENT ASSETS:	
Cash in Bank	$2100.00
Prepaid Insurance	2600.00
EQUIPMENT:	
Mining equipment, vehicles, office equipment, exploratory equipment, etc	27,500.00
PROPERTIES:	
Eighty-four (84) Lode Mining Claims comprising 1680 acres located near Florence, Arizona. Thirty-five (35) Lode Mining Claims comprising 700 acres located near Myer, Arizona. Thirty-five (35) Lode Mining Claims comprising 700 acres located in the Superior mountains near Superior, Arizona. Four (4) Lode Mining Claims comprising Eighty (80) acres located in the Superstition Mountains. (This figure based on actual cost to locate claims and does not reflect actual value of properties)	47,400.00
UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS:	206,400.00
UNAMORTIZED ORGANIZATIONAL EXPENSES:	4,480.00
TOTAL ASSETS:	$290,480.00

STATEMENT OF LIABILITIES

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS:

RECEIPTS:	
Cash from Officers and Directors	$59,283.00
Loans from Officers and Directors	10,000.00
Loan from Anglo-Western Enterprise	70,197.00
Cash from sale of Public Shares	150,000.00
TOTAL	$290,480.00

Statement Con't.

DISBURSEMENTS:

Exploratory and Development costs, including posting, locating, assessment work, road work, sinking shaft and tunnel, grading, labor, explosives, assays, geologists, engineers, office expenses, etc.	$253,800.00
Organization Expense	4,480.00
Prepaid Insurance	2,600.00
Equipment Purchases	27,500.00
TOTAL	$288,380.00
Cah in Bank	2,100.00
TOTAL	$290,480.00

STATEMENT OF CAPITAL SHARES

AUTHORIZED COMMON NON-ASSESSABLE STOCK: 5,000,000 Shares
At a Par Value of $ .10 per share

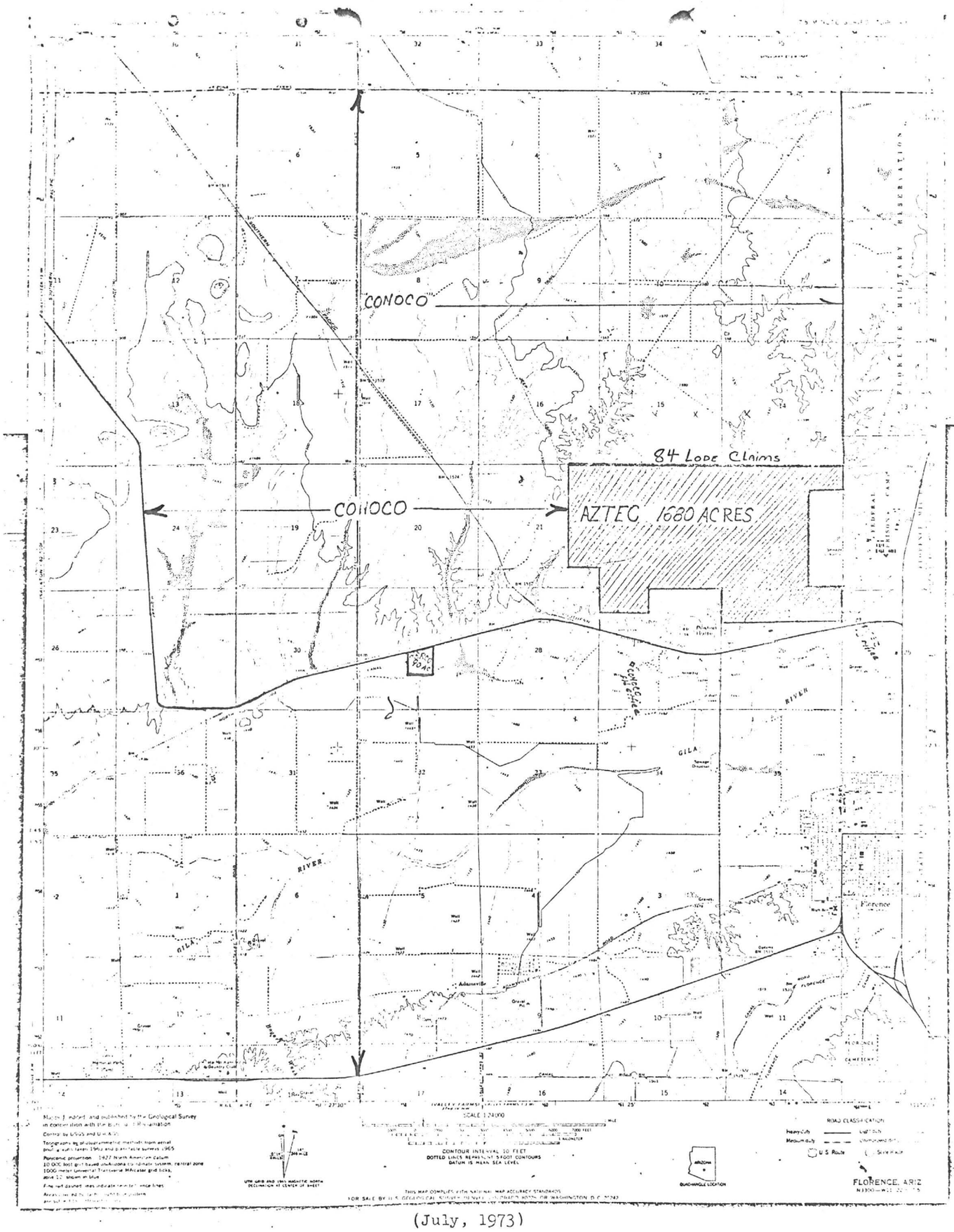
ISSUED AND OUTSTANDING:

(a) For Cash @ .435 cents per share	113,282 shares
(b) For assets including 38 Lode Mining claims	1,500,000 shares
(c) Promotional services	200,000 shares
(d) For labor and services, including assessment work and development work	386,718 shares
(e) Public shares sold @ $1.00 per share	150,000 shares
TOTAL SHARES ISSUED AND OUTSTANDING:	2,350,000 shares
TOTAL SHARES UNISSUED:	2,650,000 shares
TOTAL	5,000,000 shares

AZTEC EXPLORATION AND DEVELOPMENT COMPANY, INC.

By Robert E. Wilpong
Robert E. Wilpong, President

MAPS OF AZTEC PROPERTY



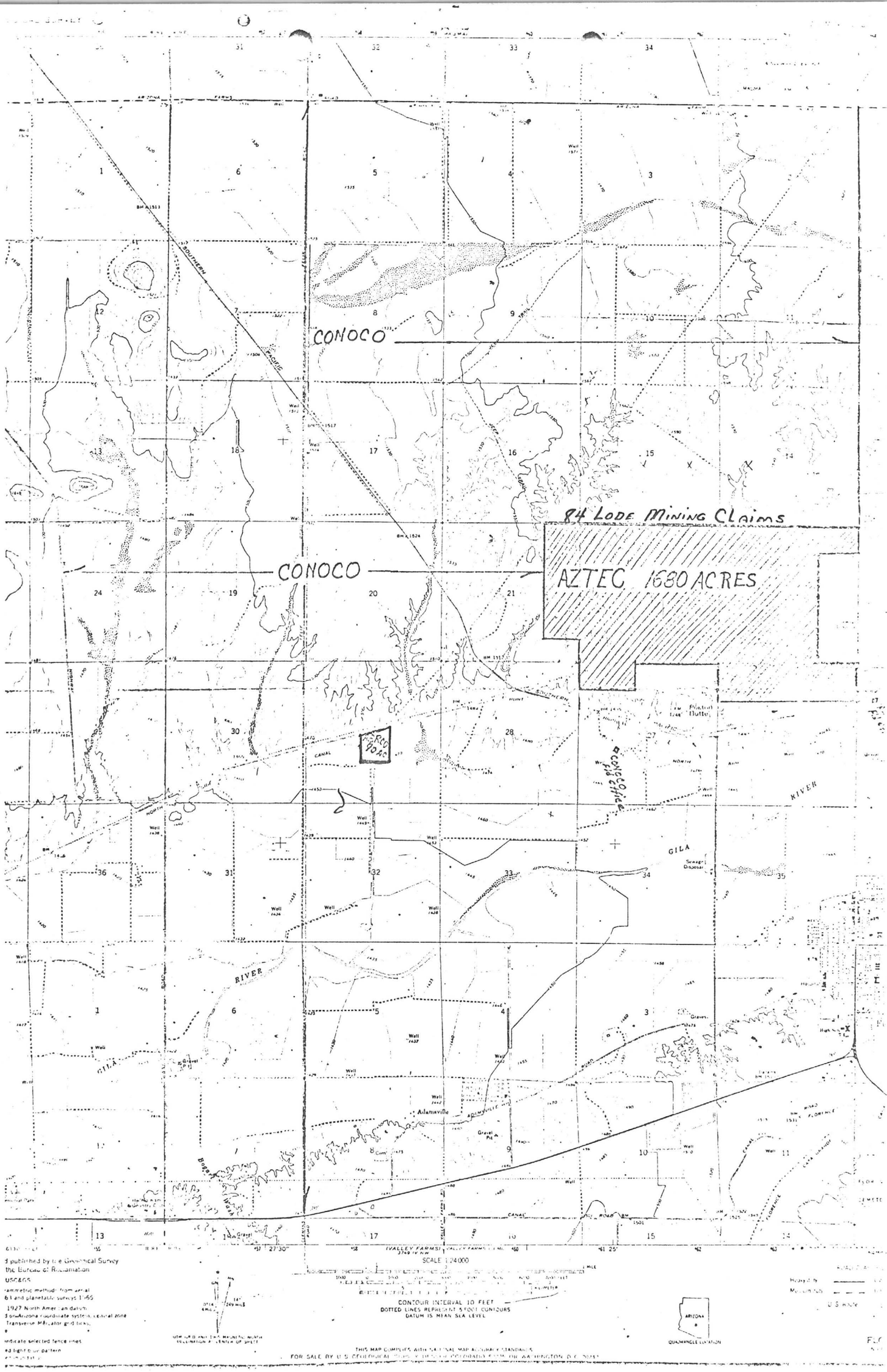
(July, 1973)

PLAT SHOWING THE 84 LODE MINING CLAIMS, CONSISTING OF 1680 ACRES

OWNED AND OPERATED BY AZTEC EXPLORATION & DEVELOPMENT CO.,

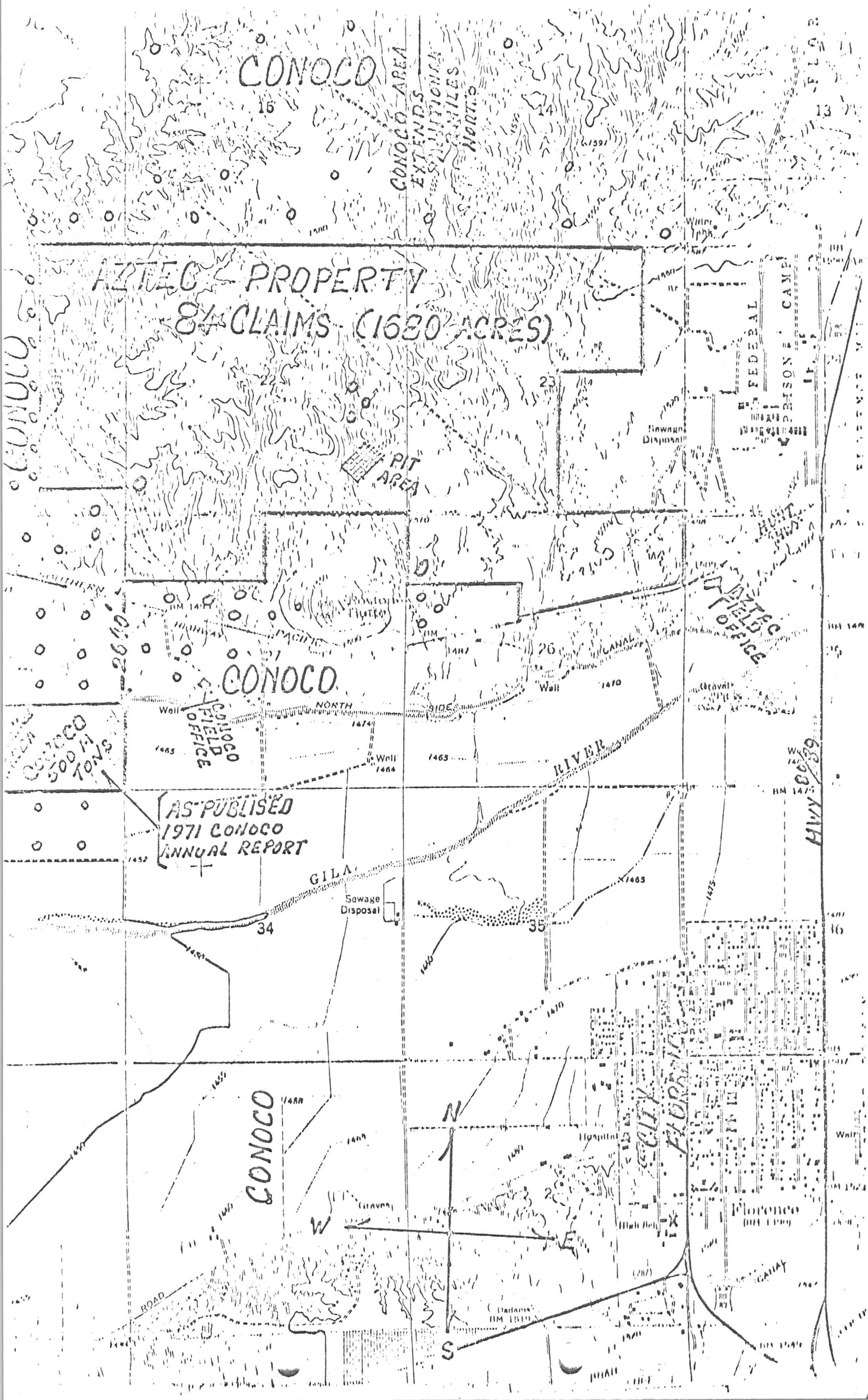
an Arizona, Corporation, Florence, Az.

