UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

January 25, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 28 1960

DATE	INITIALS	CODE
1-28	gad	110
"	LEP	800
"	~~Planned~~	500
		225

Mr. Richard A. Chilson
P. O. Box 2728
Tucson, Arizona

Re: Docket No. ~~DMRA 2043~~ (Copper)
Contract No. Idm-E615
(King-in-Exile mine)
Pima County, Arizona

Dear Mr. Chilson:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959 ? Yes___ No___. If yes, and shipments made, who was the purchaser?_____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons_____ Estimated grade_____
(b) Concentrates, lbs._____ Estimated grade_____
(c) Low grade ore, tons_____ Estimated grade_____
Place stockpiled_____

Signed_____

Title_____ Date_____

TMR:ltm cc: Chmn. Op. Comm. ✓ Roy. Corres. E615 Chron.

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of BM

Report Period 1/1 - 6/30 - 58

DMEA No.	Operator	Contract No.
2843	Richard E. Chilson	615

ORE ESTIMATES

	Tons	Analysis
DMEA	9300	
Operator to date		
Total		
Production to date	3935	
Ore in ground	5365	

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes	5'x8'		147	8820.
Drifts and Crosscuts	5'x7'		610	15,250.
Raises				
Drilling	Type DD	AX	1900	16,200.
Rehabilitation	Description			

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Prepared by WPM Date ---

31398

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

March 8, 1958

Memorandum

To: Wingfield Chamberlain, Statistics Branch
Division of Operation Contract and Statistics

From: Director, Division of Base Metals

Subject: Report of the Semi-Annual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DMEA-2073	Idm-E245	Cuba Mining Company
DMEA-2165	Idm-E312	Silver Reel Mines Company
DMEA-2184	Idm-E342	Mayer and Thiede Mining Co.
DMEA-2213	Idm-E294	Elmer Anderlin
DMEA-2234	Idm-E317	Sam Knight Mining Lease, Inc.
DMEA-2257	Idm-E442	Walker Corporation
DMEA-2358	Idm-E271	Belle Eldridge Gold Mines, Inc.
DMEA-2399	Idm-E339	The Eagle Fisher Company
DMEA-2482	Idm-E409	Raymond Combined Mines Company
DMEA-2495	Idm-E331	Copper Hill Mine Venutre, R.E. Fitzgerald
DMEA-2713	Idm-E566	Robert F. Blum
DMEA-2843	Idm-E615	Richard E. Chilson
DMEA-2929	Idm-E587	Grandview Mines
DMEA-2991	Idm-E558	Shenandoah-Dives Mining Company
DMEA-3510	Idm-E755	Paul Gilla
DMEA-3428	Idm-E774	Mt. Wheeler Mines, Inc.

W. R. Griswold

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Period 1-1 — 7-1, 57

BM Division Date 12-11-57

Semi-Annual Report - Certified Project Date 11-1-57

DMEA No. 2843 Operator Richard E. Chilson Contract No. Idm-E615

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total		
Decrease (Production)	323	
Net Available		

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost
			5'x8'	147	8820	5x7	610	15250

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
			3 A size	1200	$12,000		

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

WRG.

200338

DEFENSE MINERALS EXPLORATION ADMINISTRATION

For the Period July 1 - December 31, 1956

Base Metals Division Date **May 1, 1957**

Semi-Annual Report - Certified Project Date **1-2-57**

DMEA No. **2843** Operator **Richard E. Chilson** Contract No. Idm-E **615**

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total		
Decrease (Production)	3514 to date	
Net Available		

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

W. R. Griswold/er

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Period January 1, 1956 thru June 31, 1956

Base Metals Division WRG/er Date October 22, 1956

Semi-Annual Report - Certified Project Date 8/29/56

DMEA No. 2843 Operator Richard E. Chilson Contract No. Idm-E 615

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total		
Decrease (Production)	59	4.6% Cu.
Net Available		

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost
		Estimated	5 x 10	147	$60./ft.			

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

An inclined winze was sunk 147 feet below the adit level, ore was encountered at a depth of 120 feet.

W. R. Griswold/er

DEFENSE MINERALS EXPLORATION ADMINISTRATION

To JANUARY 1, 1956

Base Metals ARG Division Date **June 8, 1956**

Semi-Annual Report - Certified Project Date **March 7, 1956**

DMEA No. **2843** Operator **Richard E. Chilson** Contract No. Idm-E **615**

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total		
Decrease (Production)		
Net Available		

Investment

Shafts

Size	Feet	Cost

Winzes

Size	Feet	Cost

Drifts & Crosscuts

Size	Feet	Cost
5x7	610	$18,300.

Raises

Size	Feet	Cost

Drilling

Type & Size	Feet	Cost
Diamond Drilling	700	$3,500.00

Rehabilitation

Description	Cost

Facilities

Mine Plant

Description	Cost

Mill

Description	Cost

Roads

Description	Cost

Remarks

Winze being sunk.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 6 1960		
DATE	INITIALS	CODE
6-6	gad	110
6/6	ollcane	110
6/6	EEF	800
6/7	gla	500
		225

June 3, 1960

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D.C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Report of Certified Project for the period
January 1, 1959 through December 31, 1959

DMEA Docket No. 2843 Contract No. IDm-E615 (Copper)
Richard E. Chilson
(King-in-Exile mine)
Pima County, Arizona

Enclosed are the original and one copy of the subject report.

Hugh M. Connors

Hugh M. Connors

Enclosure

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 6 1960

DATE	INITIALS	CODE

OFFICE OF MINERALS EXPLORATION

REGION III

Statement in Lieu of Interim Report
of Certified Project

Reporting Period January 1, 1959 through December 31, 1959

Docket and Contract Number DMEA - 2843, Idm-E615

Operator Richard E. Chilson (Copper)
(King-In-Exile mine) Pima County, Ariz.

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

The mine was inactive when visited by the writer 5/20/60

Following information obtained during telephone conversation with the Operator 5/23/60.

The King-In-Exile mine has been idle since it was shut-down during May 1959. Operations from January 1, 1959 to the shut-down were confined to the mining and shipping of unsubordinated direct smelting ore and the shipment of dump ore to the McFarland and Hullinger concentrator at Sahuarita, Ariz.

None of the broken ore in a DMEA stope (see previous report) was shipped

Signed D M Ramsey Date 5/27/60

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

224 New Customhouse
Denver 2, Colorado

January 28, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE
2-2		220
"		110
"		800
2-4	WRB	500

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1958 through December 31, 1958
DMEA Docket No. 2843 (Copper), Contract No. Idm-E615, Richard E. Chilson, (King-In-Exile Mine), Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

J. W. Townsend

Enclosures

Semiannual Report of Certified Projects

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE

Reporting Period July 1, 1958 through December 31, 1958

Docket and Contract Number DMEA 2843, E-615

Operator Richard E. Chilson

Commodity Copper

Mine Name King-In-Exile Mine

County and State Pima County, Arizona

Date of Contract September 28, 1953

Date of Certification September 15, 1954

Expiration Date of Royalty Payments September 28, 1963

Date of Examination for this Report January 12, 1959

Total Amount of Contract $ 27,150.00

Total Expenditures under Contract $ 10,200.00

Amount of Government Participation at 50 % $ 5,100.00

Royalty Payments this Period $ 263.35

Previous Royalty Payments $ 2,814.06

Total Royalty Payments to Date $ 3,077.41

% Loan Repayment Completed 60.34%

Amount of Royalty Due None

Royalty Remarks

DMEA-2843, Idm-E [illegible], Richard E. Chilson Period 7/1/58-12/31/58
King-in-Exile Mine, Pima County, Ariz.

	Tons	Analysis % Copper
Original Estimate of DMEA Reserve (Field Team Final Report)	75,000	0.5
Mines [ ] Survey [ ] Joint [X]	small amount	3.5 to 10.0
Revised Estimate of DMEA Reserves (Field Team)		
Mines [ ] Survey [ ] Joint [ ]		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period)	0.00	
(Previous)	3934.883	4.19
(To Date)	3934.883	4.19
" Operator's ore (This period)	not available	
found subsequent (Previous)		
to DMEA work (To Date)		

OME
DEPARTMENT OF THE INTERIOR
JAN 26 1959
REGION III
DENVER, COLORADO

Percent Revised Reserves Mined _____

(For Uranium Ores Only)

Initial Production Bonus:
Status of Operator: Ineligible [ ] Applied for [ ] Rec'ing pmt [ ] Paid up [ ]
Pounds U_3O_8 produced this period eligible for Bonus _____
Amount of Bonus paid to Operator this period $_____
Total pounds U_3O_8 produced to date eligible for Bonus _____
Total amount of Bonus paid to Operator to date $_____
Bonus Royalty Paid $_____
Bonus Royalty Due $_____

Investment Data *This period.

