UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

700

REGIO
FEB
AIR MAIL 195
BUREAU OF MINES
DENVER, COLORADO

JAN 31 1952

Mr. C. L. Maguire, President
United Mine Operators, Inc.
P.O. Box 836
Wickenburg, Arizona

Re: Docket DMA-443X (Copper)
Unida Mine
Vavapai County, Arizona

Dear Mr. Maguire:

We have received your letter of January 25th in which you advised us that you have discontinued the operations of the Unida Mine.

We regret that your development work was not successful in finding new ore bodies, and that you were therefore obliged to suspend operations.

As the project, for which the subject application was made, is now of no further interest to your company, Docket DMA-443X will be considered closed.

We wish to thank you for your cooperation with this agency.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

W.H.K.

HFKeller/jem
1-30-52
cc to: Adm. Reading File
Docket
Messrs. Johnson, CH Rm. 3621
Nelson, Ned Rm. 4216 G.S.
Ellis
Keller
Field Team, Region IV (2)

F.A.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

JAN 15 1952

AIR MAIL

Mr. C. A. Maguire, President
United Mine Operators, Inc.
Post Office Box 836
Wickenburg, Arizona

Re: Docket DMA-443X (Copper)
Unida Mine
Yavapai County, Arizona

Dear Mr. Maguire:

Your subject application for exploration aid in the amount of $315,506.00 has only recently been transfered to this department from the former Supply Division of the Defense Minerals Administration, and has now been reviewed.

In order that we may make our final decision on your application, kindly furnish us the following information:

1. Smelter returns of any ore shipments during the past six months.

2. Plan showing proposed exploration work and any recent development work.

3. Any revisions that may effect the original estimate of expenditures.

On the receipt of this information we shall continue the study of your application.

Sincerely yours,

Ernest Wm. Ellis

Ernest Wm. Ellis, Acting Chief
Rare & Misc. Metals Division
Defense Minerals Exploration
Administration

HFKeller/jem
1-11-52
cc to: Adm. Reading File
Docket
Messrs. Johnson, CH Rm.3621
Ned Nelson Rm.4216 GS.
Ellis
Keller

Field Team, Region IV (2)

DEFENSE MATERIALS PROCUREMENT AGENCY
Washington 25, D. C.

Memorandum

NOV 30

To: Docket Control Center

From: Chief, Copper Branch

Subject: Application for Production Loan of United Mine Operators, Inc.
DMA 443, Commodity-Copper

Since this application has been denied at a previous date the remainder of this file is being forwarded, consisting of:

3 Folders containing NSRB-146, exhibits, etc.
1 Field Team Report on Unida Copper Group
1 NSRB-142
1 Sheet of notes
1 Letter of L. F. Strobel to C. L. Maguire
3 Letters from J. B. Gowen to:
C. L. Maguire, April 9, 1951
J. Harper, April 9, 1951
Chief Economist, May 3, 1951
4 Letters from T. Lyon to:
Executive Secretary, March 21, 1951
United Mine Operators, Inc., March 21, 1951
Executive Officer, Region IV, April 9, 1951
C. L. Maguire, April 24, 1951

SIGNED
J. B. Gowen, Chief
Copper Branch

Attachments

RVWaugh:pk
11/28/51

Copy to: Field Team IV
Copper Branch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

REGIONAL DIRECTOR'S OFFICE
REGION IV
MAY 2 - 1951
BUREAU OF MINES
DENVER, COLORADO

April 24, 1951

Re: Docket No. DMA-443

Mr. G. L. Maguire
President, United
Mine Operators, Inc.
Box 836
Wickenburg, Arizona

denied

WOM

Dear Mr. Maguire:

We have received the report of the Field Team of Region IV of the investigation of your property. After studying this report and again reviewing your application for a loan of $135,000, we are unable to agree that the project would be successful and productive.

In our letter to you on March 21, 1951 we stated that the application indicates you would repay at the rate of approximately $1.08 per ton of ore, which would require about 125,000 tons of ore. Mr. Varney's report states that the reserves are estimated at 15,600 tons, and the report of the Field Team is no more encouraging.

On the basis of all the available information we must regretfully deny the loan application.

Your application for a Necessity Certificate, File No. TA 1517, has been reviewed and should shortly go forward to the Defense Production Administration for approval or disapproval.

Mr. Jean Harper, Vice President of your Company called on us on April 18, 1951. He was informed of the program for exploration and was given a copy of MO-5 Regulations for Government aid in Defense Exploration Projects and a set of five copies each of Forms MF-100 (Technical Data) and Form 103 (Application for Aid for Exploration Project).

WOM

Very truly yours,

ad

Tom Lyon, Director
Supply Division

Copy to Anderson Harris 5/3/51

JWAlt:ba

Copy to W. H. East, 224 New Customhouse, Denver 2, Colorado
Executive Secretary
Copper Commodity Committee, Rm 4323
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

April 24, 1951

Memorandum

To: Executive Secretary, DMA

From: Acting Chief, Copper Branch

Through: Director, Supply Division

Subject: Loan Application, United Mine Operators, Inc., Box 836 Wickenburg, Arizona, DMA-443.

Applicant says he will repay the loan at the rate of 2½¢ per pound of net recovered copper estimated to be 43 pounds per ton or ore. This is the equivalent of $1.08 per ton. To repay the requested loan of $135,000 should require about 125,000 tons of ore. Application states reserves are 15,600 tons, the Field Team report states, that in estimating the tonnage of ore, none of which can be considered as measured ore there are approximately 3,000 to 5,000 tons of indicated ore with grade of 3.3 percent copper. The deficiency is the basis for the enclosed letter declining the loan.

We are holding file pending action on applicants request for Tax Amortization, No. TA-1517.

J. B. Gowen, Acting Chief
Copper Branch, DMA

JWilt:ba

approved:

ad

Copy to J. H. Best, Jr., Executive Officer, DMA Field Team, Region IV, 224 New Customhouse, Denver 2, Colorado
Copper Commodity Committee
F i l e s

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

April 24, 1951

Memorandum

To: Executive Secretary, DMA

From: Acting Chief, Copper Branch

Through: Director, Supply Division

Subject: Loan Application, United Mine Operators, Inc., Box 836 Mickenburg, Arizona, DMA-443.

Applicant says he will repay the loan at the rate of 2½¢ per pound of net recovered copper estimated to be 43 pounds per ton or ore. This is the equivalent of $1.08 per ton. To repay the requested loan of $135,000 should require about 125,000 tons of ore. Application states reserves are 15,600 tons, the Field Team report states, that in estimating the tonnage of ore, none of which can be considered as measured ore there are approximately 3,000 to 5,000 tons of indicated ore with grade of 3.3 percent copper. The deficiency is the basis for the enclosed letter declining the loan.

We are holding file pending action on applicants request for Tax Amortization, No. TA-1517.

J. B. Gowen, Acting Chief
Copper Branch, DMA

JWilt:ba

approved

ad

Copy to W. H. Nest, Jr., Executive Officer, DMA Field Team, Region IV, 224 New Customhouse, Denver 2, Colorado
Copper Commodity Committee
Files

April 24, 1951

Re: Docket No. DMA-443

Mr. G. L. Maguire
President, United
Mine Operators, Inc.
Box 836
Wickenburg, Arizona

Dear Mr. Maguire:

We have received the report of the Field Team of Region IV of the investigation of your property. After studying this report and again reviewing your application for a loan of $135,000, we are unable to agree that the project would be successful and productive.

In our letter to you on March 21, 1951 we stated that the application indicates you would repay at the rate of approximately $1.08 per ton of ore, which would require about 125,000 tons of ore. Mr. Hersey's report states that the reserves are estimated at 15,600 tons, and the report of the Field Team is no more encouraging.

On the basis of all the available information we must regretfully deny the loan application.

Your application for a Necessity Certificate, File No. TA 1517, has been reviewed and should shortly go forward to the Defense Production Administration for approval or disapproval.

Mr. Jean Harper, Vice President of your Company called on us on April 18, 1951. He was informed of the program for exploration and was given a copy of MO-5 Regulations for Government aid in Defense Exploration Projects and a set of five copies each of Forms MF-100 (Technical Data) and Form 103 (Application for Aid for Exploration Project).