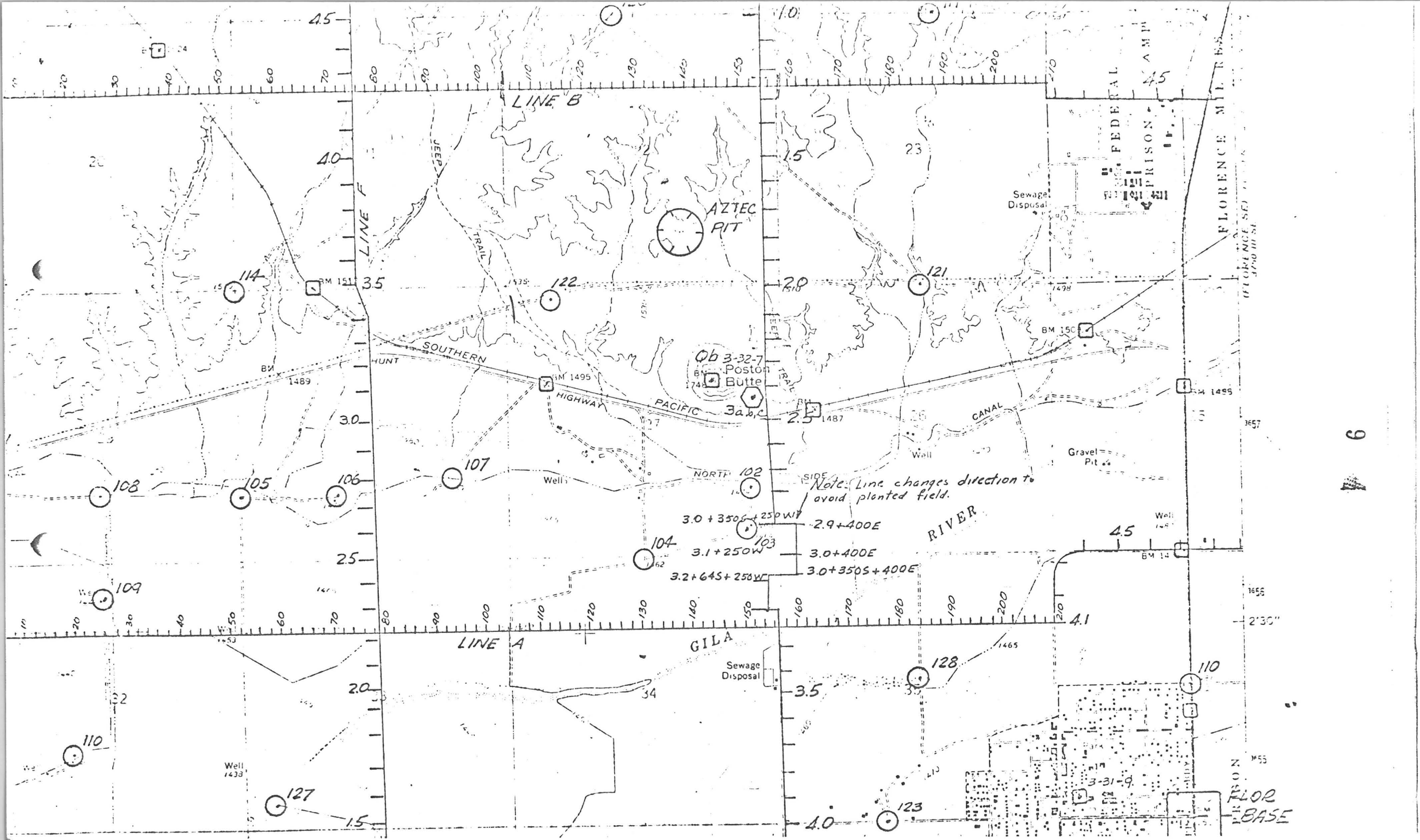
Note: Relation and location of property being developed and explored by Continental Oil Company also outlined and shown.



July 1973

PLAT SHOWING LODE MINING CLAIMS OWNED AND BEING DEVELOPED BY AZTEC EXPLORATION & DEVELOPMENT CO. NEAR FLORENCE, ARIZONA AND THE RELATION OF THE CLAIMS TO THE AREA BEING DEVELOPED AND EXPLORED BY CONTINENTAL OIL COMPANY.


CONOCO
CONOCO AREA EXTENDS
AZTEC PROPERTY
84 CLAIMS (1680 ACRES)
PIT AREA
FEDERAL
PRISON CAMP
Sewage Disposal
AZTEC FIELD OFFICE
CONOCO
NORTH SIDE
CONOCO FIELD OFFICE
CONOCO 500 M TONS
AS PUBLISED 1971 CONOCO ANNUAL REPORT
GILA RIVER
Sewage Disposal
HWY 89
CONOCO
CITY
FLORENCE
Florence
N
W
E
S


LINE B
LINE F
LINE A
AZTEC PIT
JEEP TRAIL
SOUTHERN PACIFIC
HUNT HIGHWAY
NORTH SIDE CANAL
Qb 3-32-7
Poston Butte
3a,b,c
Note: Line changes direction to avoid planted field.
3.0 + 350S + 250W
2.9 + 400E
3.1 + 250W
3.0 + 400E
3.2 + 64S + 250W
3.0 + 350S + 400E
GILA RIVER
Sewage Disposal
Gravel Pit
Well
FEDERAL PRISON CAMP
FLORENCE MIL RES
FLOR BASE
3-31-9
114
122
121
108
105
106
107
102
104
103
109
110
127
128
123
110
BM 1489
BM 1495
BM 1487
BM 1500
BM 1433
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
4.1
2'30"

ASSAY REPORTS

m 416 — 5M

PHELPS DODGE CORPORATION
NEW CORNELIA BRANCH
ASSAY CERTIFICATE

R.E.Wilfong
16340 Moor Park
Encino, California

AJO, ARIZONA, October 13, 1968, 19

Description	% Copper Total	% Copper Oxide	% SiO_2	% Fe	% Al_2O_3	% CaO	% S	% Insol		Ounces per Ton Silver	Ounces per Ton Gold
Ore Sample	6.68		68.3	6.5	5.9	0.8				1.02	.095

F.M. F.M.

Chemist

15

m DRW 2069 (Rev.)

Phelps Dodge Corporation

DOUGLAS REDUCTION WORKS

ASSAY AND ANALYSIS CERTIFICATE

HAND SAMPLE:

DOUGLAS, ARIZONA July 2, 1970 , 19

NAME Aztec Exploration and Development Co., Box 349, Florence, Arizona

Smelter Lot	Shipper's Lot	Gold Ozs.	Silver Ozs.	Copper %	Lead %	SiO_2 %	Al_2O_3 %	Fe %	Mn %	CaO %	MgO %	S %	Zn %	Cl %		
571	100TP.J	0.005	0.35	4.82		64.4	12.1	4.2		0.8		0.1				

Chief C[illegible]

ARIZONA TESTING LABORATORIES

A DIVISION OF CLAUDE E. McLEAN & SON LABORATORIES, INC.
817 WEST MADISON ST. PHOENIX, ARIZONA 85007 PHONE 254-6181

For Aztec Exploration Company
Post Office Box 349
Florence, Arizona

Date June 22, 1970

Sample of Ore

Received: -----

Submitted by: -----

ASSAY CERTIFICATE

Gold figured at $ 35.00 per ounce

Silver figured at $ 2.00 per ounce

LAB. NO.	IDENTIFICATION	GOLD		SILVER		PERCENTAGES
		OZ. PER TON	VALUE	OZ. PER TON	VALUE	COPPER
7771	Channel across S.E. Wall of open pit @ 17 ft. deep					0.27 %
7772	Drill hole cuttings S.W. side of shaft					1.27 %
7773	Quarter of Douglas sample					3.4 %
7774	Back Stock Pile					2.02 %

Respectfully submitted,

ARIZONA TESTING LABORATORIES

Claude E. McLean, Jr.

Form 13

INSPIRATION CONSOLIDATED COPPER CO.

SMELTING DEPARTMENT

Smelter Lot 4169 Shipper Lot 2 DATE JANUARY 7, 1971

BOUGHT OF AZTEC EXPLORATION & DEV. CO. Date Received DECEMBER 19, 1970

Street BOX 349 City FLORENCE, ARIZONA

CAR Initial	CAR Number	WET WEIGHT	Moisture %	DRY WEIGHT
ICC	924	51,460	3.64	49,587

N. Y. QUOTATIONS

Copper (per lb.) 53.00¢

Less 6.00¢ = 47.00¢

Silver (per oz.) _____

Gold (per oz.) _____

ASSAY and ANALYSES	Copper %	Silver Oz.	Gold Oz.	Silica %	Alumina %	Iron %	Lime %	Sulpher %
	2.56	0.10	Tr.	70.0	14.5	3.6	1.2	0.2

PAYMENTS PER TON

		DEBITS	CREDITS	Valuation For Freight
Copper	51.20 Lbs. per ton, less 10 lbs % 41.20 Lbs. at 47.00¢ per Lb.	$	$ 19.36	$
Silver	_____ Ozs. per ton, less ____ % _____ Ozs. at _____ per Oz.			
Gold	_____ Ozs. per ton, less ____ % _____ Ozs. at _____ per Oz.			
Excess Metal Values	$19.36 - $15.00 = $4.36 x 10 %	.44		
Treatment Charge		6.00		
	TOTALS	6.44	19.36	
	Net Value per ton		12.92	

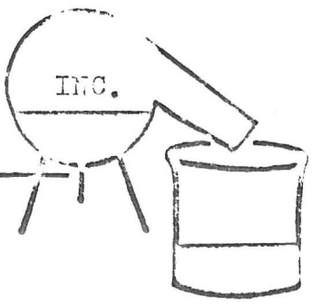
Net Value for Freight Charges, per wet ton _____ $ _____

Royalty to be paid to	24.7935 Dry tons at $ 12.92	$ 320.33
	Sampling _____ tons at _____	
	Freight _____	
	Trucking _____	
	AMOUNT DUE SHIPPER _____	320.33
	Less ____ % Royalty _____	
	NET AMOUNT DUE SHIPPER _____	$ 320.33

Correct L. J. Wantland

Approved B. Kemplen

ORE-TECH LABORATORIES INC.
P. O. BOX 174 • SCOTTSDALE, ARIZONA 85252 • 602-945-2110
NOBLE METAL RESEARCH & DEVELOPMENT
CUSTOM GRINDING - PROCESSING



August 5, 1972

ORE RESEARCH, 'PROOF-OF-EXTRACTION' REPORT

Sample submitted by H. S. Marshall, R. Wilfong, Mayor Cent. Bldg. 3033 N. Central, Suite 511, Phx.
Aztec Mining

Sample description: Decomposing schist w/black sands included.

Quantity of material used: 100 grams

Actual extraction*		Equivelant per ton		Values per ton
Rhodium	0.6 Mg.**	= 0.175 oz. @ $200.00 per oz.	=	$35.00
Palladium	0.3 Mg.	= 0.087 oz. @ $ 37.00 per oz.	=	3.22
Platinum	0.1 Mg.	= 0.029 oz. @ $110.00 per oz.	=	3.19
Gold	1.0 Mg.	= 0.291 oz. @ $ 70.00 per oz.	=	20.37
Silver	3.0 Mg.	= 0.873 oz. @ $ 1.50 per oz.	=	1.30
				$63.08

* This extraction was accomplished in a manner similar to the proposed production process.

** Mg. = Milligram (one thousandths of a gram)

This report in no way implies the total potential of this material. Neither does it imply the economics of an operation. Only a pilot run can supply the necessary data to make such determinations.

NOTE: This material contains a fair amount of black sand. It is highly probable that the values shown above are in this fraction.

Test charge $100.00 PAID

V. L. Seaman, Pres.

GEOLOGICAL REPORTS

MAYNARD M. STEPHENS COMPANY
REGISTERED PETROLEUM AND GEOLOGICAL ENGINEERS
1407A TILDEN
WICHITA FALLS, TEXAS 76309
PHONE 322-4582
ALTERNATE PHONE 322-2295
August 26, 1969

Aztec Exploration and Development Co., Inc.
1445 East Thomas Avenue
Phoenix, Arizona 85006

Attention: Mr. Stanley L. Avery

Re: Property Examination
Township 48, Range 9E, Section 22
Florence Quadrangle, Arizona

Gentlemen:

You asked me to examine your property including some 36 claims (720 acres) located about 2½ miles northward from Florence, Pinal County, Arizona. I personally visited the area in question August 9th and 10th, 1969.