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
			5'x 8'	147	$8,820	5'x 7'	610	$15,250

Raises Size	Raises Feet	Raises Cost	Drilling Type & Size	Drilling Feet	Drilling Cost	Rehabilitation Description	Rehabilitation Cost
			D. D. -AX	1900	$16,200		

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost
*Portable compressor	$14,000				

Remarks

Project examined by me 12/11/58 and 1/12/59. Mining operations were continuous for the report period. A total of 16 men were employed. About 25 tons of 6 to 7% Cu ore was being mined and shipped daily from the unsubordinated area. Total production from the subordinated area was an estimated 200 to 300 tons of 2 to 3% Cu ore that is stockpiled in the mine. Shipment of the subordinated ore for concentration at the nearby McFarland & Hullinger mill began 1/6/59. Reference is made to my memo of 12/15/58 to Townsend for more detailed information.

Signed T M Romola (Engineer)

DMEA
RECEIVED SEP 15 1958

DATE	INITIALS	CODE
9/15	C	220
15	COM	100
		~~110~~
9/16	C.E.T.	800
"	~~HWS~~	500

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

September 12, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1958 through June 30, 1958

DMEA Docket 2843 (Copper)
Contract Idm-E 615
Richard E. C hilson (King-in-Exile mine)
Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

E. N. Harshman

Enclosures
MHM:bh

cc: Semiannual Report File Idm-E 615
DMEA/TUC
Emerick
Chron.

Semiannual Report of Certified Projects

Reporting Period	January 1, 1958 through June 30, 1958
Docket and Contract Number	DMEA-2843, Idm-E615
Operator	Richard E. Chilson
Commodity	Copper
Mine Name	King-In-Exile Mine
County and State	Pima County, Arizona

Date of Contract	September 28, 1953
Date of Certification	September 15, 1954
Expiration Date of Royalty Payments	September 28, 1963
Date of Examination for this Report	

Total Amount of Contract	$27,150.00
Total Expenditures under Contract	$10,200.00
Amount of Government Participation at 50 %	$5,100.00

Royalty Payments this Period	None
Previous Royalty Payments	$2,814.06
Total Royalty Payments to Date	$2,814.06
% Loan Repayment Completed	55.18

Amount of Royalty Due $263.35 ✓

Royalty Remarks The royalty due was paid 9/11/58. Operator will be requested to provide additional documentation to support royalty payments. ✓

DMEA-2843, Idm-E615
Richard E. Chilson, Ki[illegible]in-Exile mine
Pima County, Ariz.

1st half 1958

	Tons	Analysis
Original Estimate of DMEA Reserve (Field Team Final Report)	75,000	% Copper 0.5
Mines ☐ Survey ☐ Joint ☐	Small amount	3.5 to 10.0
Revised Estimate of DMEA Reserves (Field Team)		
Mines ☐ Survey ☐ Joint ☐		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period)	* 97.869	5.57
(Previous)	3,837.014	4.15
(To Date)	3,934.883	4.19
" Operator's ore (This period)	* 291.27	5.57
found subsequent (Previous)	Not available	
to DMEA work (To Date)	Not available	

* Derived from data of Chilson's attached letter of 7/21/58

Percent Revised Reserves Mined _____

(For Uranium Ores Only)

Initial Production Bonus:
Status of Operator: Ineligible ☐ Applied for ☐ Rec'ing pmt ☐ Paid up ☐
Pounds U_3O_8 produced this period eligible for Bonus _____
Amount of Bonus paid to Operator this period $_____
Total pounds U_3O_8 produced to date eligible for Bonus _____
Total amount of Bonus paid to Operator to date $_____
Bonus Royalty Paid $_____
Bonus Royalty Due $_____

Investment Data (None this period)

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost
			5'x8'	147	$8,820	5'x7'	610	$15,250

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
			AX	1900	$16,200		

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

Luther Thompson, foreman, and 3 men were working underground during my inspection of the pertinent portion of the King-in-Exile mine on July 2, 1958. He furnished information on the approximate dates of operation and DMEA ore production that is in close agreeement with the data of Chilson's attached letter.

Original signed by

Signed T. M. Romslo (but not in proper form (Engineer)

TMR

LEWISOHN COPPER CORP.

P. O. BOX 2728
TUCSON, ARIZONA

DATE	INITIALS	[illegible]

July 21, 195[illegible]

Mr. T. M. Romslo
U. S. Bureau of Mines
University of Arizona
Tucson, Arizona

Re: King Mine DMEA copper ore production

Dear Mr. Romslo:

Herewith the relevant figures on the production of ore from the King Mine during the first half of 1956. No ore was [illegible] from the King between June 6th, 1955 and January 1st, 1956. Although four [illegible] shipped in the months of January and March, 1956, the production was made from the DMEA subordinated area. [illegible] between the 25th of April and the end of June, 1956, seven carloads were shipped including 122 mine cars from the subordinated area.

R. R. Carload [illegible]	-
Net tons	[illegible]
[illegible]	[illegible]
[illegible]	$4547.60
Total mine cars [illegible]	485
Mine cars from unsubordinated area	[illegible]
Mine cars from subordinated area	122
Percentage of production from subordinated area	25.15%
Subordinated portion of gross return	$1170.34
Subordinated gross return $ [illegible]	$58.52

The apparent discrepancy in the above figures is due to the fact that the subordinated percentage is not actually distributed evenly over the gross return but is calculated separately for each carload and then totaled.

While we are [illegible] to mine and ship only higher grade ore under present conditions, we find a relatively large percentage of [illegible] to [illegible] ore in this DMEA area which we call the Exile. We intend instituting a considerable diamond drilling program here in the near future to see if enough ore can be developed to warrant a small treatment plant which would make ore out of a great deal more of this mineralization.

With best regards, I am

Very truly yours,

Richard E. Chilson

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 20, 1958

RECEIVED FEB 24 1958

DATE	INITIALS	CODE
2/24	C	220
24	Com	100
"	HG	110
2/25	[illegible]	800
27	[illegible]	500

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 2843 (Copper)
Contract Idm-E 615, Richard E. Chilson (King-in-Exile mine)
Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W H King
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E 615
Harshman
Emerick
DMEA, TUC
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1 through December 31, 1957
Docket and Contract Number	DMEA-2843, Idm-E615
Operator	Richard E. Chilson

The project has been inactive during the reporting period ☐

Pertinent data relative to the subject contract has remained unchanged since the last report ☒

Remarks: I visited the King-in-Exile mine and obtained the following information from Mr. Luther Thompson, miner, Jan. 9, 1958. Confirmation of the information was obtained via telephone from Richard E. Chilson, Feb. 10, 1958.

The mine which had been idle since about June 26, 1957 was reactivated Oct. 7, ~~1958~~ 1957. Since then Mr. Thompson and a helper have mined out several small pockets of high-grade ore in the unsubordinated area. Ore continues to be produced from this area. Two railroad cars of this ore will be shipped to the El Paso smelter probably during January 1958.

No work of any kind was done in the area of the DMEA project.

Mr. Chilson's other operations during the reporting period included the mining and shipping of low-grade copper ore from an open pit at a few miles east of the King-in-Exile mine.

Signed T. M. Romslo
T. M. Romslo

Date Feb. 11, 1958

CC W. H. King (Orig. & 9); DMEA-2957; Cert. file; DF

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

November 7, 1957

DMEA
RECEIVED NOV 12 1957
DATE | CODE
11/12 | C | 220
/12 | Com | 100
4/19 | ~~WRS~~ | 500

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957

DMEA Docket 2843 (Copper)
Contract Idm-E 615, Richard E. Chilson (King-in-Exile Mine), Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman

Acting Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj

cc: Semiannual Report File E 615
DMEA/TUC
Harshman
Emerick
Chron.

Semiannual Report of Certified Projects

Reporting Period	January 1, 1957 through June 30, 1957
Docket and Contract Number	DMEA 2843, Idm-E615
Operator	Richard E. Chilson
Commodity	Copper
Mine Name	King-in-Exile Copper Mine
County and State	Pima County, Arizona
Date of Contract	September 28, 1953
Date of Certification	September 15, 1954
Expiration Date of Royalty Payments	September 28, 1963
Date of Examination for this Report	November 1, 1957
Total Amount of Contract	$27,150.00
Total Expenditures under Contract	$10,200.00
Amount of Government Participation at 50 %	$5,100.00
Royalty Payments this Period	$2,814.06
Previous Royalty Payments	None
Total Royalty Payments to Date	$2,814.06
% Loan Repayment Completed	55.18%
Amount of Royalty Due	None

Royalty Remarks See attached narrative by examining engineer.

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) (Subordinated area)	75,000	0.5% Cu
Mines [ ] Survey [ ] Joint [X]	Small amount	3.5 to 10.0%Cu
Revised Estimate of DMEA Reserves (Field Team)		
Mines [ ] Survey [ ] Joint [ ]		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period)	* 323.21	4.04
(Previous)	3,513.79	4.16
(To date	3,837.00	4.15
" Operator's ore (This period)	1,364.91	4.04
found subsequent (Previous)	Not available	
to DMEA work (To date)	Not available	

Percent Revised Reserves Mines _____

(For Uranium Ores Only)

Initial Production Bonus:

Status of Operator: Ineligible [ ] Applied for [ ] Rec'ing pmt [ ] Paid up [ ]

Pounds U_3O_8 produced this period eligible for Bonus _____

Amount of Bonus paid to Operator this period $_____

Total pounds U_3O_8 produced to date eligible for Bonus _____

Total amount of Bonus paid to Operator to date $_____

Bonus Royalty Paid $_____

Bonus Royalty Due $_____

Investment Data

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
			** 3 D.D. AX	1200	$12,000		

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks (Additional remarks on attached sheet.