Very truly yours,

Tom Lyon, Director
Supply Division

JWALt:ba

Copy to J. H. East, 224 New Customhouse, Denver 2, Colorado
Executive Secretary
Copper Commodity Committee, Rm 4323
F i l e s

pte

Mining Division
Date Rec'd.
MAR 28 1951
BUREAU OF MINES
Denver, Colorado

March 26, 1951

Re: DMA-443, Unida Group, Yavapai Co., Ariz.

Mr. Lynn Hersey
United Mine Operators, Inc.
Box 836,
Wickenburg, Arizona.

My dear Mr. Hersey:

Enclosed is the report you made for Mr. C. L. Maguire on the Unida Group of mining claims in Yavapai County, Arizona, and which you loaned to our Mr. Grant R. Rubly. Also enclosed is one print of each of the three tracings. The tracings are being returned under separate cover.

We want to thank you for the assistance and courtesy shown Mr. Rubly and Mr. Faick when they visited Wickenburg last week.

Sincerely yours,

Walter R. Storms, Chief
Arizona-New Mexico Branch

CC P. T. Allsman
DMA-443
DF

WRStorms:frj

Mining Division
Date Rec'd.

MAR 19 1951

BUREAU OF MINES
Denver, Colorado

March 15, 1951

Re: DMA Docket
No. 443

Mr. C. L. Maguire
Box 836
Wickenburg, Arizona

My dear Mr. Maguire:

Regarding your application to the Defense Minerals Administration which has been docketed as DMA-443, we expect to have an engineer from the Bureau of Mines and a geologist from the Geological Survey, in Wickenburg next Monday afternoon, March 19. These men expect to examine your Unida copper property Tuesday. They will be Mr. Grant E. Rubly of the Bureau and Mr. John Faicke of the Survey.

Where can these men meet you in Wickenburg?

Sincerely yours,

Walter R. Storms, Chief
Arizona-New Mexico Branch

CC P. T. Allsman
C. A. Anderson
DMA 443
DF

WRStorms:frj

April 24, 1951

Memorandum

To: Tom Lyon, Director, Supply Division, Defense Minerals Administration

From: Field Team, DMA, Region IV

Subject: Report on Docket 443

Our report on DMA Docket 443, C. L. Maguire, Unida Copper Group, Yavapai county, Arizona, was forwarded to Washington on April 11. We received your memorandum today, dated April 9, requesting that the report be sent to Washington. Please advise if the report has not been received.

P. T. Allsman
Alternate, Field Team

April 11, 1951

Memorandum

To: Landon G. Strobel, Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 443, G. L. Maguire, Unlim Copper Group, Yavapai county, Arizona.

We are enclosing three copies of the report on DMA Docket 443, Unlim Copper Group, Yavapai county, Arizona. Also enclosed is the original application.

We concur with the conclusions of the field man and recommend that the application be denied.

J. H. Bash, Jr.

A. H. Koschmann

Enclosures
One copy by air mail
Two copies of regular mail

Copy to: DMA files
AH Koschmann
FT Allmann
WR Stoms
CA Anderson

Mining Inspection
Region IV

April 30, 1951

Memorandum

To: [illegible], Field Team, Region IV

From: Chief, Mining Inspection, Region IV

Subject: [illegible] Inspection, [illegible], [illegible] County, [illegible], [illegible], [illegible], [illegible]

Enclosed are the original and II copies of the final report on the above subject.

This report, subject to the requested Certificate of Ownership and a colorgraph application for a lease due to the low copper values and only minable reserves. On March 15, 1951, the lease was denied by the Supply Division of the TVA.

We concur with the conclusions of the engineer and the geologist in the rejection of this application.

R. T. Allman

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

REGIONAL DIRECTOR'S OFFICE
REGION IV
APR 23 1951
BUREAU OF MINES
DENVER, COLORADO

April 9, 1951

Memorandum

To: Executive Officer, DMA Field Team, Region IV
224 New Customhouse, Denver 2, Colorado

From: Director, Supply Division

Through: Coordinating Committee

Subject: Report on the United Mine Operators, Inc. Docket No. DMA-443 (copper).

Copy to Storms 4/26

On March 21, 1951 we inadvertently, without waiting for the report of the Field Team, denied the loan application of the United Mine Operators, Inc. You may have concluded from that action that no report would be needed. We shall appreciate it if you will send us the report as soon as convenient, so that we can reconsider this application in the light of the field study, which the applicant tells us has been made.

Tom Lyon
Tom Lyon, Director
Supply Division

Report sent to Washington on April 11

~~Approved:~~
Tom Lyon
Chairman

Lowell B. Moon
Member, Bureau of Mines

Olg T. Rooz
Member, Geological Survey

Copy to Executive Secretary
Copper Branch
F i l e s

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

April 9, 1951

Re: Docket No. DMA-443

Mr. C. L. Maguire, President
United Mine Operators, Inc.
Box 836
Wickenburg, Arizona

Dear Mr. Maguire:

On March 30, 1951, Mr. J. P. Harper, Vice President of your company called on us. We discussed your application for a loan and explained to him how it happened that the Copper Branch of the Defense Minerals Administration had denied your application.

We regret that we made an adverse decision without waiting for the report of the Field Team, but will reconsider the matter when the report is received, and will write you again.

For your information there is enclosed a preliminary announcement dated February 20, 1951, of an exploration program by which Defense Minerals Administration plans to give assistance in mineral exploration projects.

Very truly yours,

J. B. Gowen, Acting Chief
Copper Branch

Enclosure
JWAlt:ba

Copy to Executive Officer, DMA Field Team, Region IV
Executive Secretary
Copper Commodity Committee
Mr. Harper
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

April 9, 1951

Re: Docket No. DMA-443

Mr. Jene Harper
President, Franklin Supply
Company
624 South Michigan Avenue
Chicago 5, Illinois

Dear Mr. Harper:

This has reference to your visit to this office in connection with the application for a loan from the United Mine Operators, Inc., of which Mr. C. L. Maguire is President.

Enclosed is a copy of the letter that we have written to Mr. Maguire. We have written also to the Field Team asking for the report of the investigation of the property of the United Mines Operators, Inc.

Very truly yours,

J. B. Cowen, Acting Chief
Copper Branch, DMA

Enclosure

JWAlt:ba

Copy to Executive Officer DMA Field Team IV
Executive Secretary
Copper Commodity Committee
F i l e s

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Arizona-New Mexico Branch
SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

MINING DIVISION
REGION IV

TUCSON, ARIZONA
April 4, 1951

Memorandum

To : Paul T. Allsman, Denver, Colorado

From : Chief, Arizona-New Mexico Br., Mining Div., Region IV

Subject : Final report on DMA Docket 443, Unida Copper Group, Yavapai County, Ariz.

Enclosed are original and 11 copies of the above report by Grant R. Rubly of the Bureau of Mines and John N. Faick of the Geological Survey. Both authors are new with the Government. Although this report is not too well written and possibly isn't up to Bureau standards, I am sending it along without too much editing as DMA already has rejected the loan, as per copy of a recent letter to Maguire from Lyons.

We also are returning the brochure for this DMA Docket 443 with this report.

Walter R. Storms

Walter R. Storms

CC P. T. Allsman
DMA 443
DF

Mining Division
Region IV

March 27, 1951

Memorandum

To: W. R. Storms

From: Chief, Mining Division, Region IV

Subject: DMA Docket 443, United Mine Operators, Inc., C. L. Maguire

Attached correspondence indicates further investigation at this time for purposes of loan are not required. However, it would appear the examination probably should be concluded in order to be able to complete a report in case other types of assistance are requested.

P. T. Allsman

Attachment
Supply Division memorandum to Executive Secretary, March 21, 1951
Supply Division letter to United Mine Operators, Inc., March 21, 1951

PTa/el

cc-Allsman
DMA files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

March 21, 1951

Memorandum

To: Executive Secretary, DMA

From: Director, Supply Division

Subject: United Mine Operators, Inc, Box 836, Wickenburg, Ariz.
DMA-443

Applicant says he will repay the loan at the rate of 2½¢ per pound of net recovered copper estimated to be 43 pounds per ton of ore. This is the equivalent of $1.08 per ton. To repay the requested loan of $135,000 would require about 125,000 tons of ore. Application states reserves are 15,600 tons. The deficiency is the basis for the attached letter rejecting the loan.