During a visit to the property, I examined all of your underground workings located in Section 22, the South Pit, and all of the rather extensive exposures you have made in the North Pit and Central Pit, also of Section 22. A rather sizeable amount of mined high grade ore was studied to determine the quality and the character of the mineralization. This stockpile is near the shaft, located in the southeast corner of Section 22. Although I did not take samples for assay, I did observe the areas from which channel samples and chip samples were taken.

It appears that the richest samples taken to date are from the area near the shaft, the South Pit. One sample shows 28% copper. Other samples show copper content as follows: 0.5, 1.3, 6.0, 6.68, 12.0 and 20.0 percent. Samples taken in the Central and North Pit areas included also considerable country rock and still showed from .02 to 1.7% copper. Some gold, silver and molybdenum are revealed in the assays.

Geologically this area appears to be quite similar to that of Ray, Globe and Miami near by, and Santa Rita and the Phelps-Dodge mines near Silver City, New Mexico, as to copper occurrence both in the minerals present and their geological setting. The area under examination has surface showing of secondary copper minerals which in the South Pit can be shipped without beneficiation. This material is unusually rich to be still remaining in the leached surface zone. The surface showing of copper minerals here appears to exceed that of some active and highly successful mines of the area. Certainly with this showing, it would be worthwhile drilling test holes at least to a depth of 400 feet to determine the extent of supergene chalcocite. At the nearby mines, a "chalcocite blanket" has been deposited at the water table that occurred during Tertiary times. This is a result of meteoric water of Tertiary time leaching

downward through the veins and the disseminated copper mineralization of the weathered granitic rocks, and redepositing at the ancient water table, a copper sulphide ore body. Chalcocite (Cu_2S) and other related minerals result as a precipitation from the downward percolating and highly mineralized waters.

At Ray and Miami, the leached zone varies from 50 to 200+ feet in depth above the enriched copper zone. I would expect about the same conditions here.

I have read critically the reports of Dr. H. Clyde Davis of Brigham Young University and Mr. Nelson Taylor, consulting geologist. I do not find any basic point of economic disagreement. I believe that deeper cutting with a bulldozer and the drilling of several bore holes will be necessary to verify Mr. Taylor's ore tonnage calculations.

The property of Aztec Exploration and Development Company is not clearly economic as it stands without further testing since most copper operations are a large-tonnage-per-day operation. The exception, however, as mentioned, is that some ore shipment can be made now. The cost of hand mining could be excessive. You need to prove that there is enough ore for an open pit operation.

Recommendations

You need to spend additional funds in exploration so as to prove up conclusively the extent of your mineral values.

Considering the strike of the veins of the South Pit, it seems important to take additional claims in line with the strike on both sides.

By using rippers, a deeper cut should be possible in the areas of the North and Central Pits. It is believed that higher values can be exposed as one gets below the surface material.

Selected areas should be cored or churn-drilled to determine the degree of mineralization of the vadose zone and the presence or absence of a chalcocite blanket at the depth of the Tertiary water table. Additional extensive and documented samples need to be taken as work progresses.

The areas between the various pits need to be exposed by trenching. This work will require considerable expenditure of funds because of surface drift, so this exploration can wait for the present, or be done when money is available. It would be well to test drill some of this area where overcover is too great to expose by use of a backhoe or shovel.

This area is worth further exploration and development.

Respectfully submitted,
Maynard M. Stephens Company

Maynard M. Stephens
Reg. Professional Engineer
New Mexico Reg. No. 1541
Texas Reg. No. 8225

MMS:mds

MAYNARD M. STEPHENS COMPANY
REGISTERED PROFESSIONAL PETROLEUM ENGINEERS AND GEOLOGISTS
WICHITA FALLS, TEXAS 76309

RESUME OF BACKGROUND

Maynard M. Stephens- born April 25, 1908 Connersville, Indiana

Education

Decatur High School- Decatur, Illinois, June 1925
University of Minnesota, Minneapolis, Minnesota
Pennsylvania State College, State College, Pennsylvania

Degrees

B.A. - 1930- Univ. of Minn.-Major Geology- Minor Geography and Transportation-
M.A. - 1931- Univ.of Minn.-Major Econ.Geol.-Minor Ore Dressing
Ph.D.- 1934- Univ. of Minn.-Major Geology- Minor Ferrous and Non-ferrous Metallurgy-
P.E. - 1943- Penn.State College- (post graduate degree in Petroleum Engineering- Petroleum Engineering Thesis-)
Completed Mining Engineering and all petroleum engineering courses at U.of Minn.
Two years of General and Electrical Engineering-

Special Training

U.S. Bureau of Mines- Mines Safety and Rescue Work
Boy Scouts of America- Leadership Training for Executives
Magnet Cove Barium- (Magcobar)- Mud Engineering Course- six weeks-
Schlumberger Well Surveying- Electric Log Interpretation- six weeks-
Merla Tool Corporation- Merla Gas Lift School
United States Gov't.- FBI Emergency Police Training
Penn. State College Supervisory Training- Metallurgical Training
R.O.T.C. in college and Reserves for several years after graduation
Gilchrist Airport- Iowa Park, Texas- Pilot Training
Austin Airport- Austin, Texas- Advanced Pilot Training
AOPA (Aircraft Owners and Pilots Assoc.) Blue Seal Instrument Course for Pilots
Graduate Flight School- Instrument Pilot Course
Coast Guard Auxiliary- Training Officer
Civil Air Patrol- Commander Red River Senior Squadron Texas Wing-
U.S.A.F.- 7C- Teaching Methods and Psychology

Employment

University of Minnesota- 1925-1930 (while a student)
Geological Survey- Drafting- Field Assistant- Research Fellow-
Rockefeller Foundation Research- (graduate student) 1930-1936
Fund. High Temperature High Pressure Research- Xray and Atomic Structure Research-
Minnesota and United States Bureau of Mines- 1932-1934
Low Grade Iron Ore Research- Taconite Project Microscope Research-
University of Minnesota Dept. of Geology- 1931-1936- Associate Instructor-
City of Minneapolis, Minnesota- Director Minneapolis Natural Science Museum- 1934-1936
Minneapolis YMCA- Summers- Director Nature Study for State Summer Camps-
Adult Counselor and Nature Study- Camp Warren- Northern Minn.
Boy Scouts of America- Scout leader while in college
Deputy Regional Exutive of Region 10
Pennsylvania State College- 1936-1941- Supervisor of Petroleum and Gas Extension Services- Wrote 5 textbooks on Refining, Petroleum Production, Natural Gas Engineering. Directed classes for gas

Pennsylvania State College cont'd.-
company employees of Pennsylvania, New York and West Virginia-
Averaged 40 teachers and about 2500 students per year-
Refinery Safety- Served with U. S. Dept. of Educ. in pre-war training program-
Ferrous Metallurgy- trained metallurgists for work in steel mills of state-
Special lectures in field of safety in handling explosive petroleum products-
Assisted in Foremanship Training Extension work-

Ryder Scott Petroleum Engineers- 1941-1953- Bradford, Pa. and Wichita Falls, Texas- Served one year as chief engineering assistant to Mr. Ryder prior to the formation of the consulting firm-
One of the five original partners of the firm when organized 1942-
Served at first in field of secondary recovery, mostly water flooding in the Bradford District- low and high pressure-
Natural gas work in West Virginia, Oriskany Sand Fields of Pa., including Lydie Field, Music Mountain Pool et al, and New York.
1952 moved to Wichita Falls, Texas, to be in charge of the engineering phases of the company's work- Served mid-continent area including Louisiana, Arkansas, Oklahoma, Kansas, New Mexico and Texas. Some coring work and other work in Colorado and Wyoming-

Drillwell Oil Company- 1953-1957
Joined partnership as engineer and geologist- Located oil and gas structures- Supervised well completions- Operated oil properties in both primary and secondary phases of the industry-

Associated Petroleum Engineers- 1954-1957
Served concurrently with assignments in Drillwell Oil Company. This was the consulting branch of the above company-

Midwestern University- Wichita Falls, Texas 1952-1960
Taught General Geology, Mineralogy, Petroleum Engineering, and Petroleum Geology part time as an avocation-
1957-1960- Dean of the School of Petroleum and Physical Sciences-
Included departments of Pre-engineering, Geology, Physics, Chemistry, Astronomy and Geography- Taught advanced petroleum geology and petroleum engineering courses-

Maynard M. Stephens Company-Petroleum and Geological Engineers- 1957 to present-
Registered professional petroleum engineer- Purchased interests of Drillwell Oil Co. partners in consulting firm- Consulting work carried on concurrently while Dean of Science at Midwestern Univ.
All branches of petroleum engineering, natural gas engineering, mining and geological engineering are practiced.
Certified Petroleum Geologist - A.A.P.G.

University of Texas-1961-1962- Special assignments-
Under the Petroleum Extension Services of the Univ. of Texas, I wrote a Natural Gas textbook for the state of Colorado-
Trained foreign petroleum engineers-

Legal Work-

Extensive experience in business and technical legal work
Case planning where technical effort is necessary-

*

Publications

"Photography for the Mineralogist"- American Mineralogist- 1931
"Effect of Light on the Polished Surfaces of Certain Minerals"- Econ. Geol.1935
"Geological Variations in the Bradford Sand"- Producers Monthly- 1945
"The Geological Factors Involved in Secondary Recovery"- AAPG special lecture October 1948 published in Producers Monthly-
"Petroleum Fundamentals"- book- Pennsylvania State College Press
"Petroleum and Natural Gas Production"- Pa. State College Press- reprinted several times-
"Petroleum Refining" Volume II- Pa. State Press- Reprinted many times-
"Petroleum Refining" Volume III- " " " " " "
"Natural Gas Engineering for the Field Engineer"- Manuscript approved by a committee of 12 engineers appointed by the Director of Vocational Education, State of Colorado- Text prepared under auspices of the Petroleum Extension Services of the Univ. of Texas, Austin, Texas.

Associations

API- American Petroleum Institute- since 1941- Advisor S. W. Section
AAPG- American Association of Petroleum Geologists- Full member since 1941
GSA- Geological Society of America- Full member since 1958
Fellow in 1967-
AIME- American Institute of Mining and Metallurgical Engineers- 1941
SPE of AIME- Associated with Society of Petroleum Engineering since beginning
TSPE- Texas Society of Professional Engineers- full member about 1960-
Affiliated with Nat'l. Society of Professional Engineers 1960-
Joint Ad Hoc Committee on Cooperation between AAPG and SPE of AIME- Chairman-
Committee for Exchange of Literature between the two organizations-
American Association for the Advancement of Science- Full member
American Chemical Society- Affiliate member-
North Texas Geological Society- 1952 on
North Texas Oil and Gas Men's Association- Director
TIPRO- Texas Independent Producers' and Royalty Owners' Association- 1964 on
AOPA- Aircraft Owners and Pilots Association- 1952 on
Rotary International- since 1946- Past President Bradford, Pa.
Y's Mens Club- Past International Officer
U. S. Coast Guard Auxiliary- Past Training Officer
CAP- Civil Air Patrol- Commander Red River Senior Squadron Texas Wing-
Boy Scouts of America- Eagle Scout- Bronze, gold and silver palms- 33 years in scouts
Have held almost every position at one time or another-
Sigma Xi- National Honor Society-
Membership based on presentation of original research in science-
American Red Cross- Board of Directors
First Methodist Church- Board of Stewards, Commission of Education, Usher and Greeter-
Wichita Club- Social
Advisory Committee for School of Production Technology-Univ. of Texas, Kilgore College, Texas.

Owner of small oil interests
Registered as Prof. Eng. in 6 states- Pa., Texas, Oklahoma, Louisiana, Kansas, and N. . .
Certified Petroleum Geologist
Married September 17, 1931, to Muriel Darrell- six children- all grown

* United States Government- 1968- Consultant, Dept. of Interior, Office of Oil and Gas-
Industrial Specialist-

MAYNARD M. STEPHENS COMPANY
REGISTERED PETROLEUM AND GEOLOGICAL ENGINEERS
1407A TILDEN
WICHITA FALLS, TEXAS 76309
PHONE 322-4582
ALTERNATE PHONE 322-2295
January 6, 1970

Aztec Exploration and Development Co., Inc.
Glendale Federal Building
13720 Riverside Drive- Suite 306
P. O. Box 5933
Sherman Oaks, California 91403

Attention: Mr. Stanley Avery
Mr. Robert Wilfong

Dear Fellows:

I have not heard from you and I am anxious to know of your progress. The next day after you left Washington, I called Mr. Norman and thanked him for his time and effort in working with us. He apologized for the rough time they had given us, but pointed out that we were given much more time than the average. He also expressed the viewpoint that following the pattern as laid out by them, there should be no problem in getting complete approval. Incidentally, he also re-expressed the thought that if our initial coring venture was at all fruitful that we would have no difficulty in getting the rest of our money this year. So by this time I hope all is well and that approval to sell the stock has been granted. If there has been a delay, however, it would be no surprise to me because practically everything shuts down in Washington after December 20th.

Since seeing you, I have been in New York for some time and also in Denver, but I am now back in Wichita Falls where I expect to be for the remainder of this month. I expect to be called to Washington either the latter part of this month or the early part of February, so if I can do any leg work for you, let me know.

I have talked further with my clients in Washington regarding your area. They are definitely interested in developing copper properties but need some tangible information regarding its value prior to their purchase. I think I told you I was an officer in an international exploration company which is working around the world examining mineral deposits for a number of large companies. Their clients also need ore. If we can find any sizeable amount of ore, I am quite certain that you will have very little trouble in selling it for a handsome profit.