* Derived from data on Chilson's attached letter to me of 10/30/57

** Holes drilled from surface of unsubordinated area to test for extension of DMEA ore zone. Results were reported to be unfavorable.

Signed T.M. Pomeroy (Engineer)

The King-In-Exile mine was inactive and nobody was present during my visit of August 14, 1957. Shortly thereafter I contacted Ben H. Martin, Manager, and asked him to furnish me with necessary information and data for this report. He promised to do so as soon as settlement sheets were received on the last few shipments. Later, upon leaving active employment by the corporation, Mr. Martin said that he had asked Mr. Chilson to furnish the data. Attempts to obtain information from Chilson were unsuccessful until Oct. 10, 1957 when he visited this office and supplied me with the following information.

Operation of the mine was suspended June 26, 1957 due to the drop in the price of copper. Seven men daily were employed to that time in producing ore from scattered small lens-like deposits in both the subordinated and unsubordinated areas. A count of mine cars of ore produced from each area was made before the ore was co-mingled in the only available storage bin. Mr. Chilson said that smelter settlements on the last of the 32 railroad carloads of ore shipped were not received until about the middle of September. He also reported that business relative to financing additional exploration of project DMEA-4221 was a full time job but that he would make every effort to furnish me with a break down of production data from the King-In-Exile mine before the end of October. The data is given in his letter to me of October 31, 1957, a copy of which is attached.

The acceptability of Mr. Chilson's method of estimating royalty due the Government is dependent upon a proper distribution of the tonnage and grade of ore produced from the subordinated and unsubordinated areas of the mine. The percentage distribution of tonnage appears to be approximately correct (19.146 for reported 19.14) as it is based on a reportedly accurate car count. The grade of ore applied to the production, 4.04 of Cu, apparently is the average of all ore shipped. It too could be acceptable as it is in close agreement with the average of 4.05 percent for the 3,178.616 shipped during the previous period.

LEWISOHN COPPER CORP.
1070 N. WARREN AVE.
TUCSON° ARIZONA

October 30, 1957

Mr. T. M. Romslo
U. S. Bureau of Mines
University of Arizona
Tucson, Arizona

Re: King Mine DMEA copper ore production

Dear Mr. Romslo:

Herewith the figures you requested on the production of ore from the King Mine for the first half of 1957, The last shipment included was on June 6th and no work has been done in the DMEA subordinated area since that time.

R. R. carloads shipped	32
Dry tons	1688.12
Average copper assay	4.04%
Gross return (Net smelter plus property royalty)	$21,403.72
Total mine cars delivered to ore bin	3,327
Mine cars from unsubordinated area	2,690
Mine cars from subordinated area	637
Percentage of production from subordinated area	19.14%
Subordinated percentage of gross return	$4,096.67
Subordinated gross return at 5% (DMEA royalty due)	$204.83

As you know I have these records in infinite detail but I trust this breakdown covers the information which you wanted.

Very truly yours,

/s/ Richard E. Chilson

C O P Y

LEWISOHN COPPER CORP.
1070 N. WARREN AVE.
TUCSON, ARIZONA

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 13 1959

DATE	INITIALS	CODE
7-15	gad	770
7-15	[illegible]	800
7-16	[illegible]	500
		225

October 30, 1957

Mr. T. M. Romslo
U. S. Bureau of Mines
University of Arizona
Tucson, Arizona

Dear Mr. Romslo:

Re: King Mine DMEA copper ore production

DMEA 7-8-9

Herewith the figures you requested on the production of ore from the King Mine for the first half of 1957. The last shipment included was on June 6th and no work has been done in the DMEA subordinated area since that time.

R. R. carloads shipped	
Dry tons	32
Average copper assay	1688.12
Gross return (Net smelter plus property royalty)	4.04%
Total mine cars delivered to ore bin	$21,403.72
Mine cars from unsubordinated area	3,327
Mine cars from subordinated area	2,690
Percentage of production from subordinated area	637
Subordinated percentage of gross return	19.14%
Subordinated gross return @ 5% (DMEA royalty due)	$4,096.67
	$204.83

As you know I have these records in infinite detail but I trust this breakdown covers the information which you wanted.

Very truly yours,

/s/ Richard E. Chilson

Check Dated
9-3-58

COPY

LEWISOHN COPPER CORP

P. O. BOX 2920
TUCSON ARIZONA

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 13 1959

DATE	INITIALS

U. S. BUREAU OF MINES
SOUTHWEST EXPERIMENT STATION
JUL
TUCSON, ARIZONA

July 11, 1958

Mr. [illegible]
[illegible] Department of [illegible]
University of Arizona
Tucson, Arizona

Dear Mr. [illegible]

Re: King Mine DMEA [illegible] ore production

[illegible] the relevant figures on the production of ore from the King Mine during the first half of 1958. No ore was produced from the King between June 6th, 1957 and January 1st 1958. Although four carloads were shipped during the months of January and June, 1958, no production was made from the DMEA subordinated area until April 28th. Between the 28th of April and the end of June, 1958, seven carloads were shipped including 122 mine cars from the subordinated area.

[illegible] Carloads shipped (4-28 to 6-30-58)	7
[illegible] tons	53[illegible]
[illegible] copper assay	5.57%
Gross return (net smelter plus [illegible] royalty)	$4847.60
Total mine cars delivered to ore bin	485
Mine cars from unsubordinated area	363
Mine cars from subordinated area	122
Percentage of production from subordinated area	25.15%
Subordinated portion of gross return	$1170.34
Subordinated gross return @ 5%	$58.52

The apparent discrepancy in the above figures is due to the fact that the subordinated percentage is not actually distributed evenly over the gross return but is calculated separately for each carload and then totaled.

While we are able to mine and ship only higher grade ore under present conditions, we find a relatively large percentage of 1½ to 3% ore in this DMEA area which we call the Exile. We intend instituting a considerable diamond drilling program here in the near future to see if enough ore can be developed to warrant a small treatment plant which would make ore out of a great deal more of this mineralization.

With best regards, I am

Check Dated
9-7-58

Very truly yours,

Richard E. Chilson

Richard E. Chilson

DMEA
DEPARTMENT OF THE INTERIOR
AUG 4 - 1958
REGION III
DENVER, COLORADO

2843

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 2-13

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Report corrects
2. ore reserves in prior
3. report

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: February 11, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1 through December 31, 1956
DMEA Docket 2843 (Copper)
Contract Idm-E 615, Richard E. Chilson (King-in-Exile Mine), Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

Note: The entire amount of $2,814.06 indicated as Royalty Due was paid to Region III office, February 4, 1957.

W. M. Traver

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 615
Royalty File E615
W. R. Storms
E. N. Harshman
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 13 1957

DATE	INITIALS	CODE
2/14	CBM	100

January 24, 1957

Memorandum

To : W. H. Trauer, Executive Officer, DMEA Field Team

From : Superintendent, Sentinel Experiment Station

Subject : Semiannual Report of Certified Project, July 1-December 31, 1956, Project DMEA-2043 (Copper), Contract Ny-2111, Richard E. Gallant (King-in-Exile Mine), Pima County, Ariz.

Enclosed are original and 8 copies of the above report by T. M. Hamlin.

Signed by Walter R. Storms

Walter R. Storms

CC W. H. Trauer (8)
DMEA-2043
Cont. File
WF

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 13 1957

DATE	INITIALS	CODE

DMEA
DEPARTMENT OF THE INTERIOR
FEB 4 1957

WRStorms:fr:j

Semi-Annual Report of Certified Projects

Reporting Period	July 1 to December 31, 1956
Docket and Contract Number	DMEA-2843, Idm-E615
Operator	Richard E. Chilson
Commodity	Copper
Mine Name	King-in-Exile Copper Mine
County and State	Pima County, Ariz.
Date of Contract	September 28, 1953
Date of Certification	September 15, 1954
Expiration Date of Royalty Payments	September 28, 1963
Date of Examination for this Report	January 2, 1957
Total Amount of Contract	$27,150.00
Total Expenditures under Contract	10,200.00
Amount of Government Participation at 50 %	5,100.00
Royalty Payments this Period	0.00
Previous Royalty Payments	0.00
Total Royalty Payments to Date	0.00
% Loan Repayment Completed	0.00
Amount of Royalty Due	$2,814.06

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957
DATE | INITIALS | CODE

Royalty Remarks Royalty due taken from data of attached copy of letter to me from B. H. Martin, Mgr. According to Mr. Martin the royalty payment will be made at an early date. Smelter settlement sheets and a letter of explanation reportedly will accompany the check.