Very truly yours,

Tom Lyon

Tom Lyon
Director, Supply Division

Enclosure

JWAlt:bcl

Copy to: Executive Officer, DMA Field Team, Region IV
Copper Commodity Committee
Files

March 27, 1951

Memorandum

To: Landon S. Strobel, Executive Secretary, Defense Minerals Administration

From: Regional Director, Region IV

Subject: DMA Docket 443, Unida Copper, C. L. Maguire, Yavapai County, Arizona

It has been determined that an RFC loan was refused on this property about 1943 (RFC No. 439). We would appreciate obtaining a copy of the RFC engineer report as we believe it would assist us in making a proper appraisal.

J. H. East, Jr.

J. H. East, Jr.

PTa/cl
cc-Allsman
DMA files
Storms

pfa

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Arizona-New Mexico Branch
U.S. BUREAU OF MINES EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

Mining Division
Date Rec'd. MINING DIVISION
REGION IV
MAR 23 1951

TUCSON, ARIZONA

March 21, 1951

Air Mail

BUREAU OF MINES
Denver, Colorado

Memorandum

To : Paul T. Allsman, Denver, Colorado

From : Chief, Arizona-New Mexico Br., Mining Div., Region IV

Subject : DMA Docket 443 - Unida Copper (C. L. Maguire), Yavapai County, Ariz.

In regard to the above DMA docket, we have found out that an R.F.C. loan was refused on this property about 1943 (R.F.C. No. B-439). The R.F.C. engineer reported that the mine probably contained no more than 500 tons of ore.

Is there any chance of getting a copy of this R.F.C. report? It might have some influence on our present examination.

Walter R. Storms

Walter R. Storms

CC DMA-443
DF

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

REGIONAL DIRECTOR'S
OFFICE
REGION IV
FEB 9 - 1951
BUREAU OF MINES
DENVER, COLORADO

February 9, 1951

Memorandum

To: W. R. Storms

From: Chief, Mining Division, Region IV

Subject: Docket DMA 443 - C. L. Maguire, Wickenburg, Arizona, Unida Group (copper)

Herewith are copies of letters from the DMA Field, Region IV, Copper Commodity Committee, and Application Amortization Deduction on the above property. You are required to check the actual and estimated value of equipment, roads discovery and patenting and development in the total amount of $220,665.

In addition, it is noted that the applicant is preparing to request a loan from the Government. If feasible, investigation for determining whether a loan can be justified should be made at the same time.

Enclosures

Paul T. Allsman

Copy to: Charles Anderson
Field Team, Reg. IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

February 9, 1951

Memorandum

To: W. R. Storms

From: Chief, Mining Division, Region IV

Subject: Docket DMA 443 - G. L. Maguire, Wickenburg, Arizona, Unida Group (copper)

Herewith are copies of letters from the DMA Field, Region IV, Copper Commodity Committee, and Application Amortization Deduction on the above property. You are required to check the actual and estimated value of equipment, roads discovery and patenting and development in the total amount of $220,665.

In addition, it is noted that the applicant is preparing to request a loan from the Government. If feasible, investigation for determining whether a loan can be justified should be made at the same time.

Enclosures

Paul T. Allsman

Copy to: Charles Anderson
Field Team, Reg. IV

February 7, 1951

Memorandum

To: P. T. Allsman, Chief, Mining Division

Charles Anderson, Geological Survey, Tucson

From: Field Team, DMA, Region IV

Subject: DMA 443, C. L. Maguire, Wickenburg, Arizona

We are attaching a brochure from C. L. Maguire, Wickenburg, Arizona, DMA Docket 443, and a copy of our instructions from the Copper Commodity Committee.

Please check on the machinery listed in this application and also take a preliminary quick look at the property and decide if it is worth revisiting in connection with a formal application for a loan if it is made.

We are forwarding the brochure to Mr. Allsman.

JHE/cl

J. H. Eagle, Jr.

E. H. Koechmann

Copy to -

Allsman (2)
Koechmann
Charles Anderson
DMA files

DMA

REGIONAL DIRECTOR'S OFFICE
REGION IV
FEB 7 - 1951
BUREAU OF MINES
DENVER, COLORADO

January 24, 1951

Mr. C. L. Maguire
P. O. Box 836
Wickenburg, Arizona

Dear Mr. Maguire:

Your application for certificate of necessity has been received and assigned the docket number of DMA-443.

A field team will probably visit you within a short time to check over the proposition and also to decide whether or not a loan would be possible.

Very truly yours,

S. M. Williston
Director, Supply Division

JKRichardson:apd

Cc - Field Team, Region IV
L. F. Strobel
Copper Commodity Committee - 3425
Files
Operating Committee

JTE

January 26, 1951

Memorandum

To: Executive Officer, D.M.A., Field Team, Region IV

Through: Operating Committee

From: Copper Commodity Committee

Please ascertain whether or not the machinery listed in this application is on the ground.

Also, please give a quick look at the property and decide whether or not it is worth revisiting in case an application for a loan is made.

Tom Lyon, Vice Chairman
Copper Commodity Committee

Approved:

Chairman, Operating Committee

J. H. Hedges

Olaf N. Rove

Form 6-98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

U. S. GOVERNMENT PRINTING OFFICE 16—53493-2

April 24, 1951

Re: Docket No. DMA-443

Mr. G. L. Maguire
President, United
Mine Operators, Inc.
Box 836
Wickenburg, Arizona

Dear Mr. Maguire:

We have received the report of the Field Team of Region IV of the investigation of your property. After studying this report and again reviewing your application for a loan of $135,000, we are unable to agree that the project would be successful and productive.

In our letter to you on March 21, 1951 we stated that the application indicates you would repay at the rate of approximately $1.08 per ton of ore, which would require about 125,000 tons of ore. Mr. Hersey's report states that the reserves are estimated at 15,600 tons, and the report of the Field Team is no more encouraging.

On the basis of all the available information we must regretfully deny the loan application.

Your application for a Necessity Certificate, File No. TA 1517, has been reviewed and should shortly go forward to the Defense Production Administration for approval or disapproval.

Mr. Jean Harper, Vice President of your Company called on us on April 18, 1951. He was informed of the program for exploration and was given a copy of MO-5 Regulations for Government aid in Defense Exploration Projects and a set of five copies each of Forms MF-100 (Technical Data) and Form 103 (Application for Aid for Exploration Project).

Very truly yours,

Tom Lyon, Director
Supply Division

JWALt:ba

Copy to J. H. East, 224 New Customhouse, Denver 2, Colorado
Executive Secretary
Copper Commodity Committee, Rm 4323
F i l e s

CONFIDENTIAL

April 11, 1951

Memorandum

To: Landon S. Strobel, Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 443, S. L. Maguire, Unión Copper Group, Yavapai county, Arizona.

We are enclosing three copies of the report on DMA Docket 443, Unión Copper Group, Yavapai county, Arizona. Also enclosed is the original application.

We concur with the conclusions of the field team and recommend that the application be denied.

J. H. Ernst, Jr.
J. H. Ernst, Jr.

A. H. Koschmann
A. H. Koschmann

Enclosures
One copy by air mail
Two copies of regular mail

Copy to: DMA files
AH Koschmann
PT Allsman
WR Storms
CA Anderson

[illegible] GROUP (COPPER)
[illegible], ARIZONA

[illegible] MINERALS ADMINISTRATION
[illegible] 443

APPROVED:

J. H. Ernst Jr.
J. H. Ernst, Jr.

A. H. Koschmann
A. H. Koschmann

UNITED STATES DEPARTMENT OF THE INTERIOR
[illegible] MINERALS ADMINISTRATION
Jerry Pugh, Administrator

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE
REGION IV
APR 11 1951
BUREAU OF MINES
DENVER, COLORADO

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

Mining Division
Region IV

April 10, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: DMA Docket 443, C. L. Maguire, Unida Copper Group, Yavapai county, Arizona, final report

Enclosed are the original and 11 copies of the final report on the above subject.

This report rejects both the requested Certificate of Necessity and a subsequent application for a loan due to the low copper values and only moderate reserves. On March 21, 1951, the loan was denied by the Supply Division of the DMA.

We concur with the conclusions of the engineer and the geologist in the rejection of both applications.