Let me know if I can be of any direct or immediate service to you.

Kindest regards,
Maynard M. Stephens Company

Maynard M. Stephens

MMS:mds

BRIGHAM YOUNG UNIVERSITY
PROVO, UTAH
84601

OFFICE OF MINERAL DEVELOPMENT
A-362 ASB

August 19, 1968

Mr. Stanley L. Avery
Attorney at Law
Glendale Federal Building
Suite 306
13720 Riverside Drive
Sherman Oaks, California

Dear Mr. Avery:

In making a cursory examination of your mining claims, located north of Florence, Arizona, in Sections 15 and 22 of Township 4 South, Range 9 East, Pinal County, property is north of Poston Butte, in which the letter "F" for Florence High School is on. It is very accessible by a dirt road. The claim area is in the desert basin and range province with an elevation of approximately 1,550 feet. There is sparse vegitation, which is typical of the Sonoran desert.

The area is covered mainly by quaternarial alluvial fill from nearby mountains, with the exposures of the basement rock of pre-cambrium granite. The granite is typical of this age; large phenocryst of feldspar quartz, horn blend and mica. In the mineralized area, where a shaft has been sunk to 55 ft. and drifted about 80 ft along the vein, high grade, select samples of copper were taken. Assays in the area show a 10-30 per cent copper value. However, this area is primarily strong shear zone with limited mineralization. From surface inspection, the mineralization is confined primarily to the shear. There was no wide area of alteration in this area where we termed on our sampling map as A, I, and J. Approximately 2,000 ft. northwest of the shaft, were seven bulldozer cuts, exposing mineralization. This is a large altered zone of approximately 200 ft. wide and 1,200 ft. in length. The feldspares are altered sericite and silica clays were noted. The iron minerals were limonite and some hematite. The general strike of the mineralization is north 55°-70° east. This area is more altered than [redacted] near the old shaft workings. Samples were taken of eight cuts, as indicated on the map marked A, B, C, D, E, F, G, and H. These samples will be evaluated geologically and geochemically.

I have had a discussion with both Bob Wilfong and Mr. Hill pertaining to the outlined drilling program. As we develop more information, I'll be in contact with Bob at the Blue Mist Motel in Florence.

My present recommendations would be to immediately do the assessment work as we discussed. As we continue to develop more information through assaying and study, supplementary reports will be filed, giving recommendations and conclusions. Enclosed is a copy of a sample map.

Sincerely,

H. Clyde Davis, Director
Mineral Development

HCD/clj

Enclosure

P. S. The oxidized area is in Claim No. 22, the shaft area is in Claim No. 28.

COPPER PROPERTY LOCATED NORTH OF FLORENCE, ARIZONA IN SECTION 15 AND 22 OF TOWNSHIP 4 SOUTH, RANGE 9 EAST PINAL COUNTY, ARIZONA

October 7, 1968

H. Clyde Davis, Geologist

TO: Mr. Stanley L. Avery

FROM: H. Clyde Davis, Geologist

DATE: October 7, 1968

SUBJECT: A cursory field evaluation of your mining claims located north of Florence, Arizona and general rock classification.

The cursory examination in the field was made by myself in the company of Mr. Bob Wilfong, of your group. The property is located north of Florence, Arizona in Section 15 and 22 of Township 4 South, Range 9 East, Pinal County, Arizona. This property is very accessible by a dirt road, which is east of Poston Butte Hill, having the letter "F" for the Florence High School on it. This area is suitable for electricity because of the power lines which cross the property. Railroad and good asphalt roads are within one mile of the property and water sources of Florence would be available to it.

TOPOGRAPHY

The area is in the desert basin and range province with an elevation of approximately 1,550 feet. There is sparce vegitation, which is typical of the Sonoran Desert. This group is marked by low rolling hills and fairly wide shallow sand washes. There is no percipitous slopes and any point on the property could be made accessible by truch with a small amount of effort and expense in road building.

GEOLOGY

The area is covered mainly by quaternarial alluvial fill, which has come from the pre-Cambriam basement granite and nearby mountains. The exposed granitic rock is typical of the pre-Cambriam series. The true classification would be a granodiorite because of the abundance of the horn blend and peroxime. In two areas on this property, the basil formation has been extensively cut and broken by intrusions of probably late cretatious or early tertiary monzonite. There are also stringers of apelite and pegmatic inclusions. The notable structures are a system of parallel east-west fracture and a northeast-southwest fracturing zone. The average strikes tends to be about north 60° east and the dip varies from verticle to about 65° to the southwest. Between the two major systems, are minor cross fractures, but none of these show any evidence of appreciable movement. They were probably caused by stress, which developed the blocks between the two series. No evidence of thrust faulting was observed in the limited area, which was visible for the inspection. Most of the major faulting probably took place during the intrusion of the quartz-monzonite.

MINERALIZATION AND ORE OCCURANCE

Iron alteration was noted in the larger areas to the northwest of the shaft, which forms an amorphus hematite, but in some areas seams of specularite were noted. Quartz is associated with the altered zone, and solicification has occured among all of these major sones.

Copper was found as malacite, azurite, chrysocolla and in a few areas small amounts of cuprite. The copper occured near the surface of the small lenses and stringers, which could be sampled near the surface cuts.

No sulphide copper was observed at any point near the shaft area. Secondary chalcocite could have been present. This area is primarily a limited oxidized area with limenite and hematite active near the surface, giving it a light brown color with the copper minerals.

In the east-west fracturing zone a shaft had been sunk to a depth of 55 feet and drifted 80 feet to the west along a high grade shear zone. Select samples of copper assayed as much as 25% copper, however, this area is primarily a strong shear with limited mineralization. The mineral is confined primarily to the shear zone and would not be the most favorable area for mining or exploring for copper on this property. Approximately 2,000 feet northward of the shaft, were seven bulldozer cuts have exposed mineralization, which indicates a much larger altered zone, approximately 200 feet wide and 1,200 feet in length. This area has good alteration of the feldspars to serecite and silicate clays. The area is more altered and would indicate that your major shearing is typical of the large copper deposits in Arizona, primarily a northeast strike.

My laboratory studies have shown that in the area of B, C, D, E, F, and G, most of the samples were select along the stringers and, in some cases, cutting a distance of 10 - 20 feet. Copper traces were found in each of the samples, however, from surface inspection, the area is not broken over a wide enough zone to execute a shallow drilling program. It would be necessary due to metallic iron oxides for a deep drilling program to determine an enriched copper area or zone.

My recommendations at this time would be:

1. Expand the mineralized area(B, C, D, E, F, & G) northeast of the shaft by bulldozing cuts to determine the extent of the northeast-southwest trend.

2. I would recommend that a limited amount of I. P. (or induced polarization) work be carried on over the mineralized area. The basis of this method, is having a current flow across the surface of a mineral

exhibiting a metal-like conductivity, the behavior is much like the case of a metal electrode in electrolyte. An added voltage drops above the normal ohmic losses in the electrolyte is necessary to force the current across the electrolytic metal interface, which in many ways behaves as a charge conductor. In substance you get a faster electrical charge, where you have solidified or metal mineralization within the sands. This work would cover a limited area, however, it can help point out a more intensified zone and limit your target for drilling.

3. A ground magnetometer survey would be helpful in targeting the area of drilling. This would not need to be an extensive survey. Primarily within the area of three claims, which show the greatest amount of interest.

4. If the above methods are encouraging, then a deep drilling program should be initiated, having a minimum depth of 800 to 1,000 feet. This would test the enriched sulphide zone. This reconnaissance drilling and its results would point future direction for any detail drilling or further geophysical exploration.

GENERAL COMMENT

This property is located in a favorable area for copper mineralization and is very similar of copper prospects located within 40 miles south of Florence. The large copper production is located east-southeast and southwest of this area. I can highly recommend at the present time, on the basis of mineralogical assaying and field data, further geophysical exploration work should be continued.

Sincerely,

H. Clyde Davis, Geologist

HCD/clj

ROGERS RESEARCH & ANALYSIS CO.
X-ray Spectographic & Diffraction Specialists
1009 West 5th South
West Bountiful, Utah 84087
Phone 295-4402

September 13, 1968

Semi-Quantitative and Qualitative Analysis
Within 10%

Sample #115:

Arsenic	Ar	Trace
Barium	Ba	.8
Bismuth	Bi	Trace
Cromium	Cr	.2
Cobalt	Co	Trace
Copper	Cu	.8
Gold	Au	Trace
Iron	Fe	5.9
Lead	Pb	Trace
Manganese	Mn	.1
Molybdenite	Mo	Trace
Nickle	Ni	.02
Rubedium	Ru	Trace
Silver	Ag	Trace
Tin	Sr	.3
Titanium	Ti	.6
Tungsten		.2
Itreim	(Rare Earth)	Trace
Zinc	Zn	.1
Zerconium	Zr	.6

Select Surface Area

ROGERS RESEARCH & ANALYSIS CO.

X-ray Spectrographic & Diffraction Specialists

1009 WEST 5TH SOUTH — PHONE 295-4402

WEST BOUNTIFUL, UTAH 84087

P.O. Box 6, Woods Cross, Ut.

September13, 1968

Mr, H. Clyde Davis
360 - A Smoot Bldg.
B.Y.U.
Rrovo, Utah.

SAMPLE #	MoS2	Ag	Au	Cu
		oz/ton	oz/ton	
103 F-AREA	.0052 %	.106 "	.005 "	.8
107 G-AREA	.0164 %	.108 "		1.3

Clair W. Rogers M.S.

Service charges as discussed for above work $ 36.00
past bal..... 17.00
amount due 53.00

Co-

Area	Sample No.	Description	Copper Oxide Assay	Rock Alteration: Weak	Medium	Strong	Monzonite	Granodiorite	Remarks
A	1	Shaft area	28.			x	x		Vein - 1'
	2	"	.5		x			x	Altered Zone - 8"
	3	"	6.			x	x		Vein Area - 2 1/4"
	4	"	.07		x			x	Gange 1'
B	1	South West cut No. area	.03					x	Very weak mineral
	2	"	.04					x	"
C	1	South West of Big Cut	Trace		x			x	
	2	North area	.05		x			x	
	3		Trace		x			X	
D	1	Big Cut North area	.08		x			x	
	2	to the South	.06		x			x	
	3		.03					x	
	4		.9			x	x		
	5		.8			x	x		
	6		1.			x	x		
E	1	Big Cut No. area	.02		x			x	
	2	middle	.8			x	x		Vein
	3		.03					x	
	4		.03		x			x	
	5		Trace		x			x	Barren area
F	1	North area Big Cut	.03		x			x	
	2		.06		x			x	
	3		.09		x			x	
	4		.9			x	x		Select
	5		Trace		x			x	
G	1	Southwest area of Big	.06			x		x	Wash area
	2	Cut	.02		x			x	
	3		1.7			x	x		
	4		.3			x		x	Good capping area
	5		.4		x			x	" " "
H	1	S. W. of Shaft area	.05		x			x	Slightly altered
	2		.04		x			x	" "
	3		.9			x	x		Narrow vein area
	4		.75			x	x		" " "
	5		Trace		x			x	" " "
I	1	West of shaft area to N. W.	.25		x			x	Small area
	2		.04			x	x		Vein material
	3		.04		x			x	

Trace of MoS_2 was noted in area of F, G.

QUALIFICATIONS

PROFESSIONAL EXPERIENCE

Thirty-five years of field and laboratory experience as a mining engineer, field geologist, assayer, and consulting geologist.

1929 through 1931:

Phoenix Utilities Company; subsidiary operation of the Electric Bond and Share Company. Evaluation and acquisition of oil and gas properties in the South and Southwest United States and Mexico.

1932 through 1941:

Field Geologist and Limestone Specialist for the United States Government. Consultant to various public and private agencies including, Bureau of Mines, Bureau of Land Management, etc. Engineering, Geologic Appraisal and Evaluation.

1941 through 1945:

Partner in the firm of Dodd and Archer of Lackbourne, Ohio. Engaged in core drilling for coal and coal production for World War II steel manufacture in the Eastern Appalachian Region of the United States.

1946 to present date:

Independent Consulting Geologist and Assayer acting in supervisory capacities for oil, gas and other minerals exploration in the United States, Canada and Mexico. Property appraisal, evaluation and acquisition.

Education:

Colorado School of Mines and New Mexico School of Mines.

The two rock samples (#1 and #2) appear to be either quartzite or quartz-feldspar porphyry which has been brecciated and veined by iron oxides and copper silicate and carbonate. Neither scheelite ($CaWO_4$) nor powellite (CaMoO4), the fluorescent ores of tungsten and molybdenum, are present, although fluorescent calcite occurs as a surface crust on rock #1. The mineralogy of the two rocks is very similar and the minerals present and the methods of their determination are described below.

Malachite $Cu_2CO_3(OH)_2$

Malachite is the bright green mineral which forms fibrous, radiating bunches of crystals filling fractures and coating the surfaces of both rocks. It dissolves with effervescence in cold, dilute hydrochloric acid (HCl). The solution, evaporated from a platinum wire in a gas flame, colors the flame azure blue, diagnostic of the presence of copper.

Chrysocolla $CuSiO_3 \cdot 2H_2O$

Chrysocolla is the turquoise-blue mineral that occurs as veinlets and fracture fillings in both rocks. It dissolves in concentrated HCl, leaving a gelatinous silica residue. The acid solution gives the copper azure blue flame color. The bright yellow-green mineral which occurs as a surface coating on both rocks was not positively identified, but is probably either chrysocolla or a similar hydrous copper silicate.