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) (subordinated area)	75,000	0.5% Cu
Mines [ ] Survey [ ] Joint [x]	small amount	3.5 - 10.0% Cu
Revised Estimate of DMEA Reserves (Field Team)		
Mines [ ] Survey [ ] Joint [ ]		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period) Previous production corrected as shown in attached letter by B. H. Martin	3,178,616	4.05 Cu?
(Previous)	335,176	5.24
(To date)	3,513,792	4.16
" Operator's ore found subsequent to DMEA work (This period)		
(Previous)		
(To date)		

Percent Revised Reserves mined _____

(For Uranium Ores Only)

Initial Production Bonus:

Status of Operator: Ineligible [ ] Applied for [ ] Rec'ing pmt [ ] Pd up ____

Pounds U_3O_8 produced this period eligible for Bonus _____

Amount of Bonus paid to Operator this period $_____

Total pounds U_3O_8 produced to date eligible for Bonus _____

Total amount of Bonus paid to Operator to date $_____

Bonus Royalty Paid $_____

Bonus Royalty Due $_____

Investment Data

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
			5x8'	147	$8,820.00	5x7'	610	$15,250.00

Raises Size	Raises Feet	Raises Cost	Drilling Type & Size	Drilling Feet	Drilling Cost	Rehabilitation Description	Rehabilitation Cost
			D.D.	700	$4,200.00		

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost

Remarks

All investment costs were incurred during period of previous report. None were necessary for this period.

Small deposits were mined out as encounted by drifts.

Present reserves of minable ore are confined to a few hundred tons exposed at working faces in both the project and unsubordinated areas.

Signed T. M. Romslo (Engineer)
T. M. Romslo

LEWISOHN COPPER CORP.
128 North Church
Tucson, Arizona

January 17, 1957

Mr. T. M. Romslo
U. S. Bureau of Mines
University of Arizona
Tucson, Arizona

Dear Mr. Romslo:

This supercedes my letter of January 15, 1957, and corrects an error in reported D.M.E.A. production for the King Mine for 1956.

The correct and final figures are as follows:

	Dry Tons	Average Assay	Gross Smelter Returns
Jan. 1 - June 30:			
DMEA Subordinated	335.176	5.24	$9,716.03
Unsubordinated	220.786	4.81	5,818.32
Total	555.962	5.07	$15,534.35
July 1 - Dec. 31:			
DMEA Subordinated	3,178.616	4.05	$46,565.23
Unsubordinated	0	0	0
Total	3,178.616	4.05	$46,565.23
Total for Year:			
DMEA Subordinated	3,513.792		$56,281.26
Unsubordinated	220.786		5,818.32
Total	3,734.578		$62,099.58

We are, therefore, paying royalty at the rate of 5% on the total DMEA production of $56,281.26. There has been no production of DMEA subordinated ore prior to 1956.

The discrepancy between this report and the report for the first half of 1956 as to DMEA subordinated ore, was due to my unfamiliarity with our record system at that time.

Very truly yours,

LEWISOHN COPPER CORP.

By B. H. Martin /s/
B. H. Martin, Manager

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 13 1957
DATE | INITIALS | CODE

BHM:bjg

COPY

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 10 - 9

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Base Metals Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Here again, Ronsco might have obtained
2. more data re costs
3. & one findings
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED
OCT - 9 1956

224 New Customhouse
Denver 2, Colorado

Date: October 5, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket -2843 (Copper)
Contract Idm-E615
Richard E. Chilson (King-in-Exile Mine)
Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

Operator will be requested to provide evidence of sales and ownership status October 25, unless sufficient information is received prior to this date.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:bh

cc: Semiannual Report File E-615 w/copy report
E. N. Harshman " "
W. R. Storms " "
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
BOX 4097
TUCSON 5, ARIZONA

DMEA
DEPARTMENT OF THE INTERIOR
SEP 26 1956
REGION III
DENVER, COLORADO

RECEIVED
OCT - 3 1956

September 24, 1956

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project, January 1 - June 30, 1956, Docket DMEA-2843 (Copper), Contract Idm-E615, Richard E. Chilson (King-in-Exile mine), Pima County, Ariz.

Enclosed are original and 8 copies of the above report by T. M. Romslo.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMEA-2843
Cert. File
DF

WRStorms:frj

Semiannual Report of Certified Projects

RECEIVED
OCT 9 1956

Reporting Period	January 1 to June 30, 1956
Docket and Contract Number	DMEA-2843, Idm-E615
Operator	Richard E. Chilson
Commodity	Copper
Mine Name	King-in-Exile Copper Mine
County and State	Pima County, Ariz.

Date of Contract	September 28, 1953
Date of Certification	September 15, 1954
Expiration Date of Royalty Payments	September 28, 1963
Date of Examination for this Report	August 29, 1956

Total Amount of Contract	$27,150.00
Total Expenditures under Contract	10,200.00
Amount of Government Participation at 50 %	5,100.00

Royalty Payments this Period	0.00
Previous Royalty Payments	0.00
Total Royalty Payments to Date	0.00
% Loan Repayment Completed	0.00

Amount of Royalty Due	$144.75

Royalty Remarks Royalty due based on smelter value of $2,895.01, before other royalties, for lots Nos. 23 and 24 of attached letter. The Lewisohn Copper Corp., present owners of the King-In-Exile mine have been informed as to procedures for royalty payments to the Government.

CC W. M. Traver (Orig. & 8); W. L. Emerick; DMEA-2843; Cert File; DF

Original Estimate of Reserves (from Final Engr.-Geol. Report): 75,000 tons containing 0.5 percent copper and small amount of 3.5 to 10 percent copper

Increase of Reserves by work performed subsequent to expiration or termination of contract: None

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) 58.5 tons 4.6% Cu

Amount of Previous Production (since date of contract) 0.0

Total DMEA Production to date 58.5 tons 4.6% Cu

% of Revised Reserves Mined Portion of small amount of 3.5 to 10 percent copper ore

Production Remarks:

Note: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Activities at the King-in-Exile mine for subject period are reported in the attached letter.

Other Remarks:

Signed T M Romslo (Engineer)

T. M. Romslo

LEWISOHN Copper Corp.
128 North Church
Tucson, Arizona

RECEIVED
OCT - 8 1956

September 1, 1956

Mr. T. M. Romslo
U. S. Bureau of Mines
University of Arizona
Tucson, Arizona

Dear Sir:

Pursuant to your request, herein follows a resume of activities at the King Mine of Lewisohn Copper Corp. during the period January 1, to June 30, 1956.

Development consisted of the sinking of two inclined winzes; one, the "King-Exile" winze to a point 147' (slope distance) below the adit level; and, two, the "King" winze sunk to a depth of 90' below the old stoping area which is a total of approximately 450' (slopedistance) below the adit level. The "King-Exile" winze is in the area subordinated by DMEA assistance, was begun on March 2nd, and encountered ore at approximately 120'. The "King" winze is not in a subordinated area.

Ore shipments during the period are as follows:

Source	Lot No.	Date/Bill of Lading	Smelter	Dry Weight	Grade	Smelter Return before royalties
King-Exile	23	4/14/56	Insp-Miami	60,576	4.87	$1,617.03
King-Exile	24	5/24/56	"	56,531	4.41	1,277.98
Other	19	1/5/56	"	61,701	6.26	2,229.74
"	20	2/10/56	"	59,404	3.62	798.07
"	21	3/21/56	"	58,503	5.21	1,773.59
"	22	3/22/56	"	48,185	4.14	1,016.92

The number of employees during the period averaged 10 1/2.

Very truly yours,

/s/ B. H. Martin
bg
B. H. Martin, Manager

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED
APR 20 1956

224 New Customhouse
Denver 2, Colorado

Date: April 17, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955
DMEA Docket 2843 (Copper)
Contract Idm-E 615 Richard E. Chilson
(King-in-Exile Mine) Pima County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

RDB/vj
cc: Semiannual Report File E 615
Royalty File E615
W. R. Storms
E. N. Harshman
J. N. Faick
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
BOX 4097
TUCSON 5, ARIZONA

MAR 28 1956
BUREAU OF MINES
Denver, Colorado

March 22, 1956

RECEIVED
APR 20 1956

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team, Region III

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project July 1-Dec. 31, 1955, DMEA Contract Idm-E615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed are original and 8 copies of a semi-annual report on the above property by T. M. Romslo of the Bureau of Mines.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMEA-2843
Cert. File
DF

WRStorms:frj

RECEIVED
APR 20 1956

Semi-Annual Report of Certified Projects

Reporting Period July 1 to December 31, 1955

Docket and Contract Number Docket DMEA-2843, Contract Idm-E615

Operator Richard E. Chilson

Commodity Copper

Mine Name King-in-Exile Copper Mine

County and State Pima County, Arizona

Date of Contract September 28, 1953

Date of Certification September 15, 1954

Expiration Date of Royalty Payments September 28, 1963

Date of Examination for this Report March 7, 1956

Total Amount of Contract	$27,150.00
Total Expenditures under Contract	$10,200.00
Amount of Government Participation at 50%	5,100.00
Royalty Payments this Period	$0.00
Previous Royalty Payments	$0.00
Total Royalty Payments to Date	$0.00
% Loan Repayment Completed	0.00
Amount of Royalty Due	$0.00

Royalty Remarks

Original Estimate of Reserves (from Final Engr.-Geol. Report):	75,000 tons containing 0.5 percent copper and small amount of 3.5 to 10 percent copper
Increase of Reserves by work performed subsequent to expiration or termination of contract:	None
Revised Estimate of Reserves:	---
Production this period (Ore or Concentrates)	None
Amount of Previous Production (since date of contract)	None
Total DMEA Production to date	None
% of Revised Reserves Mines	0.00

Production Remarks:

NOTE: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: Visited underground workings with Jim Chilson, mine foreman, and then contacted Richard E. Chilson for following information. Since July 1955, 700 feet of diamond drilling and 610 feet of drifting in new adit has been done in subordinated area. Now sinking winze to high grade pods of ore found by DMEA and partially delimited by subsequent drilling. No production from subordinated area but 25 railroad carloads of ore produced from other parts of mine since termination of contract. King-in-Exile mine and other adjacent properties have been worked by Lewisohn Copper Corp. since it was incorporated Aug. 25, 1955. Richard E. Chilson, as an officer of the corporation, supervises all operations.