Paul T Allsman

P. T. Allsman

Arizona-New Mexico Branch
[redacted]
Box 4097
UNIVERSITY STATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

TUCSON, ARIZONA

MINING DIVISION
REGION IV

April 3, 1951

Memorandum

To : Paul T. Allsman, Chief, Mining Div., Region IV, Denver, Colorado

From : Chief, Arizona-New Mexico Br., Mining Div., Region IV, Bureau of Mines
and
Acting District Supervisor, Geological Survey

Subject : Final Report, DMA Docket 443, Unida Copper Group, Yavapai County, Ariz.

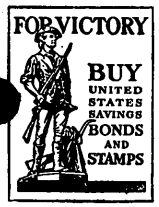
Enclosed are original and 11 copies of the above report by Grant R. Rubly of the Bureau of Mines and John N. Faick of the Geological Survey. Please return one copy of this report to C. A. Anderson and one to W. R. Storms.

This report has our approval.

Walter R. Storms
Walter R. Storms

Andrew F. Shride
Andrew F. Shride

cc P. T. Allsman
C. A. Anderson
DMA - 443
DF



UNIDA GROUP (COPPER)

YAVAPAI COUNTY, ARIZONA

By George H. Bahly[1] and John H. Falck[2]

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1/ Mining Engineer, Arizona-New Mexico Branch, Mining Division, Region IV, Bureau of Mines, Tucson, Ariz.
2/ Geologist, Geological Survey, Tucson, Ariz.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

On January 2, 1951, Mr. C. L. Maguire made application to the National Security Resources Board for a certificate of necessity pursuant to provisions of Sec. 124 A (Amortization Deduction) of Internal Revenue Code. This application was referred to the Field Team, Region IV, Defense Minerals Administration, as DMA Report No. 443 with the additional notation that the applicant is preparing to request a loan from the Government and to make an investigation for determining whether a loan would be justified. The field examination was made March 19 - 21, 1951.

The Unita Group is located approximately 11 miles northeast of Wickenburg on the road to Constellation in Yavapai County, Arizona.

The Unita mine develops the Blue Bonley vein, a small but relatively persistent quartz vein, that has formed along a moderately strong fault zone striking N. 30° W. and dipping 60° S. W. The country rock in the vicinity of this fault-vein zone appears to be a biotite-quartz monzonite that has intruded into earlier schistose and granitoid rocks but is in turn cut by later andesitic and basaltic dikes.

The Blue Bonley vein is irregular both on strike and dip, and pinches and swells from a few inches to about 4 feet in thickness. The principle values consist of about 0.03 ounces of gold and about 2 percent copper. The observed minerals are largely supergene

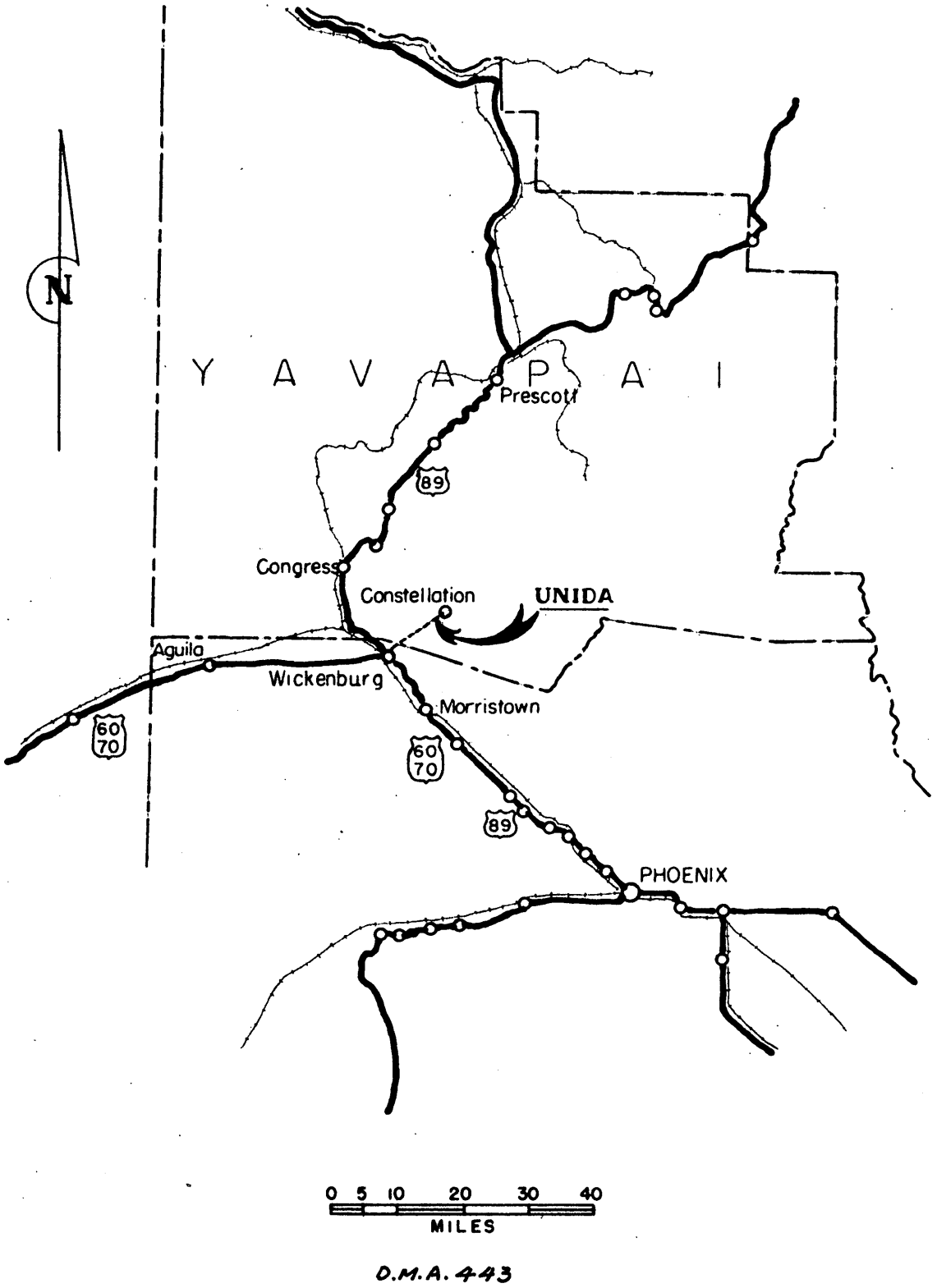

Figure 1.- Location map, Unida Group, Yavapai County, Ariz.

malachite and chrysocolla although minor amounts of chalcocite and traces of chalcopyrite were seen.

Most of the equipment listed in the application was on the property or in process of delivery at the time the examination was made. Considerable work had been done in building roads and making other improvements. The value of the facilities is estimated to be close to that claimed by the applicant.

The mine was examined in 1943 by Reconstruction Finance Corporation engineers and reported under R.F.C. R-439 and, although this report is not presently available, certain observations were noted. A weighted average of 5 samples over an average width of 28 inches gave 0.11 ounces gold, 2.21 percent copper, and 62.5 percent silica. It was estimated at that time that no more than 500 tons of ore existed in the mine. The loan was not granted.

It is recommended at this time that the application for certificate of necessity be denied and that application for a loan from the Government be likewise denied when such application is made.

INTRODUCTION

Mr. C. L. Maguire made application to the National Security Resources Board for a certificate of necessity pursuant to provisions of Sec. 124 A (Amortization Deduction) of Internal Revenue Code. It is understood that the applicant is also preparing a request for a loan for exploitation of the Waida Group.

The purpose of this examination was to ascertain the actual and estimated value of equipment, roads, discovery, patenting, and development work as claimed in the application, and in addition to determine whether a loan could be justified when such a loan request is made.

The original application has been docketed as DMA Docket No. 443.

ACKNOWLEDGMENT

Acknowledgment is hereby made to Mr. C. L. Magnuson, President, Mr. Lynn Harvey, Consulting Engineer, and Mr. Emmett Sherrock, Superintendent of United Mine Operators, Inc., for their courteous and cooperative assistance in making the examination and in providing maps of the mine workings that are incorporated in this report as figures 2, 3, 4, and 5. Further acknowledgment is made to Mr. Lynn Harvey in furnishing a copy of his report on the Unida Group, a copy of which is attached in the Appendix.

LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES

The Unida Group, consisting of ten contiguous patented lode mining claims is located in the Black Rock Mining District about 11 miles southwesterly from Wickenburg, in Yavapai County, Arizona, on the dirt road to the old camp of Constellation. This road crosses the property between the lower and middle adits. The claims are approximately in Sec. 5, T. 5N., R. 6 W., Gila and Salt River Base and Meridian. A claim map of the Unida Group is in process of preparation by William Ussara, Deputy Mineral Surveyor, Prescott, Arizona.

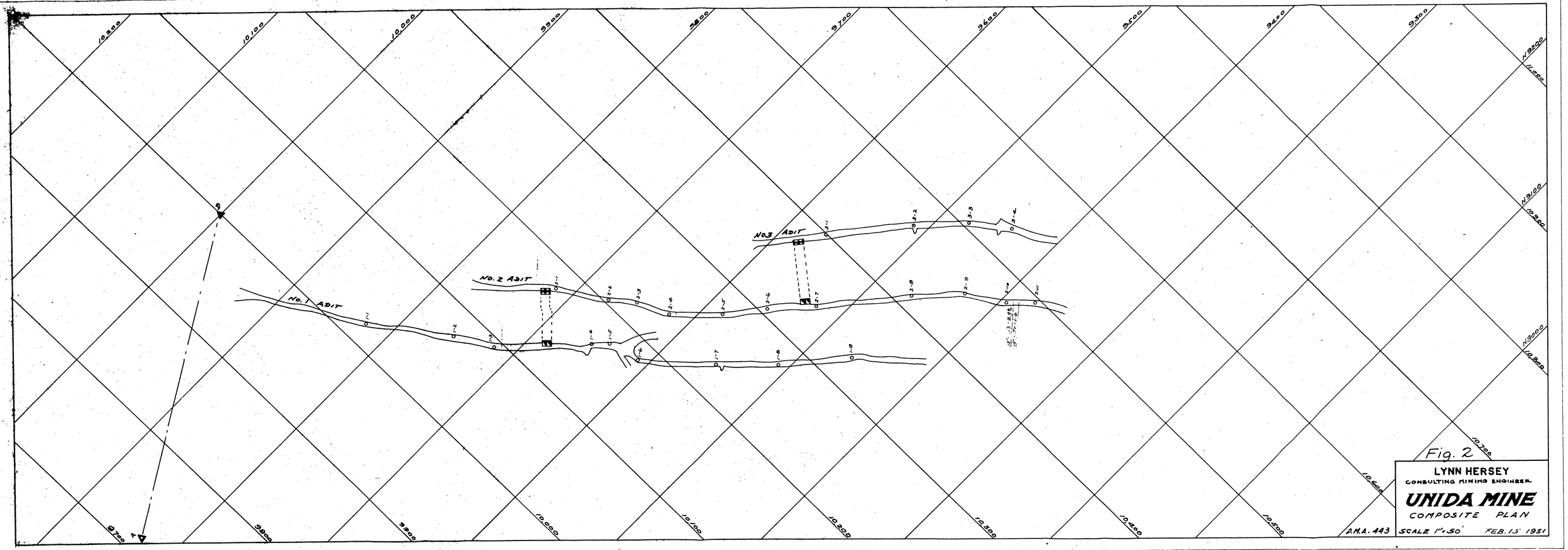

Fig. 2

LYNN HERSEY
CONSULTING MINING ENGINEER

UNIDA MINE

COMPOSITE PLAN

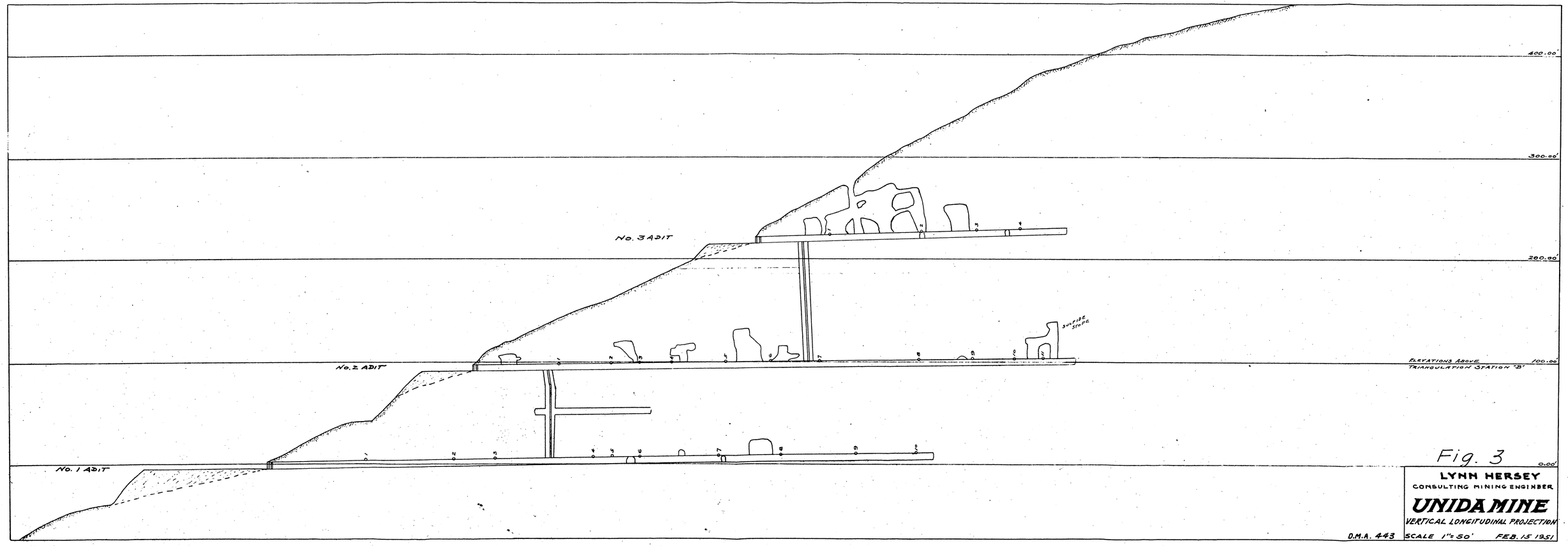

Fig. 3

LYNN HERSEY
CONSULTING MINING ENGINEER

UNIDA MINE

VERTICAL LONGITUDINAL PROJECTION

D.M.A. 443 | SCALE 1" = 50' | FEB. 15 1951

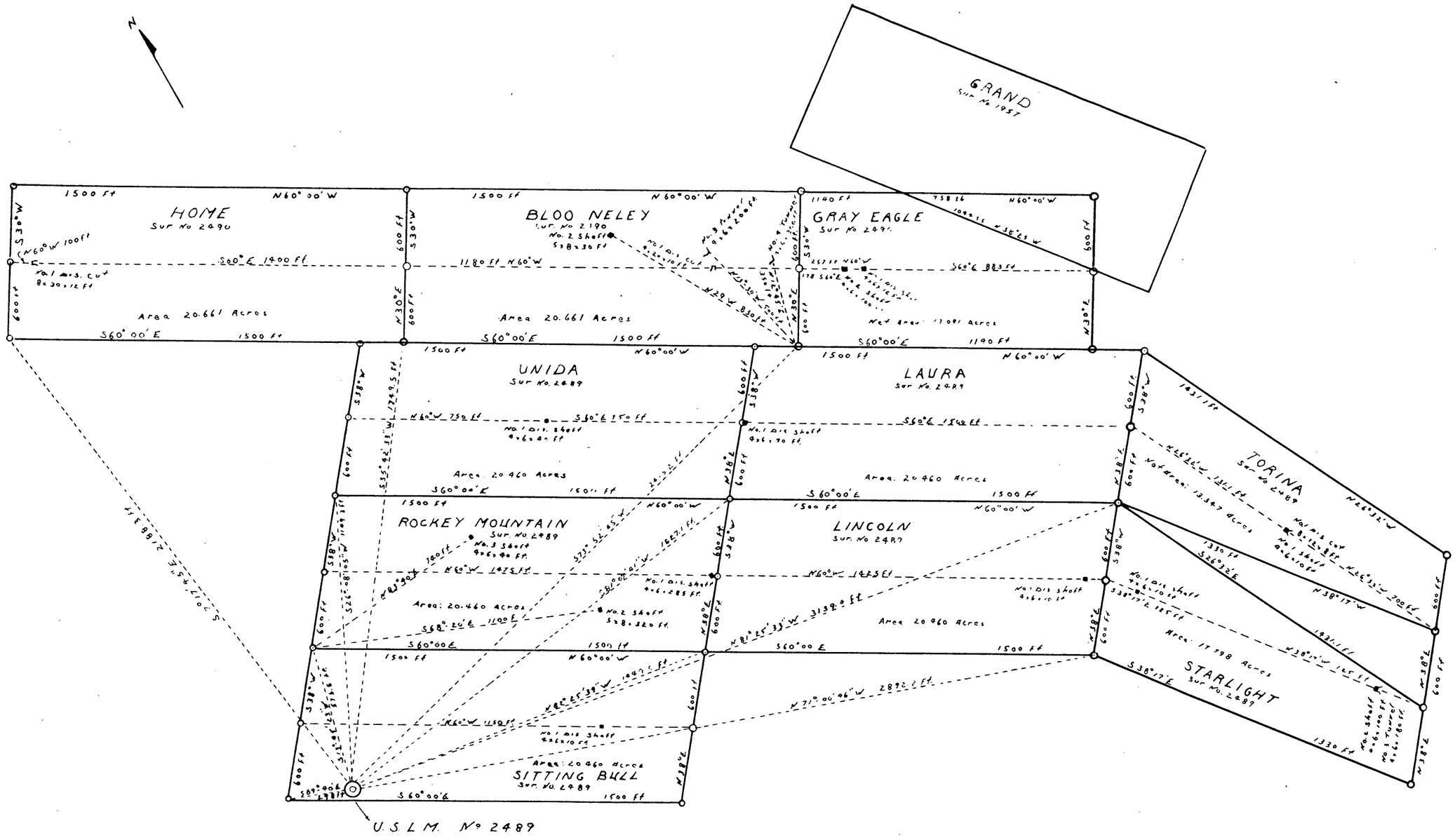

Fig. 5

D.M.A. 443

Traced from:
Mineral Survey plat No 2489
dated January 31 1908
U.S. Surveyor General's Office
Phoenix, Arizona
and
Mineral Survey plat No 2490
dated January 27, 1908
U.S. Surveyor General's Office
Phoenix, Arizona

UNITED MINE OPERATORS INC.
UNIDA MINE
CLAIM MAP

Date:	3-23-51
Scale	1 in = 400 Ft
Traced by	E.E.S.

The mean altitude of the property is about 3,600 feet above sea level. The terrain is rugged with no timber and with only the usual semi-arid vegetation of shrubs and grasses.

HISTORY AND PRODUCTION

The vein was worked many years ago, and while accurate production figures are not available, total production could hardly have exceeded 1,000 tons. Averages of smelter settlement sheets indicate 0.32 ounces of gold, 64.4 percent silica, 6.9 percent alumina, 2.11 percent copper, 18.1 percent iron. (This data is taken from a report by Lynn Harvey, dated February 17, 1951, see Appendix.)

The property has been known as Arizona Copper and Gold Mining Co., Nick S. Cheron, President, Wickenburg, Ariz. A report by J. G. Johannes, Phoenix, Arizona, dated March 21, 1925, and another by Victor J. Pinsental, Los Angeles, California, dated October 9, 1931, were examined.

OWNERSHIP

The ten lode mining claims composing the Unida Group were acquired by Mr. C. L. Maguire by deed dated November 22, 1950, from Joe Pasquetto et al.

The United Mine Operators, Inc., has been set up as an operating company to operate the Unida Group. The personnel of this latter company are C. L. Maguire, President, Mrs. C. L. Maguire, Secretary and Treasurer, Mr. Harper, Vice-President, Lynn Harvey, Consulting Engineer and Manager, and Ernest Sturrock, Superintendent.

GEOLOGY

The Unida mine is developed on a narrow persistent fault zone cutting a granitic type igneous rock that is tentatively classified as biotite quartz-monzonite. This appears to be intrusive into earlier schistose and granitoid rocks and is cut by later andesitic and basaltic dikes. The Unida fault zone is a relatively narrow zone commonly 2 to 4 feet in width, but locally thickens to about 10 feet. Occasional small branch faults are observed to enter or leave the main structure at random. The main Unida structure trends N. 30° W. and dips about 60° S.W. and the associated dikes appear to be approximately parallel to the same zone.

Scattered along the Unida fault zone, and commonly referred to as the Blue Monkey vein, are numerous small lenticular masses of quartz. These lenses are commonly rather narrow in width, varying from a few inches to about 6 feet, but frequently have a relatively persistent strike length and often are linked in such a way as to form a nearly continuous vein for as much as about 300 feet. The lenticular nature of the vein is characteristic along both the strike and dip of the structure and results in a distinct pinching or swelling. Some of the enlargements are of sufficient magnitude to form bodies that might contain as much as about five thousand tons of vein material. Associated with the quartz are moderate quantities of supergene copper minerals, largely malachite and chrysocolla. Minor amounts of hematite are distributed unevenly along the entire vein-fault structure. Some