Hematite Fe_2O_3 and other iron oxides

The reddish-brown material which occurs throughout both rocks is a mixture of finely divided hematite, quartz and possibly feldspar. A few coarser (1-2mm) grains of metallic hematite are present, but microscopic examination of crushed fragments showed that most of it occurs as dusty inclusions in quartz and feldspar. The low density of the rock bears out the conclusion that hematite does not occur in concentrated form. The yellow material in both rocks is probably limonite, a hydrous iron oxide akin to rust.

Calcite $CaCO_3$

Rocks #1 and #2 were examined on both cut and weathered surfaces in both short- and long-wavelength ultraviolet light. Examination in short-wave ultraviolet light showed the presence of a brilliant yellow-green fluorescent mineral on the weathered surface of rock #1. There was no fluorescence on the freshly cut surface of rock #1 and none on rock #2. The surface material of rock #1 fluoresces pale orange in long-wave ultraviolet light. The diagnostic colors in short-wave ultraviolet light are blue for scheelite and yellow for powellite, with no reaction to long-wave ultraviolet light. The fluorescent material in rock #1 is a light tan, earthy looking surface crust. It dissolves with effervescence in cold, dilute HCl, indicating that it is calcite.

Raymond Joesten
Arms Laboratory of Geological Sciences
California Institute of Technology

AZTEC MINING AND DEVELOPMENT COMPANY

TO: Robert E. Wilfong, President
109 East Thomas Building, Suite 109
1445 East Thomas Road
Phoenix, Arizona

Report of Examination of Property

1. Field Reconnaissance Examination completed August 5, 1969.

2. Date of this Report - August 6, 1969.

3. Purpose of Report - Accurate description of property and the conditions observed thereon.

SECTION I

Location of Property

This property is situated in Pinal County, Arizona, approximately 2-1/2 miles airline distance northward from the town of Florence, on low, rolling foothills, on the west side of the Florence to Florence Junction Highway, which is U.S. Highway 80.

The property of this discussion consists of thirty-six (36) Lode Mining Claims, comprising approximately seven hundred twenty (720) acres, properly marked and posted in accordance with U.S. Mining Laws, and administered in the State of Arizona.

Detail of accuracy of boundaries and recording which are accepted as in good order, were not checked because that factor is outside the scope of this report.

The claims adjoin each other in one contiguous group.

Geology

The technicalities of geology on this property have been reported in formal writing by a report made by Dr. H. Clyde Davis of the Brigham Young University and formerly of the University of Arizona. Reference is made to the report of Dr. Davis mentioned above which report can be supplied by Robert E. Wilfong, for purposes of interpreting the technical geology.

Descriptive Geology

Field observations visually disclose the following facts related to the field geology:

Due south of the property of this discussion at a distance of approximately one mile, a prominence of black, vesicular Basaltic lava rises as a lone butte (geographically named Monument Butte and/or Posten's Butte), to an elevation some two hundred (200) feet higher than the crests of the low, rolling "knoll"-type hills of this discussion.

Apparently a dike of this dark Basalt diverges from the butte and strikes north by slightly north-west, crossing Section No. 22 of Township 4 South, Range 9 East, in the Florence Quadrangle, through several of the Mining Claims of this discussion including Aztec Claim No. 28 which claim is further discussed.

The source and origin of the copper mineralization is not immediately apparent.

The country rock is weathered gray porphoritic granite, carrying dark spots which apparently are angite and/or hornblende. This granite is in the position of the older measures of early Cambrian and/or pre-Cambrian age. This granite is much older in geologic time than the granites of somewhat similar visual appearance which have been assigned to the geologically younger mesozoic (middle) or still younger Tertiary time spans in the long-developed copper regions around such prominently known camps as Morenci, Miami, Inspiration, etc.,

to the east and northeast of the region of this discussion.

Comparative age and relative position of the country rock would appear to bear minor significance to the mineralization.

The "mineral-bringer" in this instance is not specifically identified; but since the old granites (probably pre-Cambrian), have been invaded and breached by a subsequent age, Basaltic flow, it is reasonable to surmise that magmatic, thermal fluids under great pressures and high temperatures accompanied the Basaltic invasion and that such fluids condensed and deposited their minerals in the interstices, voids, fractures and shear zones of the surrounding rock.

Joints in the granitic rock are frequently inclined away from the basaltic uplift as though the bedding position of the granite was disturbed by the uplifting action of the rising basalt.

Fracture planes, resembling shrinkage and cooling of the disturbed granite, incline conversely away from the outward dipping joint-planes, to dip forward as steeply inclined crack-fractures downward, toward the basalt.

Near Posten's Butte at the locality of greatest surface exposure off the Basalt, the fracture-cracks are visibly coated with copper compounds and mineralization, suggesting residual condensations of magmatic (thermal) fluids that may have risen under pressure, along and from the contact, shear planes, where the invading and subsequently cooling Basalt ruptured the surrounding granitic country rock.

Evidence of mineralization is greatest in and along the major shear zones where the country rock has been sharply sheared and fractured in zones which converge with and/or cross the basaltic dike.

Mineral on the surface has been highly altered and brought to its present state as the result of long weathering, oxidation and carbonation in an arid environment.

Geology

The technicalities of geology on this property have been reported in formal writing by a report made by Dr. H. Clyde Davis of the Brigham Young University and formerly of the University of Arizona. Reference is made to the report of Dr. Davis mentioned above which report can be supplied by Robert E. Wilfong, for purposes of interpreting the technical geology.

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Apparently a dike of this dark Basalt diverges from the butte and strikes north by slightly north-west, crossing Section No. 22 of Township 4 South, Range 9 East, in the Florence Quadrangle, through several of the Mining Claims of this discussion including Aztec Claim No. 28 which claim is further discussed.

The source and origin of the copper mineralization is not immediately apparent.

The country rock is weathered gray porphoritic granite, carrying dark spots which apparently are angite and/or hornblende. This granite is in the position of the older measures of early Cambrian and/or pre-Cambrian age. This granite is much older in geologic time than the granites of somewhat similar visual appearance which have been assigned to the geologically younger mesozoic (middle) or still younger Tertiary time spans in the long-developed copper regions around such prominently known camps as Morenci, Miami, Inspiration, etc.,

Copper minerals in near surface exploration pits are Malachite, the green carbonate, and Cuprite, the combination of carbonates and oxides of copper. Zones of brown oxides in the wider shear zones carry some red-copper-oxide, masked to considerable degree by the accompanying brown iron oxides.

The surface is covered for the most part, where not removed by erosion or by man-made exploratory openings, by white encrusted caliche and/or erosion deposited water-worn sand and gravel.

There are no weathered away stumps of hills or mountains to indicate any source of copper from leaching of overlying measures. Rather, the river-terrace surface material, evidently from the detrius of a terrace that was the young age (in physical geography) of the Gila River Valley, could not account for precipitation of copper minerals and the only sensible assumption can be the probability of ascending magmatic waters.

None of the foregoing observations are in any way contradictory to the excellent geologic report of Dr. Davis, which is again referenced for description of the geology of this particular locality.

Description of Exploratory Pits

The principally explored locality on the 720 acre area of this discussion is made up of three disconnected pits described as follows:

The pits are approached by private lane from the southeast. (Note: Refer to attached sketch of the ground plan.)

The visible copper minerals in the major shear zones in most instances principally strike north 75 degrees east with a downward plunge toward the south.

Other shear zones, however, vary the direction of strike as noted on the sketch.

Apparently, shear zones represent the planes of weakness where the older granitic rocks fractured under stress of the basaltic invasion, thus accounting for lack of complete regularity in the pattern of the position of the shear zones. These factors will be discussed further in Section II of this report.

SECTION II

Report on Aztec Property

The Aztec Exploration and Development Company's claims present a rather complex and somewhat intriguing appearance, insofar as surface indications are concerned as described in the following discussion.

Mineralization in the copper carbonates and oxides shows in the outcrop of all the shear zones as disclosed where surface mantle of erosion product, sand and gravel and/or the caliche (secondary limestone in a thin strata) have been removed by bulldozer stripping. Thus, the evidence of mineralization is quite widespread in area extent. Verifying the visual evidence of copper mineral by the characteristic blue and green carbonates and chemical analysis of samples cut by this writer and analyzed by a registered chemist have shown measurable copper in all shear zones accompanied by small measurable quantities of gold and silver. Therefore, the mineralization is proven widespread over the area wherever structural shear zones have been disclosed by mechanically stripping away the thin overburden of detrial Eocene-Miocene age accumulations.

The most significant factor is in the area of Claim No. 28, where a 50-foot deep shaft has been sunk, showing an area of enrichment of copper compounds in the shear zone, in and around the shaft.

The shaft has been sunk 50 feet below the surface, still in copper mineral of "ore quality," showing a minimum 10% copper, to 12% copper content with "spotty" wall areas showing local "spots" of 22-1/2% copper.

Upon a former trip to the above-described "Aztec" property, this writer carefully cut a channel sample across the face of the full width of the shear zone in the open pit immediately north of the above-mentioned exploratory shaft. By salt roast, followed by treatment with hot dilute hydrochloric acid, the copper was taken into solution and then precipitated as pure powder metal copper, recovering 12.0% metal from the rock. Within the past several days, this writer cut a similar channel sample across that same mineral face which sample was assayed by a registered chemist in Phoenix, Arizona, who reported recovery results essentially similar to the above statement of recovery of metal.

Therefore, the matter as yet unresolved in the light of present information is the reason for the area of enrichment in and around the shaft on Claim No. 28. This condition cannot be assigned to natural leaching because accompanying conditions are in no way conducive to any local leaching condition in the vicinity of the shaft, that would not be similar (or identical) in the other shear zones of the other stripped areas.

The condition of the mineralization in and around the shaft area suggests the possiblity of a "mineral chimney" and this suggested factor should receive further investigation.

Such investigation should be carried out by vertical core hole drilling, preferably recovering solid core that can be subjected to mineralogical examination (by a specialist) as well as being material for an assay without advance limitation of drilling depth until the bore-hole runs out of ore quality mineral. Then, drill slant holes in a pattern surrounding the primary bore-hole to

determine whether dip of the shear zone has resulted in the vertical hole going into barren or low-valve wall rock or whether the enriched locality has "bottomed-out" and if so, at what depth.

There is still some factor in mineral deposition as yet not disclosed by exploratory work to this date which should determine the relation of the enriched area to its source and likewise to determine the approximate extent of the enrichment.

The above discussed factor should be a prime consideration in further exploratory effort. Areas of enrichment of this size do not occur without logical reason.

The surface showings of oxides and carbonates of copper are definitely alteration products and not the result of secondary depositions from leachings that have dissolved out of other eroded-away, former overlying formations because the copper minerals in the shaft area are accompanied by other minerals which are definitely not leach products from natural erosion.

Examination under magnification shows sulfides of other minerals that come only from the results of hydro-thermal deposition. There are iron sulfides as well as iron oxides in the near-surface minerals. Under careful scrutiny, i.e., under higher magnification, there are very fine size flake sulfide particles which carry the general appearance and crystal form of molybdenite, the metallized sulfide of molybdenum. In light of present knowledge of mineralogy and metallurgy, molybdenite can result only from magnetic, hydrothermal origin - from internal, terrestrial sources.

This writer points out the amount of supposed molybdenum is small in comparison to the copper content of the rock and this locality at this time should definitely not be looked upon as a probable source of molybdenum in any economically feasible quantity. The apparent "Molybdenum" is suggested solely for its

probable mineralogical significance as has been pointed out above. Verification of the suggested presence of Molybdenum can be obtained by Molybdenum assay of the copper mineral by a registered chemist. Verified presence of Molybdenum can establish the type of origin of the mineralization as magmatic and thus be fully a further justification for depth exploration of the shaft locality area.

Molybdenum accompanying copper is not without precedent. During earlier mining periods of more primitive extraction methods, copper and Molybdenum, together in the same mineral rock, were looked upon with disfavor because these two metals were difficult to separate by the then prevalent extraction procedures.

More recently, the more refined procedures of "Selective Flotation" have been commercially making clean separations of Molybdenum from copper in the beneficiation mills and that mineral combination has ceased to be a detriment.

The Duval works, situated several miles north of Chloride, Mojave County, Arizona is milling some ten thousand tons of rock per day, continuously, which is a molybdenum-copper mineral in combination.

Furthermore, it should be emphatically pointed out that molybdenite does not dissolve into solution in any event in the reagents that are used for leach extraction of copper from the rock pulp. Therefore, the leachable carbonates and oxides of copper above the level of the permanent ground-water table, could be leach-extracted leaving the molybdenum behind in the gangue-tailings.

Below the permanent water-table, one should anticipate sulfide minerals of copper when flotation could apply in recovery of copper and in separation of copper from molybdenum as is being successfully accomplished commercially elsewhere.

Molybdenite presence has noteworthy mineralogical significance, but it can otherwise be ignored until such time when and if it may prove to become present in economically profitable quantities.

Precious and Semi-Precious Metals

Samples taken across shear planes show measurable presence of gold and silver, consistently across the several shear zones where stripping has exposed the near surface apex of the host rock in place. Silver ranges from slightly less than one-half (1/2) ounce per ton to one (1) ounce per ton. Gold content ranges from two-one hundredths (2/100) to four-one hundredths (4/100) ounce per ton. Within that range, gold and silver show their persistent presence across each and every shear zone.