T. M. Romslo, Mining Engineer
Southwest Experiment Station
Region III

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

DMEA
Date Rec'd.
JUL 20 1955
BUREAU OF MINES
Denver, Colorado

Box 4097
Tucson 5, Arizona

July 18, 1955

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team, Region III

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report on DMEA Certified Project, January 1-June 30, 1955, DMEA Contract Idm-E615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed are original and 8 copies of the semi-annual report on the above certified property by W. R. Hardwick of the Bureau of Mines.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
J. N. Faick
DMEA-2843
Cert. File
DF

WRStorms:frj

DMEA
Date Rec'd.
JUL 20 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Box 4097
Tucson 5, Ariz.

July 18, 1955

RECEIVED
SEP 12 1955

Memorandum

To : Walter R. Storms, Superintendent, Southwest Experiment Station, Region III

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Semi-Annual Report for Certified Project for Period January 1, 1955 to June 30, 1955, Docket DMEA-2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

In accordance with the provisions of DMEA Circular 32, the King-in-Exile copper mine was visited on July 6, 1955. Richard E. Chilson was not at the mine, but a crew was operating the mine for him. About 3 railroad car loads of ore are shipped each week but not from the subordinated area.

This contract was signed on September 28, 1953 for the purpose of exploring a favorable contact of igneous with sedimentary rocks for copper ore. The habits of the ore are well known in this district. The ore occurs where cross-faults cut this contact. The contract provided for searching for ore by crosscutting the contact, diamond drilling, and drifting along the contact. The work was set up in 4 stages, each succeeding stage dependent upon the success of the previous stage.

The operator completed 260 feet of crosscut under the provisions of Stage I and 480 feet of diamond drill holes under Stage II. As the results of this work were not favorable, termination of the contract, or exploration in a more favorable part of the contact was recommended by the DMEA examining team.

However, The operator did not agree and drove 200 feet of drift westward along the contact, 60 feet of crosscut, 70 feet of winze, 40 feet of sub-level drift, and 90 feet of raise in an attempt

CC W. M. Traver (Orig. & 8)
J. N. Faick
DMEA-2843
Cert. File
DF

WRHardwick:frj

to find ore. No ore was found. The operator's request for Government participation in the costs of the above work was denied as the work was not authorized by the contract.

As low grade ore was exposed in the DMEA crosscut, a "Certification of Discovery or Development" was issued on September 15, 1954.

No ore was mined during the subject period from the subordinated claims, so far as is known.

William R Hardwick

William R. Hardwick
Mining Engineer
Southwest Experiment Station

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

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 1 1955

224 New Customhouse
Denver 2, Colorado

March 25, 1955

~~Unannounced~~
~~Hbg~~
Betty

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard E. Chilson, Pima County, Arizona

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of February, 1954.

The enclosed report constitutes final payment under the terms of the contract.

W. M. Traver

W. M. Traver

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1955

224 New Customhouse
Denver 2, Colorado

March 22, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard E. Chilson, Pima County, Arizona - Operator's Monthly Progress Report for the month of February, 1954 - FINAL PAYMENT

The enclosed original and four copies of Forms MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period constitutes the operator's final accounting report under the terms of the contract.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made on the following basis which is in conformance with the Report of Review of contract expenditures by the Contract Administration and Audit Division dated December 2, 1954:

Basis for Final Payment

Total accepted cost.....	$10,200.00
Government participation at 50%.....	5,100.00
Total prior payments.....	4,757.50
Balance due the operator.....$	342.50

Processing of the February report has been deferred pending receipt of the operator's final narrative report which was received in this office March 18, 1955.

W. M. Traver

W. M. Traver

Enclosures
JWT:sr
cc Sec. to Op. Comm. (2)
Storms
Townsend
Subject
Chron

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1954

April 5, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : February 1954 Progress Report, Contract Idm-2415, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed in quintuplicate are

(1) Bureau of Mines engineer's report;
(2) Operator's narrative report with map;
(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineer's report.

The 137 feet of drill hole are in accordance with the terms of the contract. However, as the operator has requested that the contract be terminated, I recommend that the customary amount be withheld until a final report has been received.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2843
DF

WRStorms:frj

April 2, 1954

Memorandum

To : Walter R. Sterns, Chief, Mining Methods Br., Mining Div,, Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for February 1954, Docket RMEA 2843, Contract Idm-8613, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

The King-in-Exile copper mine was visited on March 5, 1954. The operator, Mr. R. E. Chilson, was not at the mine but the findings of the visit were discussed with him later.

During February the operator drilled a diamond drill hole northward at an angle of minus 40 degrees to intercept the favorable contact at a greater depth and below the point in the crosscut where some copper minerals were found. The hole was drilled to a depth of 137 feet. The core from the hole was examined and no significant mineralization was evident. The hole started in monzonite at the drill station, 180 feet south of the start of the contract crosscut, and entered garnet and tactite at 50 feet. At 117 the hole entered relatively unaltered limestone which continued to the bottom.

The 137 feet of drill hole are in accordance with the provisions of the contract which provides for participation by the Government to the extent of 50 percent of an agreed estimated cost of $5.00 per foot. The cost of 137 feet was $685.00 and the Government's part is $342.50.

The operator has requested termination in his narrative report. This subject will be discussed in a separate memorandum report at an early date when the recent work by the operator has been examined and mapped. The operator has been unable or unwilling to do the necessary work to present an accurate map with his reports.

CC W. H. King (Orig. & 6)
RMEA-2843
DF

WRHardwick:frj

No ore has been discovered.

It is recommended that payment of the Government's part of the above work be withheld until a satisfactory completion report is submitted by the operator or until the contract is amended to permit additional work.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

Department of the Interior
Bureau Mines Administration
RECEIVED
MAR 31 1954

March 8, 1954

Mr. W. H. King
Executive Officer, BMSA
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: BMSA 2843
Contract : Idm-3615

Dear Mr. King:

Herewith my fifth monthly report on the above contract. During the month of February, 1954, we drilled DD hole no. 3 from the DD station "A" on a bearing of North 7 deg. West at a dip of about -40 deg. This hole cut the contact from the monzonite into the metamorphic formation at fifty feet and continued in garnet and lime silicates to 117 feet where the unaltered lime came in without any significant mineralization. The hole was driven 20 feet into the footwall and bottomed in lime at 137'.

During this month the government representatives have steadfastly refused to recommend government participation in further work under the contract on the grounds that the odds are against the finding of a signicant ore deposit and that there is a cheaper way of exploring the structure. Their judgement might seem to have been vindicated by the fact that I have drifted the two hundred feet along the formation at my own expense and cut about fifty feet of crescent without finding any ore yet. However, as I am not smart enough to know when I am licked, I am going to do a little more exploration in this area before I will be satisfied. I feel that we may be too high on the structure and that a couple of hundred feet down dip would be better country. Also further yet to the southwest, in the vicinity of the Broadtop fault.

In any event, under the circumstances, I wish to request that this contract be terminated and I will make a new application for exploration assistance in the vicinity of the Broadtop fault as suggested by Mr. Veik and Mr. Hardwick. I might point out that this work was proposed as part I of my original application for the project which we are now terminating, but got lost in the shuffle.

Very truly yours,

Richard E. Chilson

Richard E. Chilson

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53

Defense Minerals Administration
RECEIVED
MAR 31 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 1954, 195____ Docket No. DMEA 2843 Contract No. Idm-E615
Operator's Name Richard E. Chilson Minerals Copper
Address P. O. Box 2729, Tucson, Arizona
Contract Amount, $ 27,150 Government Participation: 50 % Amount, $13,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling	$685.00	$1715.00	$2400.00			
Bulldozing						
Crosscutting		7800.00	7800.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$685.00	$9515.00	$10,200.00	685.00	9515.00	10,200.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date March 8, 1954 *Payee Richard E. Chilson

Per Same Title Operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 342.50

Signature Naomi E. Stokes
(Authorized Certifying Officer)

Date 3/23/55 Vou. No. DMA 55 74

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dmE-612 in accordance with the terms of the contract.