dark gray copper sulfide, probably chalcocite, and traces of chalcopyrite were observed. The vein contains minor values in gold.

Some late movement has taken place along the vein as is shown by the locally somewhat brecciated character. The breccia zones contain fragments of the associated andesitic and basaltic dikes as well as vein material. Alteration of the country rock along the vein appears to be negligible. However, along with post-vein faulting it may cause minor difficulties in mining.

Numerous other quartz veins are present in and near the Ulsia Group in the Black Rock district. These, however, were not examined since it is the intention of the present operators to concentrate all their efforts on current development work on the Ulsa Rocky vein.

ORE RESERVES

In arriving at a value of the ore reserves the samples taken by Mr. Lynn Harvey are accepted as being reliable. These are shown on a longitudinal projection (Fig. 4) and have been used in estimating the tonnage of ore, none of which can be considered as measured ore. Approximately 3,000 to 5,000 tons with a grade of 0.03 ounces gold and 3.3 percent copper are indicated. The amount of inferred ore is highly conjectural.

It is to be noted that a discrepancy exists between these gold assays (0.03 ounces gold) and the gold assay values (0.32 ounces) of former shipments as given under History and Production. These assays may be compared with the 5 samples taken by the Reconstruction Finance Corporation (page 2) that yielded 0.11 ounces gold. The

higher gold values in the early shipments is accounted for by the fact that this ore was mined from the near-surface enriched zone. Future production must come from lower grade parts of the vein containing less gold per ton than indicated by the past shipments.

PRESENT STATUS

At the time of the examination the operations consisted of cleaning up the No. 1 and No. 2 adits (see Figs. 2, 3, and 4), constructing an ore bin near the portal of No. 2 adit, making roads to No. 1 adit, and installing surface facilities. No. 1 adit has been cleaned out to the raise connecting it with No. 2 adit but inasmuch as no ore shows in the No. 1 adit no further exploratory work is contemplated here for some time.

It is planned to develop the No. 2 adit for mining purposes as the best ore showings occur on this level. Some work also is planned for the No. 3 adit but it will be subordinated to the work on the No. 2 adit.

As the primary purpose of the examination was to determine how much of the equipment listed in the application for a necessity certificate was actually on the ground the following detail is made.

1 - International Harvester Bulldozer TD 24. Used but in good condition. On the property.

1 - Worthington Sims Erwin Compressor, 500 cfm. Used but in good condition (1100 hours). On the property and running.

1 - Caterpillar Generator, D 8800 instead of D 11,000 as listed, 63 kwa. direct connected. Used and in good condition. On the property.

1 - Caterpillar Compressor D 13,000, 500 cfm, used. This compressor is in process of purchase and is not yet available.

2 - Simon Loaders, 12 B, 14 in. gage. Used but in good condition. On the property.

2 - Goodman Mfg. Co. Little Mamba Tractors, 18 in. gage, with extra battery, charging equipment, etc. Used but in good condition. Tractors are on dock in Wickenburg, some charging equipment on property.

1 - Willys-Overland Jeep truck, 1-ton capacity. New and in use on property.

2 - Ingersoll Rand Shovers, R-48 and not R-58 as listed, with accessories. On the property.