This presence of precious metals, at the near-surface level, is not of immediate economic significance, but the precious metals are of mineralogical significance. Gold and silver attached to the iron minerals, as is the situation in the rock of this discussion, clearly support the suggestion of magmatic origin of the mineralization. Gold and silver, particularly silver in shear zones, contacting granite walls, are not from sedimentary or secondary deposition.

SUMMARY

I. Exploration to Date

The exploration to this date on the mining claim group of this discussion is as follows:

Surface cover consisting of erosion product silt and gravel and in certain localities, encrustations of limey-caliche of secondary deposition, have been removed by stripping with bulldozer, revealing the underlying formations which have been described.

A widespread mineralization has been disclosed consisting principally of copper compound minerals, together with measurable showings of gold and silver.

The outstanding facts of this exploration are disclosures of a widespread area of structural shear zones that have ruptured the country rock and that all shear zones show mineralization, and the mineralization is quite persistent throughout all widths and lengths of all uncovered shear zones.

The rock in the shear zones in every instance is highly altered and mineralization is related to and persistent throughout the zones of (metamorphiom) alteration.

Since exploration has shown a noteworthy area that carries mineralization, the results of exploration in the opinion of this writer justify further exploration in search of concentrations of minerals in those shear zones below the level of leaching action of surface erosion and below the level of shallow percolating ground water that has penetrated the sub-surface.

The most advisable point for first, deeper exploration is in the area near the shaft on Claim No. 28, where a local concentration of copper mineral has been disclosed as the result of exploration.

II. Recommended Further Exploration

The recommendation to further explore is based upon the showings of minerals that have been discussed above.

The mineralization shows sulfides in the shaft. Therefore, the character of mineralization suggests deposition of minerals from magmatic waters from an internal source and, therefore, is the basis for exploring additional depths.

The mineral from the shaft shows sulfides including flakey sulfide crystals bearing the crystal form (under magnification) of molybdenite, embedded in the black streaks which invade the green copper mineral. Furthermore, those same mineral specimens, under magnification, show streaks and platings of red copper sulfide (Bornite) ("Horne-Flesh" copper mineral), in the fracture planes of the rock. Likewise, along with the Bornite, careful examination discloses spots of native copper metal, along with the specular-hematitic iron in the

fractured rock. Such combination of minerals, as above described, strongly suggests mineralization by magmatic means from an internal source.

Enough surface and near-surface mineralization has been revealed to suggest possibilities that should be explored by further and deeper drilling.

One who may be in a position to explore could definitely explore the depths justifiably at the locality of known concentration of mineralization and one may reasonably anticipate probable favorable results from exploring the depths of a mineral that shows commercial quality favorably in (and near) the shaft locality and which should have its continuity of depth determined by the suggested further exploratory drilling.

III. Distance from Productive Mining Areas

This is a newly explored locality which has not formerly revealed minerals to prospectors by surface exposure of formations, until surface indications of copper minerals induced Aztec Exploration and Development Company to strip overburden away and thus disclose minerals along with additional disclosures by a shallow shaft-opening, as have been described.

The nearest producing mines are situated in localities some 35 to 45 miles northeast from the locality of this discussion. No particular connecting relationship with those mines can reasonably be established, which mines comprise the Superior- Miami - Globe mining fields and which fields, now depleted to great extent, have over the preceding three-fourths century comprised one of the great copper producing localities of the world.

Copper minerals in the above-mentioned copper fields are not in rock formations analogous in age, with the rock formations of the locality of this discussion, but certain general similarities of related conditions do exist which will be pointed out without assigning unwarrented significance to any one factor or group of factors.

The country rock around the Aztec Exploration pits is granite, not greatly dissimilar in petrological character to the great massive granite deposits along the mineralized belt of the productive mines mentioned above. However, in geologic age, the granite of the Aztec Exploration area is much older than the granites of the Superior-Miami-Globe localities. However, the physical character of the granites in both localities is similar. Difference in age or time period when each of the granites arose into the mantle of the earth's crust, should make no difference as to what magmas it may become the host rock. The more significant point is that tectonic (structural) movement ruptured and sheared the country rock producing fractures and fissures into which magmatic fluids could flow. The ruling factor is whether those magmatic fluids were or were not saturated with solutions of one or more of the valuable minerals. One particular locality has been discussed above where a mineral of one of the useful and sought after elements, (copper) has been deposited in concentration sufficient to warrent further investigation in the manner that has been suggested (or along substantially similar lines of approach).

CONCLUSIONS

1. Exploration work to this date has accomplished enough in the manner of showing widespread and persistent distribution of mineralization to warrant further investigation.

2. Plans for further drilling have justifiable basis.

3. While this locality is not directly related to any producing mines, and while there are no mines in the immediate local area, careful study of conditions as have been documented in this paper and which can be repeatedly observed in this mineral show conditions which have been conducive to productive minerals elsewhere and which conceivably could prove to become productive in this area. There is no

Two channel samples were cut across thirty (30) feet width of shear zone at this point which assayed 10.8% and 12.0% copper content respectively, suggesting 10% "and better" copper, on the basis of channel sampling.

At published price, as of date of this report (46 cents per lb.), 10% copper equals 200 lbs, per ton gross metal at 46 cents equals $92.00 per ton, gross copper content. And since efficient extraction recovers 90% of gross metal content, it is reasonable to estimate minimum recovery of 80% of gross metal content, or at current price of metal 80% of $92.00 gross equals $73.60 estimated per ton, recoverable copper at this particular point on the property.

Considering the measured dimensions as follow;

30 ft. width sampled for assay.

100 feet length open by mine entries.

30 x 100 = 3,000 sq. ft.

3,000 x 1 = 3,000 cu. ft. "in sight" per foot depth.

3,000 cu. ft. x 50 ft shaft depth = 150,000 cu. ft. of rock mineral.

150,000 cu. ft. ÷ 12 cu. ft. per ton = 12,500 tons.

12,500 tons @ $73 per ton recoverable metal = 12,500 tons x $73 = $912,500 apparent recoverable gross metal equivalent disclosed by excavation, to date of this report.

Economic feasibility is governed first by cost of repayment of capital investment required to install milling and/or leaching equipment necessary to extract the sought element, plus cost of labor and supplies required for mining and extraction. Therefore, the above observation is made as apparent basis for further exploratory drilling, which may disclose reserves to guide the size extraction "works" and the capital expenditure to be planned for comprehensive development, rather than attempt to make evaluations prematurely in the light of present information.

Further exploration can be recommended for drill testing in the shaft area, down to depths ranging from 300 feet to 500 feet. By first drilling sufficiently in less depth to determine the true dip of the shear zone, bore holes may, then follow to disclose the continuity of mineralization (by careful drilling rather than permiting superficial drilling which might suggest the minerial had "bottomed out" merely by having drilled outside the shear zone.)

Prior to the above suggested drilling, mineralogical examination of samples by a microscopist, checking particularly for sulfides such as Molybdenite and Bornite, as well as native copper and specular iron, will be advisable and/or a spectrographic examination for elements of the above minerals, as well as verficiation check for a tungsten mineral which is strongly indicated under ultra-violet (black-lamp) light examination.

Nelson Taylor

Nelson Taylor

Mining Consultant

San Bernardino, Calif.
October 19, 1968

Mr. Carl St. Claire Sr.,
1673 Mt. View Ave.,
San Bernardino, California.

Dear Mr. St. Claire;

On this date, the copper exploration of property held by Bob Wilfong, located approximatley two miled from the town of Florence Arizona, was inspected by this writer and others.

Mr. Wilfong presented a geologists report that had been prepared recently by Dr. Davis of Brigham Young University. The report explains technical details of the mineralized formation and since Dr. Davis' report is readily available, it is unnessary to herein review his paper, which is quite meticulous on the mineralogy.

The property, has had quite considerable surface removal of the thin Caliche mantle, exposing several dike-like outcrops of Copper mineral, all peroisting in a gererally parallel system of "wall-like" mineral accumulations, simulating a "lode" pattern.

Assay reports shown by Mr. Wilfong, indicate 3/4 of one per-cent (15 lbs., copper per ton of rock) across the wider zones.

The visible compound, copper minerals are more concentrated along the almost vertical planes of brown (gossan) hematite, iron oxide and there is a definite relation of the copper following along and with the iron.

A prospect shaft has been sunk to a depth of fifty feet, still in copper compounds.

The mineral is, naturally, in highly oxidized condition, where exposed in sunlight on barren, desert surface.

The oxides of copper on the surface, are combined with the copper carbonates, (Malachite and Azurite, the green and blue minerals) and along with the Malachite and Azurite, there are complex Cuprite and Crysicalla compounds of copper.

The oxides in combinations such as in Creprite and Crepoicolla are not soluble in the "leach" processes of copper recovery. However, this mineral, to the extent it has been exposed, appears to be largely "leach-soluble" carbonates (Malachite and Azurite) and should be tested for leach recovery.

By adding 1/10 of 1% up to 1% sulfuric acid to the leach water, such tests can be conducted. For conclusive test purposes, the sample shouls stand in leach for one week(in the acid-treated water) and the filtered solution then precipitated on iron, by standing 36 to 48 hours. The residue can then be "fired" in an assay furnace.

If it should prove that nearly all the near-surface copper is leachable, the loss of small amounts of unsoluble Cuprite, might be disregarded.

This locality justifies futher work in uncovering the mineral, in view of a possible open pit, for which the topography is well suited. If such work at nominal cost, can justify a 100 tons per day mill and leaching operation, that possibility would be preferable to immediate, expensive, deep exploration, in proving up a property.

In making leach tests, it is advisable, for the sake of accuracy to precipitate the copper on reagent grade, de-greased iron filings, obtainable from the chemical supply houses. If clean iron is used and it is not added in excess amount, to contaminate the result with excess iron, it is possible to almost pure copper (before firing) in making the leach test. As matters stand, there is copper mineral exposed, over a length of 3,000 feet.

A prospect shaft shows 4 ft. width, still in copper at 50 ft. depth.

The above indicates "probable" ore in a 600,000 cubic ft. body, running into (at 12 cubic feet per ton) some 50,000 tons, as a starter.

Since parallel copper outcrops are uncovered on the surface, over a width of 150 feet, it would be significant, on the basis of the assays to date, to excavate to several feet depth, across the entire width, to determine the following; If the leachable copper is sufficient to be economically self supporting by taking, in the slang term of the street "guts feathers and all", over 150 feet width, on 3,000 feet length of the strike as suggested by showings in surface prospect pits, then it will be more significant to decide whether a 100 tons per-day mill may be economically feasable, as a means for futher development in preference to the cost of an expensive, immediate deep drilling program.

Sincerely Yours

Nelson Taylor

NELSON TAYLOR
Mining Consoulting

P.S.

An area of 3,000 feet long, 150 feet wide, down to presently known 50 feet depth, accounts for 1.8/10 millions tons of rock material. The determination of the representative copper content of this mass is essential.

San Bernardino, California
December 20, 1960

Mr. Robert Wilfong.

Dear Mr. Wilfong:

SUBJECT:

Suggested Development Work for the Bob Wilfong Copper Location.

The above captioned location is situated in Pinal County, Arizona, north-west of the town of Florence, in the Superstition Mountains Mining District.

The mineralization and geology has been reported in a formal statement, by a member of the geology staff of the Brigam Young University and that report is available from Mr. Wilfong, as reference to technical escription of the mineralization.

This discussion, is directed toward prospective development work.

The exploration work, to this date, has removed surface overburden from a number of parallel outcrops which appear to extend the entire length of the property.

Since the copper veindikes are "en-echlon" across the width of the property, it will be desirable to "cross-cut", with an open-pit trench, across all veindikes, for sampling. Then, a composite sample, can be taken across the entire area, for mill-test, for determination of recoverable copper values from a possible open pit. Such pit could be well situated, for operation as the topography is naturally suited to development of an open pit; and a mill-test evaluation is justified to determine the possible economic feasability for recovering copper from the entire areal surface of the property.

The one veindike that is explored below surface, shows 8 ft., width

to the explored depth of 50 feet. Since this veindike carries surface xposures over 1500 feet length, it accounts for 50000 (fifty-thousand) tons of probable ore. Two or three shallow core drill holes on this veindike can block out this initial mill-feed: and, carrying the core tests to 100 feet depth, at nominal cost, is a favorable chance to block-out, 100,000 or more tons of ore, quality copper mineral. The accrued assay reports from this veindike, suggest probable feasability for milling on a self-supporting basis, on no more than 100 tons per day capacity.

A 100 tons mill, operating 300 working days per year, will consume 30,000 tons of mill feed per annum. Three (3) years reserve would be assured by 100,000 tons of mill feed; sufficient to amortize a 100 tons mill, after operating costs.

Core drilling three holes of 100 ft. each; a total 300 feet of drill hole @ $5.00 per foot =$1500.00. This expenditure is justified and is primarily desireable.

Concurrently, bulldozer cross-cuts across all veindikes, down to ten feet depth, at two points are desirable. Cost is estimated $10.00 per hour for bulldozer, plus $5.00 per hour for drilling and blasting; possibly $4,500.00 in all.

Subsequently, on all veindikes of 4 ft., or more width, drill holes to 100 ft., depth would be desirable; at cost for 10 drill holes, (100 ft. @ $5.00 per ft., =#500.00 each), of $5,000.00.

The above suggested expenditure of $11,000., should be acceptable as conclusive evaluation of the feasability of the property.