Signature William R. Hardwick WRH Title Mining Engineer Date 4/3/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Jones Title Executive Officer Date MAR 22 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1955

Month of February, 1954 Docket No. DMEA 2843 Contract No. Idm-E615
Operator's Name Richard E. Chilson Minerals Copper
Address P. O. Box 2729, Tucson, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting				$7800.00				
Raising								
Shafts								
Winzes					480		600	
Drilling: Core	Feet	$685.00	137	$2400.00	~~580~~	$5.00	~~1,000~~	5.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$685.00		$10,200.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date March 8, 1954 Operator Richard E. Chilson

Per Same Title Operator

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

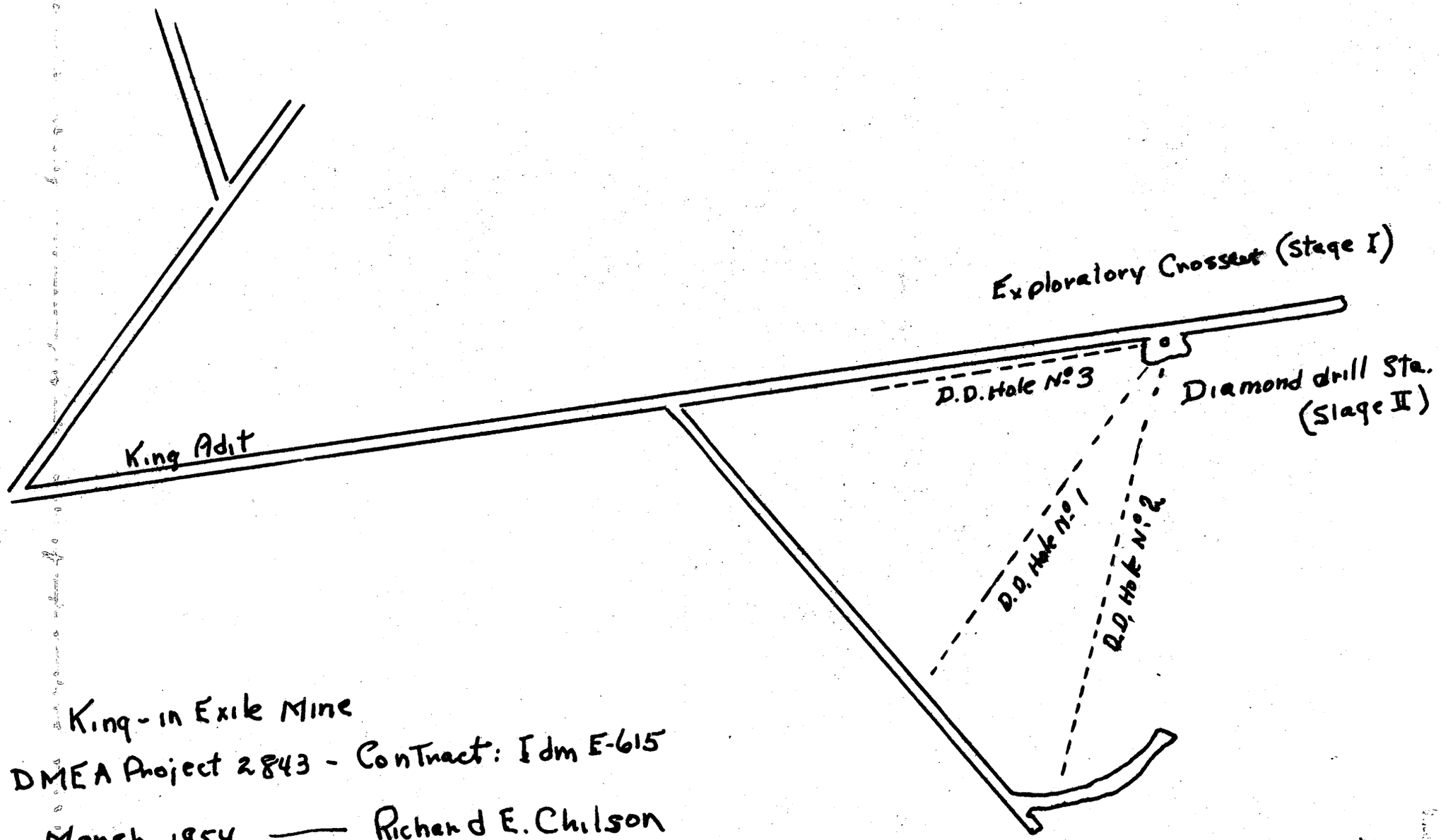
INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475



King-in Exile Mine

DMEA Project 2843 - Contract: Idm E-615

March, 1954 — Richard E. Chilson

Mineral Admin.
RECEIVED

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

224 New Customhouse
Denver 2, Colorado

March 14, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Semi-annual Report - Docket DMEA 2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona

Enclosed are four copies of the Semi-annual Report on Contract Idm-E615.

W. M. Traver

Enclosures

W. M. Traver

DMEA
Date Rec'd
FEB 21 1955
BUREAU OF MINES
Denver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHWEST EXPERIMENT STATION

~~ARIZONA DISTRICT~~
~~WESTERN REGION~~

BOX 4097
UNIVERSITY STATION
TUCSON, ARIZONA

RECEIVED
MAR 2 7 1955

February 18, 1955

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team, Region III

From : Superintendent, Southwest Exp. Station, Region III

Subject : Semi-Annual Report for Certified Project, July 1 - December 31, 1954, DMEA Contract Idm-E615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed are original and 8 copies of a report by W. R. Hardwick of the Bureau of Mines on the above mine.

So far as we know, no ore has been produced from the subordinated area during this 6-month period.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMEA-2843
Cert. File
DF

WRStorms:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHWEST EXPERIMENT STATION

~~ARIZONA DISTRICT~~
~~WESTERN REGION~~

BOX 4097
UNIVERSITY STATION
TUCSON, ARIZONA

Memorandum

February 18, 1955

To : Walter R. Storms, Superintendent, Southwest Experiment Station, Region III

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Semi-Annual Report for Certified Project for Period July 1, 1954 to December 31, 1954, Docket DMEA-2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

In accordance with the provisions of DMEA Circular No. 32, the King-in-Exile copper mine was visited on February 17, 1955. Richard E. Chilson was not at the mine, but is still operating it.

This contract was signed on September 28, 1953 for the purpose of exploring a favorable contact of igneous with sedimentary rocks for copper ore. The operator completed a crosscut and some diamond drilling at a total cost of $10,200.00, then insisted on driving a drift at a location that did not appear favorable to the DMEA representatives.

The operator drove several hundred feet of drift and requested Government participation in the costs. When this request was denied the operator requested that the contract be terminated. As the crosscut and several drill samples indicated ore, a "Certification of Discovery or Development" was issued on September 15, 1954.

During the subject period the operator has sunk a winze 40 feet deep and raised to the surface (approximately 100 feet). In both the winze and the raise, short drifts were driven at mineralized horizons but no minable ore was discovered.

No ore was mined during the subject period from the subordinated claims, so far as is known.

William R. Hardwick
William R. Hardwick
Mining Engineer
Region III

CC W. M. Traver (Orig. & 8)
DMEA-2843
Cert. File
DF

WRHardwick:frj

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

224 New Customhouse
Denver 2, Colorado

March 4, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of January 1954.

W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: Feb. 23, 1954
Payee's
Reference: Progress Report
January, 1954

Richard E. Chilson
P O Box 2729
Tucson, Arizona
Ida-2615

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 3,940.00

Difference $ 3,000.00

Amount Approved $ 940.00

The reason for the difference was due to:

$3000.00 is disallowed. It is claimed in payment for 100 feet of drifting at $30.00 per foot. Written permission for Stage III work was not received prior to the work being done as required by Contract.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

February 19, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona. Operator's Monthly Progress Report for the period January 1954.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

The amount of $3,000.00 claimed for 100 feet of drifting at $30.00 per foot is to be disallowed as this is Stage III work and prior written permission for Stage III work was not received as required by Contract Idm-E615.

Remarks:

Date of Report	January 31, 1954.
Date Received in Field Office	February 11, 1954.
Date Received in Region Office	February 17, 1954.

W H King
W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

February 15, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : January 1954 Progress Report, Contract Idm-X615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with drill logs and map;

(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineer's report.

The operator is asking for reimbursement for 100 feet of drifting. This work under Stage III was done without prior approval of the field examiners or the DMEA Field Team, so should not be allowed. The 188 feet of diamond drilling were in accordance with the terms of the contract, so I recommend that the Government's share of the cost of this drilling be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2843
RF

WRStorms:frj

February 12, 1954

Memorandum

To : Walter H. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William H. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for January 1954, Docket DMEA-2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

The King-in-Exile copper mine was visited on February 4, 1954 by John N. Faick, Geologist, U. S. Geological Survey, and the undersigned engineer. Mr. Richard E. Chilson was at the mine and assisted in measuring the progress for January.

During the month of January the operator started to drill a second Diamond Drill hole from the drill station located 188 feet south of the contract starting point in crosscut "B". This hole was drilled on a bearing of South 75° West and dipped at 23° from the horizontal, but was lost at a depth of 13 feet. A second attempt was made on a bearing of North 80° West and on inclination of 24 degrees. This hole reached a depth of 175 feet. The total distance drilled during the month was 188 feet, including the 13 feet which was lost.

In addition to the diamond drilling, the operator has started a drift at a point 11 feet south of the starting point of the contract in crosscut "B", and bearing South 60° West. This drift had been driven 140 feet when measured on February 4, 1954.

The operator has submitted a log for drill hole Nos. 1 and 2. These logs show a series of three thin ore zones in drill hole No. 1 at a depth of 144 feet, and a lense of ore at a depth of 107 to 115 feet in drill hole No. 2. In addition the drift, which the operator has driven, exposed strongly mineralized ground at a distance of 123 feet from its starting point.