2 - Gardner Denver 3 in. drifters with columns, arms, saddles, and long shells, air hose, etc. New. On the property.

11 - Card Rocker bottom side dump 1-ton ore cars, Timken bearing. Used but in good condition. On the property.

3 - Card-Gyps rocker bottom side dump 1½-ton ore cars. Timken bearing. New and on the property.

(The above were listed as 12 Card 1-ton side dump ore cars.)

1 - International H arvester truck T-180, 3-4ton dump body, gasoline engine. This truck has not been delivered and order for dump bed has been placed with Allison Steel in Phoenix.

1 - Gardner Denver jackhammer 163. Used and in good condition. On the property.

Various engineering and office equipment, tools, small machinery, etc. too numerous to list are on the property or at the offices of United Mine Operators Inc. in Wickenburg.

In addition to the above listed equipment there is one International Harvester' 38 flatrunk truck valued at $750.00, one Washington Mine Brute 105 cfm gasoline-powered air compressor valued at $3,200.00, and two carloads of Douglas Fir mining timber of various sizes.

A great deal of work has been done on the property in building roads and rebuilding old structures for warehouse, powder magazine, and cap house. A new ore bin is being built below the No. 2 adit for loading trucks.

The access road from Wickenburg has several steep grades against the load but in general is a fairly good road.

There is adequate manpower, housing, transportation, and community facilities in Wickenburg.

Water sufficient for mining operations is developed close to the workings and is pumped to a tank on the hilltop thus providing water under pressure.

PRODUCTION PLAN

Production is scheduled at 30 tons per day and preparations are being made to meet such a schedule.

The method of mining this vein will have to be determined as work progresses. There is a good possibility that open stopes using stulls may prove adequate. Shrinkage stoping with subsequent filling also could be employed.

It would be difficult at this time to predict mining costs. As the ore would be a direct shipping ore, no milling costs are anticipated.

COST OF PROJECT

Reference is made to Mr. Lynn Harvey's report (see Appendix) regarding net value of ore at the smelter. It is to be noted that no mining cost has been indicated in his report.

It is estimated that mining and freight charges to Hidalgo would be about $10 per ton. This cost added to about $4.45 for smelting and freight from Hidalgo to Magma Copper Co. at Superior, Ariz., indicates an extremely narrow margin of profit, if any.

RECOMMENDATIONS

In view of the low-grade of this vein and its narrow width, the small amount of indicated ore and the small likelihood of any more ore being found in workable quantities, we recommend that the application be refused. The amount of copper that might be produced by this operation would be small and at very high cost. The net result would be adding but a negligible amount of copper for the defense effort at a cost far out of line with its real worth.

In the event that an application for a loan from the Government for exploiting this property is made, it is recommended that such application be refused for the reasons stated above.

VERDE GROUP (UPPER)
YAVAPAI COUNTY, ARIZONA

By Gerald R. Robly and John H. Polak

* * * * * * * * * * * * * * * * * * APPENDIX
IRA Doubrek 1.1.3

COPY COPY

LYNN HARVEY

CONSULTING MINING ENGINEER

P. O. Box 1113
Miami, Arizona February 17, 1951

Mr. C. L. Maguire, President,
United Mine Operators, Inc.,
Wickenburg, Arizona

Dear Sir:

Please find herewith a report covering my examination and sampling of the WEDGE mining property located on the Constellation road near Wickenburg, Ariz.

The investigation consisted of the taking of some 150 samples in the three adits; in the sub-level between the middle and lower adits, and in old stopes from which production in prior years was obtained; and of a careful and detailed examination and study of surface exposures along the vein to the northeast.

I estimate that there are 15,000 short tons of proven and probable ore with an average grade at the present prices of metals of $18.70 per dry ton. I think this grade can be improved by selective mining as was done in previous shipments from the property.

The cost of bringing this mine into production at 30 tons per day is estimated at $190,000 including working capital. Of this, $74,500 or about one-half, will be equipment and machinery of a salvagable nature.

It is recommended that you proceed with the development and operation of this property as outlined herein.

Yours very truly,

/s/ Lynn Harvey

CONSULTING ENGINEER

LHvry

REPORT
on the
ENIDA GROUP OF CLAIMS
Black Rock Mining District
Yavapai County, Arizona

February 17, 1951

Lynn Bayney by Consulting Engineer

LOCATION AND GENERAL CONDITIONS

This property consists of ten contiguous patented and one unpatented mining claims located about eleven miles northeasterly of Wickenburg, Arizona and is connected with Wickenburg by a good dirt travelling road maintained by Yavapai County; which road passes between the middle and lower adits.

The mean elevation of the property is about 3,800 feet above sea level. The terrain is extremely rugged with no timber and only the usual semi-arid vegetation of shrubs and grasses.

GENERAL GEOLOGY

The entire area covered by these claims is made up of igneous rocks; the plutonic rocks being granite, syenite and diorite in which fractures have been filled by intrusive dikes of rhyolite, trachite and andesite sometimes cutting each other. The Elsa Neeley vein, on which three adits have been drive, appears to be the latest major fracture in the area and seems to cut all granitic rocks and intrusives. It is a strong and persistent vein, observed and sampled on the surface for approximately 4,000 feet. It strikes about north 50 degrees west actual, and is consistent in it's strike throughout it's observed length. Due to the steep topography, the vein appears to strike N 60 W on the western side of the mountain and about N 40 W on the eastern side; and the claims are laid out parallel to these apparent strikes.

The vein dips to the southeast at about 50 degrees. It is composed of gouge and brecciated matter caused by the faulting movement and has been impregnated, hardened, and partly silicified by secondary silicification. A preliminary examination of the gouge does not clearly indicate the direction of the movement but, since the phenocrysts of feldspars on the foot-wall side of the vein seem to average considerably larger than those on the hanging-wall side, it is reasonable to assume that it was a normal fault.

MINERALOGY

The copper minerals making up the exposed ore consist of the carbonates malachite and azurite, and the silicate chrysocolla. A stope near the bottom of the middle adit shows some primary chalcocite; the mineral where exposed being in the process of alteration to carbonates and silicates.

The precious metals are gold and silver with the preponderant value in gold which occurs in native form and appears to be associated with the limonite and hematite seams in the vein, and with the free quartz. The gold is easily panned. For the purpose of assaying the silver was not assayed. Previous assaying has demonstrated that the ore does not contain enough silver to materially influence the value.

ORE OCCURRENCE

The ore seems to occur in a shoot, the outer edge of which roughly parallels the surface. However, since the native gold on the

surface exposures samples about the same as underground, it is possible that the copper may have been leached from the vein near the surface. No secondary enrichment has been encountered to date. The extent of the shoot has not been determined because the upper two adits stopped in ore. The face of the lower adit is set on the vein, and it will be necessary to crosscut or diamond drill before drifting further on this level.

<u>ORE DEPOSITS</u>

In my preliminary sampling of the vein on the levels only (before the pulses and chutes were made accessible) I obtained an average gold assay of 0.35 oz. and an average for copper of 3.03%. A composite of the 13 preliminary samples taken showed the following analysis:

Au 0.35 oz. SiO_2 59.9% Al_2O_3 7.7% Cu 3.03% Fe 10.2%.

These samples were taken in areas between and beyond the previously operated stopes. The vein as sampled averaged 3 feet in width. Since the previous operators, no doubt, mined the better and wider portions of the vein, my preliminary sampling may have tended toward the conservative side both as to vein width and grade. The average of all available smelter settlement sheets from previous shipments were as follows:

Au 0.35 oz. SiO_2 64.4% Al_2O_3 6.9% Cu 2.1% Fe 10.1%.

Inspection and measurement of the old stopes shows that mining was done to an average width of 4.8 feet in area where the profitable vein averages only about 3.4 feet. This, no doubt, caused some unnecessary dilution which may have been partly offset by a certain amount of hand sorting. It is my opinion, from careful inspection of the walls, that the vein can be mined much cleaner than was previously done.

Based on a mean of the above analysis, inquiries were made to 5 Southwestern smelters of which the Magma Copper Company smelter at Superior, Arizona, and International Smelting & Refining Company at Hayden, Arizona were the closest. The reply from Magma smelter is quoted below:

COPY

MAGMA COPPER COMPANY
Superior, Ariz.

June 30, 1950.