From a practical viewpoint, the current further development of probable ore, may be done on a progressive basis, by first applying $1500.00 to moderate depth drilling on the presently opened veindike. Based on that result the above suggested additional work is justified; one having proven enough values (blocked-out) to amortize a mill, plus

amortizing the suggested development work.

Then, require the mill earnings to pay for subsequent deep drilling to determine ultimate reserves.

Capital of $300,000.00 should be sufficient for a 100 tons per day mill; and before investing the entire sum; use a portion($11,000) fore the work suggested.

Otherwise, an entire $300,000.00 could be absorbed in a full-scale, deep exploratory drilling program. But, the expenditure could be purely speculative,

Since there is ore quality mineral "in-sight;" the type program suggested reduces the risk.

The only justification for a very expensive, comprehensive, deep drilling program, at this time, would be purely speculatice expenditure, for the purpose of searching for sufficient reserve to consumate a large scale, outright sale of the property.

Otherwise, the risk is reduced, by a more subdued approach, where the expenditures are upon a progressive, step by step, basis; wherein #300,000., estimated capital expenditure is divided into three parts: 3/10 of 1% for first drilling; followed by expenditure of 3% to 3½% of the total $300,000 (#11,000) for further exploratory and/or ore development work; leaving some 96% of the Capital, for mill investment; beyound which point, the operation could be anticipated to become self sufficient.

Yours very truly,

Nelson Taylor

NELSON TAYLOR
Mining Consultant

Memorandum on lands of Aztec Exploration & Development Company, Inc., 3 miles northwest of Florence, Pinal County, Arizona

Frank M. Swartz
May 2, 1972

1. Lands of Aztec Exploration & Development Company, Inc., that offer speculative possibilities for low grade copper ore in an area about 3 miles northwest of Florence, Pinal County, Arizona, were examined on the morning of April 24, 1972, in company with Messers Robert E. Wilfong & Nelson W. Taylor. The following memorandum is based on general observations made during this visit, together with data derived from reports prepared for Aztec by Dr. H. Clyde Davis, Geologist, dated October 7, 1968; by Mr. Nelson W. Taylor, Mining Consultant, dated August 6, 1969, and By Dr. Maynard M. Stephens, Geologist & Registered Engineer, dated August 26, 1969.

2. The Aztec lands northwest of Florence include 36 contiguous lode mining claims that comprise an area of approximately 720 acres, and that are located in parts of Sections 21, 22, 23, 26 and 27, T. 4 S., R. 9 E. The area of the claims is shown with orange-colored boundary lines and some adjacent orange shading on the accompanying topographic map, scale 1 inch = 1000 feet, enlarged X 2 from part of the Florence Sheet of the United States Geological Survey.

3. The Aztec lands are bordered on the south, west and north by properties owned or controlled by Continental Oil Company, indicated generally on the map by name and by green shading where boundaries adjoin Aztec. An approximate area in Section 28 that reportedly has been blocked out by Continental with use of drill holes on 500-foot centers and in part on 250-foot centers as compared to the more generally employed 1000-foot centers, is shown on the map with green boundary lines and green shading. The northeast corner of this tract is distant about 1500 feet from the nearest corner of the Aztec tract.

4. Discovery of copper ore reserves of an estimated total of the order of 500 million tons, was anounced in the past month by Continental Oil Company in a news release carried by the Phoenix, Arizona, Gazette on April 14, 1972, and in subsequent reports to shareholders. Continental District Geologist Ray Barkley reportedly stated that the ore on the discovery has been graded about the same as in other Arizona copper mining areas, implying in other words that it is of porphyry type and low in grade, but potentially significant because of its large magnitude. Barkley stated, however, that further exploration work and drilling will be required to determine whether the ore can profitably be mined.

5. The areas near Florence including the lands of Continental Oil Company and Aztec Exploration & Development Company, are shown on the Pima County Geologic Map of the Arizona Bureau of Mines, 1959, to be surfaced by Quaternary and Tertiary-Quaternary sands, silts and gravels washed in the past from mountain ranges of the region. Poston Butte, contoured on the topographic map with a summit altitude of 1748 feet, is however a local mass made of vesicular basalt of Tertiary or Quaternary age, that projects from below at least parts of the gravels.

6. The loose sands and gravels which cover ore-bearing bedrock of the blocked-out area of Continental Oil Company in Section 28, are reportedly of the order of 1000 to 1100 feet in depth, so that altitude of surface of bedrock

should be of the order of 400 to 500 feet. The gravels apparently contain abundant waters, or perhaps recurrences of abundant waters in their lower parts, since the Continental announcement notes that ground water could present a problem for potential development of a mine, whether attempts to open the ore are undertaken by means of an open mine pit, or by an underground shaft or shafts. Further exploratory work and drilling is planned in order to study the water conditions, as well as to investigate the ore itself.

7. In view of the problems attributed to groundwater in the Continental announcement, it is possible that ore in the bedrock in Section 28 may belong all or almost all in the geological sulphide zone or sulphide enriched zone, rather than in the higher-lying zone of oxidation. Data about such features of the ore are not furnished in the available statements.

8. During assembly of lands in the Florence area by Continental Oil Company, approach was made to Aztec officials for possible acquisition of the company's claims. Because of more favorable terms, an option with drilling privileges was arranged with Getty Oil Company. Two holes have been drilled to date under this agreement, at locations marked on the accompanying map with red circles, and listed as Getty West and Getty East. Depth of Getty West reportedly is about 2000 feet, with cover above bedrock of about 1200 feet. Depth of Getty East is shallower, about 1280 feet.

9. The sand-gravel cover in the region, with its thickness of 1000 to 1200 feet in the Continental area in Section 28 and at Getty West drill hole in the southwestern part of section 22, thins essentially to zero over portions of the Aztec lands in the east middle part of Section 22 that are marked with terra cotta brown on the accompanying map. Similar thinness also occurs on Continental land in the southern part of Section 15, that is denoted by similar coloring. Altitude of the surface of bedrock at these places is thus about 1550 feet or higher, as compared to the 400 ± feet in Section 28. In the east central part of Section 22, Aztec test holes 1 & 2 were drilled to depths of 500 feet each, almost wholly in bedrock, and hole 3 to about 50 feet. Bedrock also was uncovered in the vicinity in exploratory bulldozer trenches and shallower scrapings. At one place as cited on the map, an exploratory shaft was sunk in bedrock to a depth of 50 feet, and a tunnel from its base was drifted laterally for 100 feet.

10. The bedrock intersected in Section 22 in the Aztec drill holes 1, 2 and 3, in the bulldozer trenches and scrapings, and in the 50-foot shaft and accompanying drift, consist primarily of coarsely crystalline, somewhat porphyritic granite, more or less altered in fashions attributable to hydrothermal waters, and cut by numerous fractures involving small scale shearing. In at least part of the area visited, the fractures strike predominantly in an eastnortheast-westsouthwest direction, but other directions also are represented in the area. There are some subordinate, thin dikes of andesite and quartz monzonite, and within the areas there also are several dikes or apparent dikes that may include offshoots from the basalt at Poston Butte.

11. Observable quantities of malachite together with other copper minerals of the carbonate-oxide zone occur along some of the shear-fracture zones in the granites in the eastmiddle part of Section 22. Along some shears

the rock is reddened by iron oxides. The 50-foot shaft and adjoining drift, now filled and in part cut away by bulldozing, were evidently excavated along one of the copper-mineralized shear zones, and provided samples that reportedly showed 10 to 15 per cent copper and locally 22 to 23 per cent. Copper mineralization thus occurs in the area along a considerable number of the fracture surfaces, and as at the 50-foot shaft there can be expected to be some pockets of local enrichment. The latter instances appear with present indications to be too limited to afford possibilities for localized mining. It is probable that on and near the Aztec lands, as in the Arizona porphyry mines in general, potentially profitable operation would require discovery by deep drilling, and preferably in the sulphide zone rocks beneath the zone of oxidation, of areas in which there are volumes in hundreds of millions of tons of rock averaging better than $\frac{1}{2}$ per cent copper.

12. The observed copper mineralization in fractures in the surface occurrences of granite on the Aztec lands, tends to give some encouragement that further exploration can be justified. The two Getty holes represent a beginning in this direction, but there is no present assurance that the work will be continued. It is possible that Getty will continue with Induced Polarization testing that would provide further guide for drill testing. For the present, the contract with Getty provides Aztec with an equity of some immediate value as well as greater potential in the event the agreement for purchase is exercized. In the event the option is terminated, plans for the future will need to be reassessed in the light of exploratory work completed at that time.

13. The announcement by Continental Oil gave recognition to the difficulties inherent in developing the high-tonnage but low grade copper rock of Section 28 and its vicinity, where covered by the thick blanket of sand and gravel in which ground water is abundant enough to hamper opening an operation either with use of an open mine pit or deep shafts. The central part of Section 22, in the event copper values are discovered in the subjacent rock, would afford potentials for development with limited danger from ground water. Further, in the event subsurface copper values were sufficient to permit opening of a deep mine on the Aztec tract, it could perhaps become a base from which deep workings could be extended laterally into adjacent properties.

Aztec Copper Property

Red Zone: I

The red rock in the shear zones along fault planes carries 20% to 30% iron in the form of "gosson" type brownish-red iron - oxides which upon magnet test are entirely non-magnetic; as is usually true with highly oxidized brownhematite iron. Therefore following concealed extensions of the copper zones which parallel the red rock would require use of magnetometer sensitive to low magnetic intensity.

Along side the shear zones country rock granite will be more magnetic than the red rock and the red zones could be marked by corridors of low magnetic intensity.

However, down at sub-surface water table level the iron may be less oxidized and therefore become black-magnetic iron-oxide(magneitie) or magnetic (metallized sulfide which would give higher intensity magnetic readings than any surrounding country rock, granite.

The above discussed condition does not pose a problem of critical nature. There are enough lengths of red zones exposed by prior stripping of overburden to enable following red zones on their surface exposures to disclose the differential(high or low) between the red zones and the magnetic reaction of the surrounding country rock.

The significant factor is use of a magnetometer instrument which is sensitive enough to low grade magnetism to permit it being calibrated to narrow enough margin to indicate the amonloy(difference or change between the red (iron bearing) zones as compared to the surrounding mass of country rock.

II

Mineralization Of Shear Zones

The copper ore (in itself) green rock carries 1 6/10% mangavere, which is not enough to interfere with various leach extractions of copper as has been demonstrated by test extractions.

The red zone carries 3/4 of 1 % to 1½% copper. This rock is principally an iron manganese mineral. (metal-equivalent) per ton: 230 pounds at 30¢ equals $69.00 per ton gross manganese. A presence of both arsemic and mercury add a red color some what similar to red copper oxide to the brown iron mineral.

The manganese should receive a "pilot" test to determine any possible economic feasability in extracting and recovering this metal; the manganese mineral beaing formation will be opened and exposed by removal of the ajacent copper bearing rock. By salt(common salt) roasting the rock pulp followed by leach (soaking) in warm dilute commercial hydrochloric acid(similar to acid used in treating lime formation oil wells) will take the iron and manganese into fluid solution.

Since the "gangue" rock is silica there is no appreciable lime rock content to neutralize (spend)the acid and it will work only on the compounds of the sought metals.

The "leach" solution then has the iron removed form solution by precipitation (neutralization) with common "hydrate"lime.

Then by adding an ammonia solution the manganese is dissolved and pumped (or filtered)outin solution from which it is precepitated in a pure state. The iron that is left behind is a beown slime of iron - hydroxide which could be dried(cement-iron) and smelted direct into casting(pig- iron) metal, in a foundry type cupola furnace: since the flux is already in the iron in the form of the lime that has been added. This matter justifies a "pilot" trial by constructing improvised sheet-steel pans as roasters followed by improvised(constructed on the job) small vato or tanks for leaching and precipitation. This operation if determined feasable would be quite similar to roast andleach extraction of copper. But it would be a separate unit of operation du to different reagents being used to separate and precipitate iron and manganese than the elements used to precipitate and recover copper in the respective recovery tanks ir vats.

A "pilot" unit ot treat on - hundred(100) pounds test "batches" with equipment consisting of a half dozen reasting pans with gas hot plate burners fired by bottled(butane - propane) fuel together with lwach tanks etc. would cost in the range o f $300.00 to $400. and sould be used separately and consecutively to test feasability costs of batches of iron manganese and copper mineral by the somewhat similar roast and leach procedure for copper; which is a slightly revised adaptation of the "new" Hunt and Douglas" process for extraction and recovery of copper.

Subsequent, commercial practice would require installationof grinding mill equipment and a roasting furnace which could be either a reverbatory shaped furnace or a rotary kilr, such as those used by lime and/or cement producers.