The operator presented a request for permission to start stage III of the contract which includes the 140 feet of drifting mentioned above. Denial of this request was recommended, and the

CC W. H. King (orig. & 6)
DMEA-2843
DF

WHHardwick:frj

request was denied. The project is being re-examined and an interim report will be submitted. It is too early to state definitely but it appears now that stage III will not be recommended and that termination of the contract will be recommended at the end of stage II.

The operator has presented a MF-104 voucher claiming reimbursement for the Government's agreed part of the costs of 100 feet of drifting (a part of Stage III of the contract), which he states were completed in January. Permission to start stage III of the contract has not been recommended nor granted, therefore it is recommended that this part of the operator's request for payment be denied.

The operator has also requested payment for 188 feet of diamond drill hole that were completed in January. The 188 feet of drill holes are in accordance with the contract which provides for reimbursement by the Government of 50 percent of the operator's agreed estimated costs of $5.00 per foot. The cost of the 188 feet of drill hole is $940.00 and the Government's agreed part is $470.00. It is recommended that the operator be paid this amount.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

January 31, 1954

Mr. [illegible] King
Executive Officer, [illegible]
Field Team, Region IV
224 New Custom House
Denver 2, Colorado

Re: [illegible] 2643
Contract [illegible]

Dear Mr. King:

Herewith my fourth monthly report on the above contract. At the beginning of 2[illegible] month, having proven the presence of shipping grade ore in the structure to the west of our initial exploratory crosscut with a horizontal drill hole as reported in my report of December, we have proceeded to drift along this structure. At the same time a drill hole was started to probe further west and down dip from the face of the drift.

Due to shearing off a core barrel at thirteen feet, we lost our first attempt at Hole No. 2 but on the second try we drove through the formation to 175'. The contact between the monzonite and the lime metamorphic formation was cut at 35' in this hole. From 35' to 87' lime silicate and garnet rock carried a constant trace of pyrite and chalcopyrite up to about 1% copper. From 87' to 100' this material averaged 1.15% copper. From 100' to 107': 1.35% copper and 107 to 115 feet, ten percent copper.

From 115' to 160' was a fairly uniformly mineralized garnet running about 1%. The lime footwall was cut at 160' and the grey lime continued to the bottom of the hole at 175' with one 1" streak of chalcopyrite cut in the lime at 165'.

It is my opinion that the results of this hole strongly confirm the probability of finding commercial ore in this area. Hole No. 2 was drilled on a bearing 71 deg. west at an inclination of -30 degrees. We are now preparing to drill Hole No. 3 on a north bearing at about -45 degrees. If we have as good luck in this hole I think we should drill one vertically.

Our drift face, meanwhile, after about sixty feet of mixed lime and garnet along the footwall of the formation, began running into bunches of ore and we sent about 35 tons to the sorting bin for shipment. An assay of the round broken at the 100' mark, however only assayed 1.56% copper and 0.8 oz. Ag.

Very truly yours,

Richard E. Chilson

Richard E. Chilson

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals Copper
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting	Feet	—	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		940		9,575				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Jan. 31, 1954 Operator Richard E. Clubb

Per [illegible] Title Operator

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1954 Docket No. DMEA 2843 Contract No. [illegible]-615
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: [illegible] % Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling	[illegible]	[illegible]	[illegible]			
Bulldozing						
Crosscutting	[illegible]	[illegible]	[illegible]			
Drifting	[illegible]	[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
	940		9,515			
TOTALS	[illegible]	[illegible]	[illegible]	940.00	8,575.00	9,515.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Jan. 21, 1954 *Payee Richard E. Chulson

Per [illegible] Title [illegible]

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 470.00

Signature [illegible]
(Authorized Certifying Officer)

Date 3/26/54 Voucher No. 54-83

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dmE 615 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 2/12/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H King Title Executive Officer Date FEB 19 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 8 - 1954

January 31, 1954

Hole No. 1 | Hole No. 2

DMEA 2643 | Contract Idm-2613

Stage II Diamond Drill Logs

Quartz-monzonite porphry traces pyrite cubes and chalcopyrite

Monzonite-lime contact

Soft gouge and fault materials, pyroxene minerals pyrite cubes, traces Cu.

Hard siliceous lime metamorphics, white lime silicate, garnet, etc., traces pyrite and chalcopyrite

Open fracture
Garnet
Open fracture, lost water.
Garnet
Garnet ore: 6.35% Cu (6.95)
Garnet, 0.89% Cu
Garnet ore: 9.33% Cu
Garnet, 0.17% Cu
Garnet ore: 8.42% Cu

Monzonite porphry, containing pyrite and chalcopyrite

Monzonite-Lime contact

Lime silicate and garnet with pyrite and traces Cu

Lime silicate and garnet 1.15% Cu

Garnet, 1.35% Cu

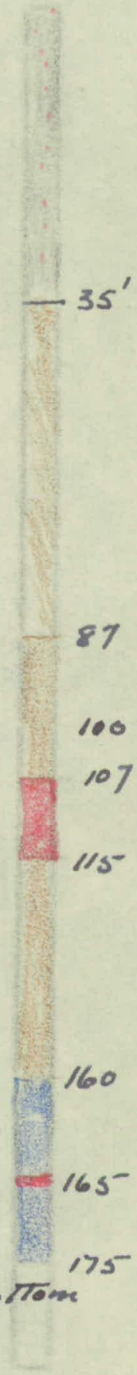
Garnet ore: 10% Cu

Mineralized Garnet, about 1% Cu

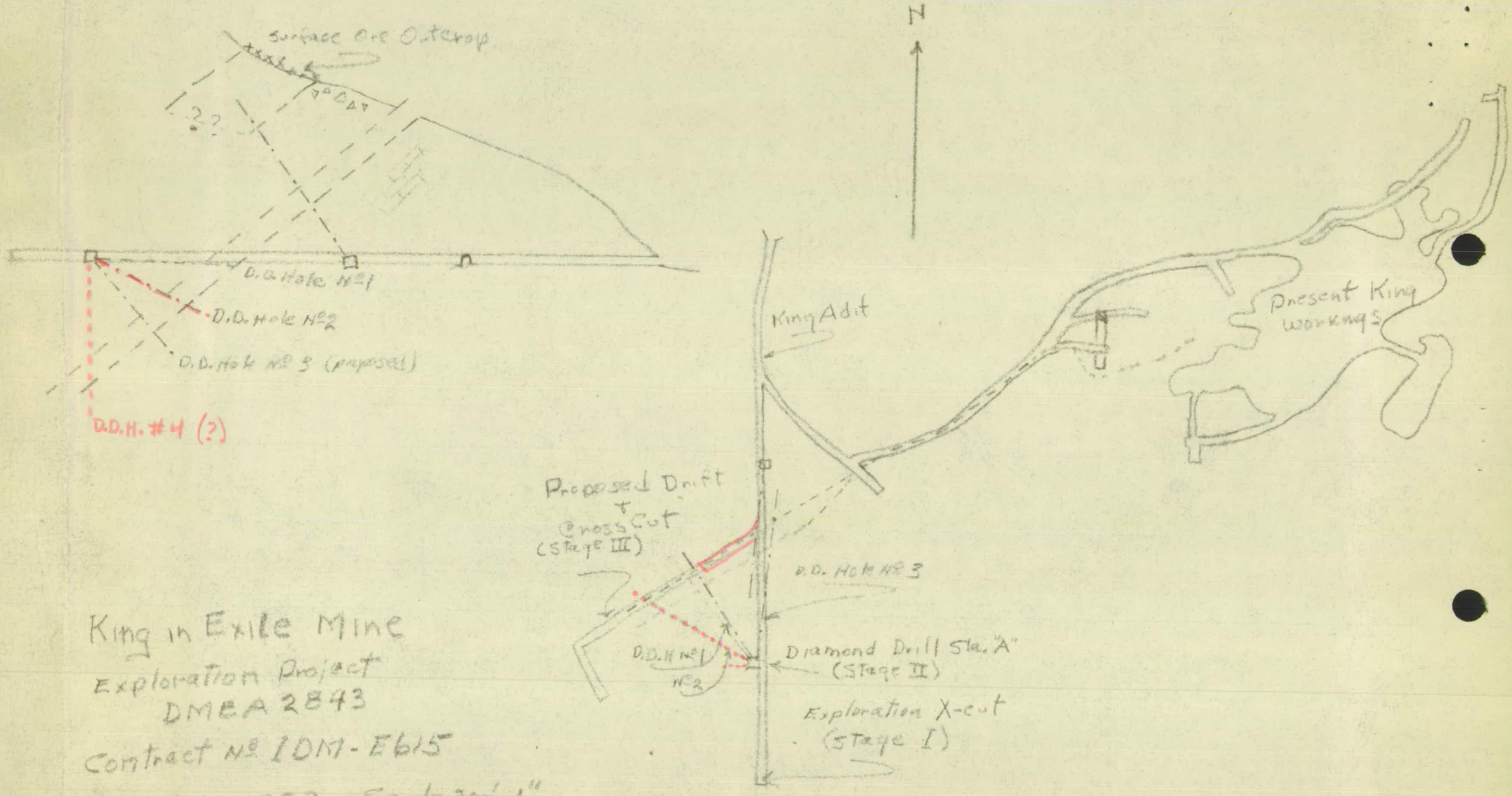
Unaltered grey lime

1" streak chalcopyrite

Unaltered grey lime



Richard E. Chilson



King in Exile Mine
Exploration Project
DMEA 2843
Contract No 10M-E615
~~December 1953~~ - Scale 200'-1"
January 1954
Richard E. Chilson

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

224 New Customhouse
Denver 2, Colorado

January 28, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard C. Chilson's King-in-Exile Copper Mine, Pima County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of December 1953.