Mr. Lynn Harvey
P. O. Box 1215
Miami, Arizona

Dear Mr. Harvey:

This is in reply to your letter of June 28th relative to gold copper ore you propose to ship from Wickenburg next October.

From the assay and analysis given the smelter return per dry ton at present metal prices would be as follows:

Payment for metals:		
Gold 0.33 Oz. at $38.20	$10.63	
Copper, 51 lb. less 8, or 43 lb @ 19.434	8.36	$18.99
Estimated Charges:		
Smelting charge per dry ton	5.27	
Freight from Wickenburg (wet ton)	3.17	8.44
Estimated net return per dry ton		$10.55

It is suggested that when you are ready to ship that you send us a trial car and if the ore is suitable to our operation we will advise you as to the amount of shipments that we can accept.

Enclosed is a copy of our present treatment schedule.

Yours truly,

J. H. Rose

Metallurgical Supt.

JHR/r
Encl.—1

As of the date of the above letter, the price of copper was 22.5 cents per pound. At the present price per pound of 24.5 cents the "estimated net return per dry ton" would be $11.41. The net return estimated by International was $9.14 per ton; the difference being due to a deduction of 10% of copper from gross by International as compared with 8 by Magna and a freight deduction of $4.25 per ton. At the new price of copper the Inspiration net return will be exactly $10.00 per ton. The Magna smelter is most in need of silica flux and will probably be favored.

Thorough sampling of adits, raises, stopes and surface open cuts has now been completed and has shown the existence of the following ore reserves:-

PROVEN BLOCK

For the purpose of this report it is considered that proven and blocked out ore should have an average assay value of approximately $18.00 per ton to be considered as commercial. A block at the eastern end of #2 adit, where stoping has been done in an area showing some copper sulfide minerals, a block projected 50 feet above and below the level and 50 feet beyond the end of the drift (which stopped in ore) figures to have 3,100 tons with a grade of 0.04 Au and 3.37% Cu. This gives a gross value at present prices of metal of $17.93 per ton.

It was noted in sampling this block that the higher assays seemed to come from the most freshly broken areas. The older workings are extremely hard to sample due to the presence of large quantities of sealing and decomposed rocks which appears to have lost a part at least

of its original mineralization. All of these samples are used, however, as the values obtained and may later prove to have been conservatively calculated.

A second block averaging $19.21 per ton is calculated around, above and below the stopes on the upper level. This block, 180 feet in length is estimated to contain 2,985 tons in the triangular section from the level to near the surface. Previously extracted tonnage from stoped out areas and are removed by drifting reduces this to 1900 tons. The remainder of this block lies below the level where it is estimated to extend 60 feet or one half way to the middle adit which, sampling indicated, is marginal in grade and will be later discussed under that heading. This rectangular block is estimated to contain 2800 tons at $19.21 per ton.

PROVEN MARGINAL BLOCKS

In the area below the No. 2 or middle adit lies a block which sampling to date is below commercial grade. This block as shown by 32 samples, averages $6.12 per ton. The vein averages 2 feet 2 inches in width and the block is estimated to contain 2,600 tons. Similarly a block close to the breast of the No. 3 or upper adit averages $9.37 in grade and is estimated to contain 1,300 tons. The total tonnage and grade in this category is therefore 3,900 tons at $7.20. If further exploratory work exposes areas similar to those where the copper is present as chalcocite (as the evidence of the changing ore in the end of No. 2 adit seems to indicate) sulfide ore of this tenor would be considered of milling grade. There will no doubt be areas sorted out in these

marginal carbonate blocks that can be mined profitably. For the purpose of this report, marginal blocks are not considered as ore.

PROSPECTS AND FUTURE OUT

In view of the persistent nature of the fracture as observed on the surface above and beyond the present workings the probability that additional ore exists is quite reasonable. In this case, as in nearly all similar cases, the estimation of probable ore is based most entirely on the experience and judgment of the engineer, coupled with, and influenced by, his careful study of surface and underground as compared with his previous experience with deposits of a similar nature.

I estimate that there is an amount of probable ore beyond and above present workings in an amount equal to the blocks already proven.

SUMMARY AND RECOMMENDATIONS.

It is estimated that there are 15,400 tons of proven and probable ore in the Hulda property that can be mined and treated at a profit.

Preparations should continue to prepare the property for a production of 50 tons per day for shipment to the Magma smelter at Superior, Arizona.

As soon as track and pipe is laid and machinery installed, the No. 2 or middle adit should be advanced beyond the sulfide stope southeastward on this strong vein. Simultaneously a sub-level should be drifted northeastward to the surface from a point in the raise connecting the middle and upper adits about 100 feet above the middle adit,

This drift can be driven inward to the raise from the surface if later investigation proves this more practicable. This drift should maintain a track grade of ½ of one percent toward the portal so that this adit can later replace the upper adit (where the grade is excessive) as a haulage level. From this new level the block of ore above can be mined including the pillars of the old high grade stopes above the top of No. 3 adit.

In mining the two proven areas, production from the upper block, high in gold and medium grade in copper, should be mixed with production from the lower block, low in gold values and higher in copper, so that the shipments will meet the requirements at the smelter where this ore can be mixed with heavy silica for use as a concentrator flux.

The other veins from which ore has been shipped from this group are accessible only through shafts in bad state of repair. No work is recommended on these veins, at least for the present.

/s/ Lynn Harvey

LYNN HARVEY,
Registered Engineer
State of Arizona

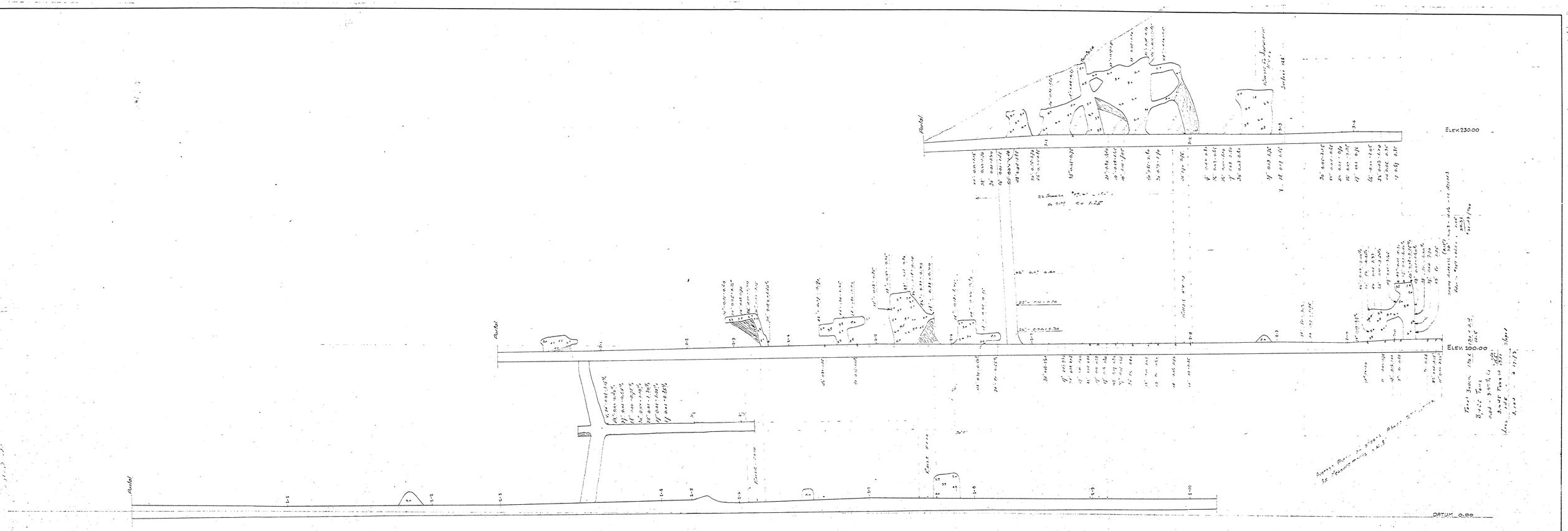

Fig. 4

UNITED MINE OPERATORS INC

-UNIDA MINE-

VERTICAL LONGITUDINAL SECTION

D.M.A. 443

DATE 12-28-50

HOR SCALE 1"=20'
VERT SCALE 1"=20'