III

The red zone contains the following minerals:
Iran 20%to 30%
Manganese 11½, and better
Gold 1/10 oz.($3.50 per ton)
Silver None
Copper 3/4 of 1% to 1½ %
Mercury 4/10 of 1%(8lbs. per ton) as oxide
Arsenic 3%

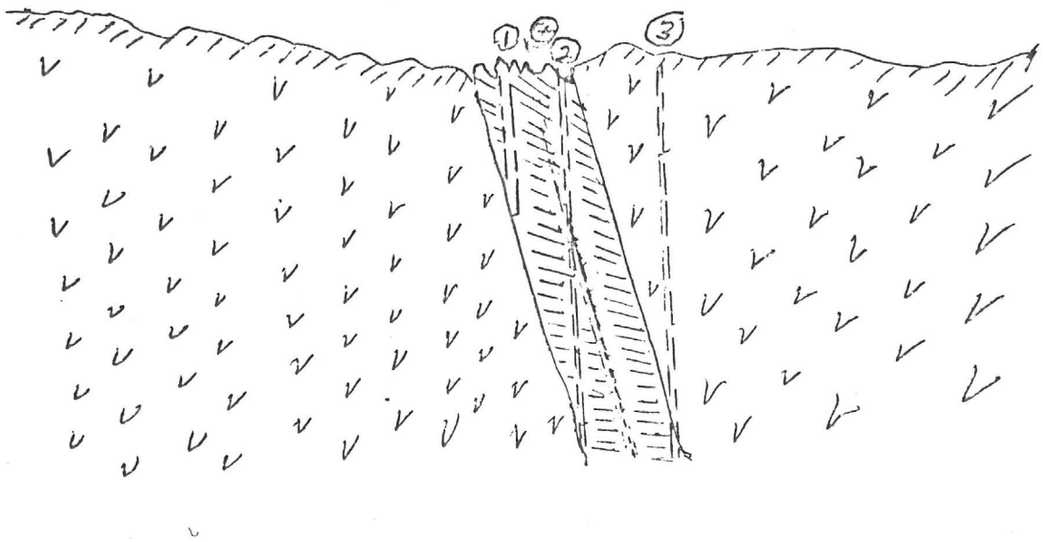
The arsenic is expelled in the heat of roasting. Mercury is in a complex mineral combination not readily susceptable to exteaction by standard methods. The significance of the red rock with it contact coating of Feldspar crystals is a possibility for feasable recovery of manganese;which extraction would extract most ofthe iron.

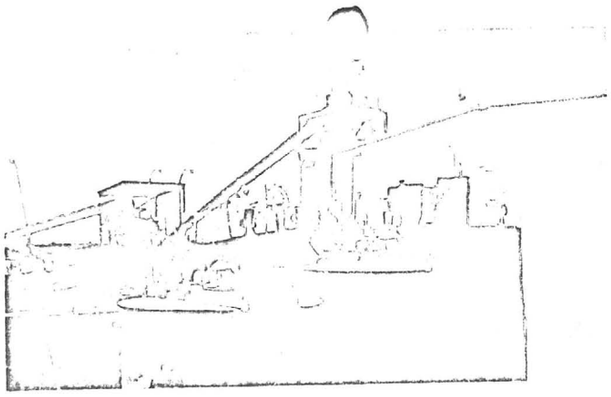
Since the red zone will be exposed by removal of the contacting copper mineral and thus be open for mining it is a possible potiential. The "green zone" surrounding the test shaft should be drill-tested since it is rich copper mineral containign 22½% to 30% copper and

detectable sontent of sulfide metallized mineral and minute specks of native metal (both iron and copper) suggest the possibility of a mineral chemney with some depth of origin.
Determine dip with vertical bore holes and then drill a slant hole.

Nelson Taylor
Mining Consultant

HSM:gn





During 1972 Conoco completed construction and commenced operation of its joint-venture uranium mine and mill in Karnes County, Texas. Delineation drilling continued at the Florence, Arizona copper discovery, and the Company acquired leaseholds containing a number of attractive metals and uranium exploratory prospects.

Uranium

Ore-processing facilities at Conoco's 51.35%-owned uranium mine-mill complex, located in Karnes County, Texas, operated near design feed capacity during 1972. Operations for sustained periods indicated the mill is capable of performing above design feed capacity. Ore is trucked to the mill from several nearby surface mines. In general, the five mines opened during 1972, grade and tonnage of ore reserves were below original estimates. As a result, a detailed geological-engineering study is underway to reevaluate reserves in the mill area. Additional reserves required to fulfill the project's planned production schedule through 1981 are anticipated to be added from deposits recently discovered, from recent acquisitions, and from future discoveries resulting from a continuing high level of exploration scheduled for the mill area.

During 1972 Conoco completed 2.9 million feet of drilling for uranium, compared with 2.4 million feet drilled in 1971. Approximately one-half of the drilling was devoted to delineation of uranium deposits previously discovered in New Mexico and Wyoming. Although the delineation drilling in New Mexico defined the limits of mineralization of one major prospect, results do not appear to support immediate exploitation. The Wyoming delineation drilling was more encouraging; however, future exploitation will be dependent upon discovery and development of sufficient additional reserves to support processing facilities. Exploratory drilling was confined almost exclusively to selected north potential areas in Wyoming, New Mexico, and Texas. Two areas of uranium mineralization were discovered in the vicinity of the Texas mill, and one was discovered in New Mexico. In all three areas, further drilling plus engineering and economic studies are being conducted to determine the economic potential of the deposits.

The most significant land development of the year was the acquisition of additional holdings in the important uranium mining district in Grants Mineral Belt in northwestern New Mexico.

Metals

At the Florence, Arizona copper prospect, drilling results to date have supported earlier estimates of more than 500 million tons of potential ore reserves having uniformity of mineralization and copper content slightly over 0.5%. The deposit comprises a zone of copper oxide mineralization overlying a slightly larger volume of copper-sulfide ore. Engineering and technical studies concerning [illegible] ogy, mine design, and metallurgical recovery [illegible] are underway in preparation for a comprehensive study of the project's feasibility for commercial development. The study is expected to be completed in late 1973.

Conoco acquired copper prospects during 1972 in Arizona, New Mexico, and Nevada. In addition, Conoco is currently exploring a disseminated gold prospect in Nevada. Although the geographic scope of the metals exploration program encompasses Nevada and portions of the southeast United States, principal emphasis continues to be placed on an expanded exploratory program in Arizona and New Mexico.

In 1972 Conoco and Hudson's Bay Oil and Gas Company Limited (HBOG), a 53.1%-owned subsidiary, entered into an agreement for a joint venture metals exploration program in Canada with HBOG as operator. During the year, reconnaissance operations in British Columbia and the southern portion of the Precambrian Shield area of east-central Canada resulted in the selection of several properties for further examination in 1973.

Industry Perspective

Environmental, safety, and construction delays for nuclear power plants have resulted in temporary overcapacity in the domestic uranium mining and milling industry. Because these delays, installed nuclear electric generating capacity in the United States will probably be no more than 100,000 to 150,000 megawatts by 1980. Nevertheless, uranium demand is expected to increase at an average annual rate of 13% during the balance of the 1970's. To meet these requirements, it will be necessary to reverse the recent downturn in uranium exploration activity within the next few years and provide a substantial expansion of uranium milling capacity by the end of the decade.

Conoco's first uranium mine mill complex began [illegible] in early 1972.

1972 ANNUAL Report

ROBERT E. CRAIG & CO.

MINING GEOLOGISTS
11844 ART STREET
SUN VALLEY, CALIFORNIA
899-0613 767-2681

May 20, 1968

Aztec Exp. & Dev. Co., Inc.
13720 Riverside Drive
Suite 306
Sherman Oaks, California.

SUBJECT: Area # 17 Silver Mountain
Arizona.

Gentlemen:

After physical examination of the above subject property I feel the following comment and recommendations to be in order.

GEOGRAPHY

Area #17 being situated in Pinal County, Arizona approximately 26 miles north of the town of Superior at about 6,000 feet above sea level. The Silver Mountain area although a rugged terrain by nature would afford year around working conditions. It is further the opinion of the writer that in spite of the rugged terrain a road suitable for mine haulage could be constructed at a reasonable cost using the north end of the area for ingress and egress.

MINERALIZATION AND PRESENT DEVELOPMENT

The major vein on the property strikes in a N.E. - S.W. direction and dip being near vertical. This vein being readily tracable on the surface for a minimum distance of 3,000 feet and it is reasonable to assume this is not the total extent of the mineralized zone.

At the apex of this vein on #17 the present owners of the property to whom this report is directed has made an open cut across the vein to a depth of 8 feet. This exposure indicates the vein to be minimum of 6feet wide at this point.

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Heavy leaching is evidenced but a strong showing of Lead carbonates plus minor showings of secondary Sulfides of Lead. Chlorides of Silver was also noticed through out the entire vein exposed.

Three hundred feet to the S.W. from this point and approximately 200 feet lower a tunnel exploring the vein was made in the past. At the time the writer visited the property the portal was caved and entry was impossible. Based on the material remaining on the tunnel dump I would estimate that the tunnel had explored the vein to a minimum of 175 feet. Further, based on the material remaining it's quite obvious that the entire length of the tunnel (drift) was in high-grade Lead, Silver and some Gold values. One must conclude that only a very minor amount of the total ore available was removed by prior workings.

RECOMMENDATIONS FOR FURTHER DEVELOPMENT

(1) On the strike of the vein to the N.E. at a minimum distance of 750 feet from the present open cut a dozer cut at 90 degrees to the strike of the vein to a minimum depth of 12 feet should be effected and assay across the exposed face be made to establish values present at this point on the strike of the vein. In the event the assay taken produces values of 15 oz. per ton of Silver and 3 to 4% Lead values another cut should be made a minimum of 500 feet again to the N.E. from the cut just completed. The exact method as described for the first cut should be followed and should this area indicate values near the minimum amount advised for cut #1 you will have a minimum of 90,000 tons of workable ore proven in place. Cost of this development $7,500.00 approximately.

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(2) The portal of the old tunnel (drift) should be opened to permit examination of the workings now existing. This exposure would reveal valuable information regarding the nature of the ore at some depth. Cost $1,500.00 approximately.

(3) Further prospecting in the general area could lead to the exposure of other veins of value on the property. During this period of prospecting special attention to any evidences of Copper mineralization present. Due to the past history of this general area it is possible a Copper deposit of merit could be present.

CONCLUSION

It is the considered opinion of the writer that the property in question is more than worthy of the development described within the body of this report and if the steps above are followed it is reasonable to expect that a medium tonnage, high-grade under ground operation will be established.

Respectfully submitted;

Robert E. Craig

Robert E. Craig E.M. M.S.

AL 4-8546

REG. ARIZONA

F. C. RAMSING, E.M.
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A GEOLOGIC RECONNAISSANCE OF THE SILVER MOUNTAIN LODE CLAIMS FOR THE AZTEC MINING AND DEVELOPMENT CO.

Four unpatented mining claims are included in the Silver Mountain group. These are located in Roger's Canyon, Pinal County, Arizona, R. 11 E.; T. 1 N. They are approximately fourteen miles from the Magma Smelter at Superior and similarly from the main U.S Highway 60. These claims lie at an elevation of one mile which gives it a delightful year around climate. Spring water is also abundant. The area is considered a recreational possibility. The road leading to the property follows the Hewitt Canyon for about 12.5 miles after which a horse trail leads to the tunnels. The men in charge of the present exploration are Steve Karolyi and Robert Wilfong from Sherman Oaks, Calif.

The vein fissure , as stated by these gentlemen, can be traced for over one mile on the surface and is about two feet thick, but due to the hilly contours it is largely covered by talus. Underground the strike of the vein is 45 deg. southeast and the dip is about 45 deg. northeasterly. Two persistant rhyolite dikes show at the surface,each being about 20 feet thick. The northeasterly dike forms the hanging wall of the vein. The distance between these dikes is about 100 feet at the shoot area and is of a more basic composition and is presumed to be a monzonite. It forms the

footwall of the vein.

The ore occurs in disconnected short pinch and swell shoots within the fissure, and being between two igneous contacts it should show contact minerals of high temperature but such is not the case. This area has been exposed to a great amount of drop faulting which may account for the character of the ore shoots.

At the shoot outcrop the monzonite is highly disintegrated into material one-eight or less in diameter. The latter shows an abundance of silver oxides but no appreciable gossan has resulted. This indicates a paucity of iron pyrite therefore little secondary enrichment of ore is probable. However a cursury examination of the monzonite adjacent the ore shoot area may indicate low values within it. This should be investigated.

The vein matter assays show the following average values: Silver- $ 22.00; Lead- $ 11.20; Copper- $ 8.00; Gold- $ 6.00 or a total of $ 47.20. This is very good if there was a sufficient ore tonnage to fool with at high mining costs.

The trend of mining in the last thirty years has been to develop large low grade shovel ore deposits which do have low mining costs and volume ore. These permit a reduction plant at the ore source which eliminates high transportation costs. Such ore bodies have a sufficient life expectancy to amortize all equipment used. This assures a safer mining investment. Obviously this does not apply to small vein mines as mining history shows. However where there were veins there was the

the probability of a low grade stock of igneous rock that furnished the solutions for the veins. These are not always available to mining processes and only in recent years have they become economic. Therefore the early miner passed them up and they still remain to be found. For this reason it is important to test all igneous rocks adjacent to ore veins.

Undescovered shoots along any vein should also be investigated since they may be unusually large. These may occur especially at the intersection of two mineralized fractures. This occurs on this property westerly from the tunnels.

The investigation for ore on this property therefore resolves to two methods of attack: I. The monzonite lying between the two dikes can be tested in two places- a. In the tunnel footwall where considerable sulfides are apparent; b. on the surface adjacent the shoot area by trenching, welling or drilling. These provide samples for analysis. If less than $ 5.00 for sulfides,forget the monzonite at this point. 2. Explore the intersection of the two existing mineralized fractures. If the ore shoot is of sufficient size and value of ore then sell it or lease it to gambazinos who are expert in mining and can take the chances involved in this type mining.

References- The Iron Mt. and Superior USGS Quadrangles. For a sketch of the underground workings refer to Steve Karolyi.

F. C. Ramsing

May 1,1968.