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1954

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

224 New Customhouse
Denver 2, Colorado

January 8, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard C. Chilson's King-in-Exile Copper Mine, Pima County, Arizona. Operator's Monthly Progress Report for the period December 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	December 29, 1953.
Date Received in Field Office	January 4, 1954.
Date Received in Region Office	January 6, 1954.

John F. Shaw
For W. H. King
Executive Officer
DMEA Field Team, Region IV

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

January 5, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : December 1953 Progress Report, Contract Idm-1615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineer's report.

Stage I has been completed and the operator now is drilling under Stage II of the contract. Permission was granted by the Field Team to start Stage II as of December 1.

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms
Walter R. Storms

CC W. H. King (6)
DMEA-2843
DF

WRStorms:frj

MINING DIVISION
REGION IV

January 5, 1954

Memorandum

To : Walter H. Stearns, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Arizona

Subject : Progress Report for December 1953, Docket DMEA-2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

The King-in-Exile copper mine was visited on December 22, 1953. Richard E. Chilson was met at the mine. The core from Diamond Drill hole No. 1 was examined and the hole was found to be 155 feet deep at that time.

The core recovery was very good after the hole left the monzonite and entered the tactite border zone. The core shows good chalcopyrite mineralization in several places. The Operator in his narrative report has stated that he does not see how assays would be significant. This point was discussed with him on January 4, 1954 and he has agreed to assay the parts of the core which he believes to be ore.

The 155 feet of drill hole that were completed in December were in accordance with the provisions of the contract and were authorized as provided in the contract by a letter to Richard E. Chilson on December 21, 1953, from the DMEA Field Team. The contract provides for Government aid to the extent of 50 percent of an agreed estimated cost of $5.00 per foot. The total cost for 155 feet was $775.00 and the Government's part would be $387.50. It is recommended that the Operator be paid this amount.

The Operator has presented a narrative report which is adequate, and has agreed to furnish assays. While he has not furnished a drill log he has discussed the findings of the drill hole rather completely in his narrative report.

William R. Hardwick
William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMEA-2843
EF

WRHardwick:frj

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

December 29, 1953

Mr. C. H. King
Executive Officer, DMEA
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: DMEA 2843
Contract Ida 2-615

Dear Mr. King:

Herewith my third monthly report on the above contract. ~~Stag~~ Having driven through the first porphyry contact in stage I as reported last month and gone as far as it seemed there was any possibility of picking up a second lime bedding without finding any sign of it at this level, we cut out a diamond drill station as proposed in my report of December 3rd and shown on the accompanying sketch and drilled a hole to cut the contact which we did cross, at a point about 125 feet west of the first crossing in the crosscut.

It was intended to cut the formation at right angles and it appears we did fairly well on this. The hole was pointed back towards the northwest at 47 degrees from the line of the crosscut and at an inclination of about 6 degrees to keep water in the hole for better drilling. The quartz monzonite through which the hole passed for seventy feet was extremely hard on the diamond bits and very friable so that most of the core was recovered as rubble. Panning of the sludges and examination of the core showed occasional chalcopyrite mineralization on the fractures similar to that observed along the crosscut, about on the order of 1/10 of one percent copper.

From seventy to eighty-five feet very little core was recovered from a soft gouge material of gray to black mud with rice, pyrrhotite minerals and pyrite cubes and copper mineralization between one and two percent. From eighty-five to 131 feet this gouge solidified to a hard siliceous metamorphic with intervals of white lime silicate and a yellowish garnet, all of which contained traces of chalcopyrite and pyrite cubes. The copper content of this section was less than one percent. At 131 feet a fracture was encountered which had to be cemented. From 131 to 136 was the same material, but at 136 an eight inch cavity drained off our water and we were unable to recover any more sludge thereafter.

Between 140 and 155 feet, three intervals of copper ore were cut, aggregating about five feet of seven percent ore. These intervals were 142 to 144, 148 to 150 and 154 to 155 feet. I do not submit assays on this core for the reason that I do not see how assays would be significant.

If I were to assay selected parts of the cores I could get 12 inches or so of 12% copper ore which would not be commercial; orx I could average the fifteen feet at less than 3% copper which would not be commercial either. Yet, with my experience at the King Mine, I feel that this is a very substantial indication of commercial ore which well deserves prospecting.

Because of the extreme irregularity of the ore in the King we find that diamond drilling is particularly valuable for determining the location and relationship of ore zones rather than in measuring or evaluating the probable production. For instance, a thickness of fifteen feet of ore cut in a diamond drill hole is not proportionately more important or significant than five feet of ore over a width of fifteen feet. Although much more exciting, I admit. This is because of the habit of the ore to lie in every conceivable attitude within the structure, readily dipping toward the footwall or striking locally across the bedding. Also, no known occurrence of ore of one to two feet in thickness has yet failed to have at least one and usually two dimensions of fifteen feet in some direction and conversely, our largest orebodies always have their two foot sections or fingers within ten to twenty feet of the heart of the greatest mass. Certainly it would be disastrous to judge this ore by the standards of fissure veins or of perphry deposits.

It is therefore more often by grain and texture and gangue minerals and the relation of the ore zone to the lime footwall and the monzonite hanging that we use to formulate our opinions as to the value of a drill hole indication. And in this instance I am well encouraged by our indication in this hole.

Very truly yours,

Richard E. Chilsen

Richard E. Chilsen

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1953 Docket No. DMEA 2843 Contract No. E-615
Operator's Name Richard E. Chilson Minerals Copper
Address P. O. Box 2729 Tucson, Arizona
Contract Amount, $ 27,150.00 Government Participation: 50 % Amount, $ 13,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Subcontract~~ Short Form Contracts:						
Drilling	$775.00		$775.00			
Bulldozing						
Crosscutting	$	$7,800.00	$7800.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$775.00	$7,800.00	$8,575.00	775.00	7,800.00	8,575.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec. 29, 1953 *Payee Richard E. Chilson

Per Same Title Operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 387.60

Signature
(Authorized Certifying Officer)

Date 1/20/54 Vou. No. DMA 54-72

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEE 615 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 1/4/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature John F. Shea for W. H. King Title Executive Officer Date JAN 8 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 3 Docket No. DMEA 2843 Contract No. E-615
Operator's Name Richard E. Chilson Minerals Copper
Address P. O. Box 2729 Tucson, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet						300	$30.00
Crosscutting	Feet			$7,800.00	260	$30.00	380	30.00
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	$775.00	155	$775	155	$5.00	1000	$5.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$775.00		$8575.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$775.00		$8575.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date December 29, 1953 Operator Richard E. Chilson

Per Same Title

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

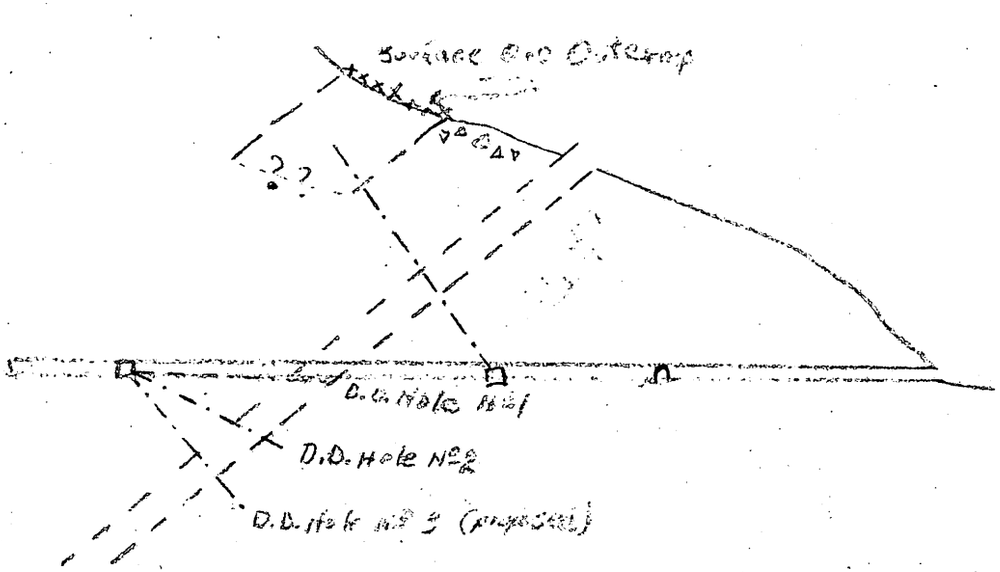
INSTRUCTIONS

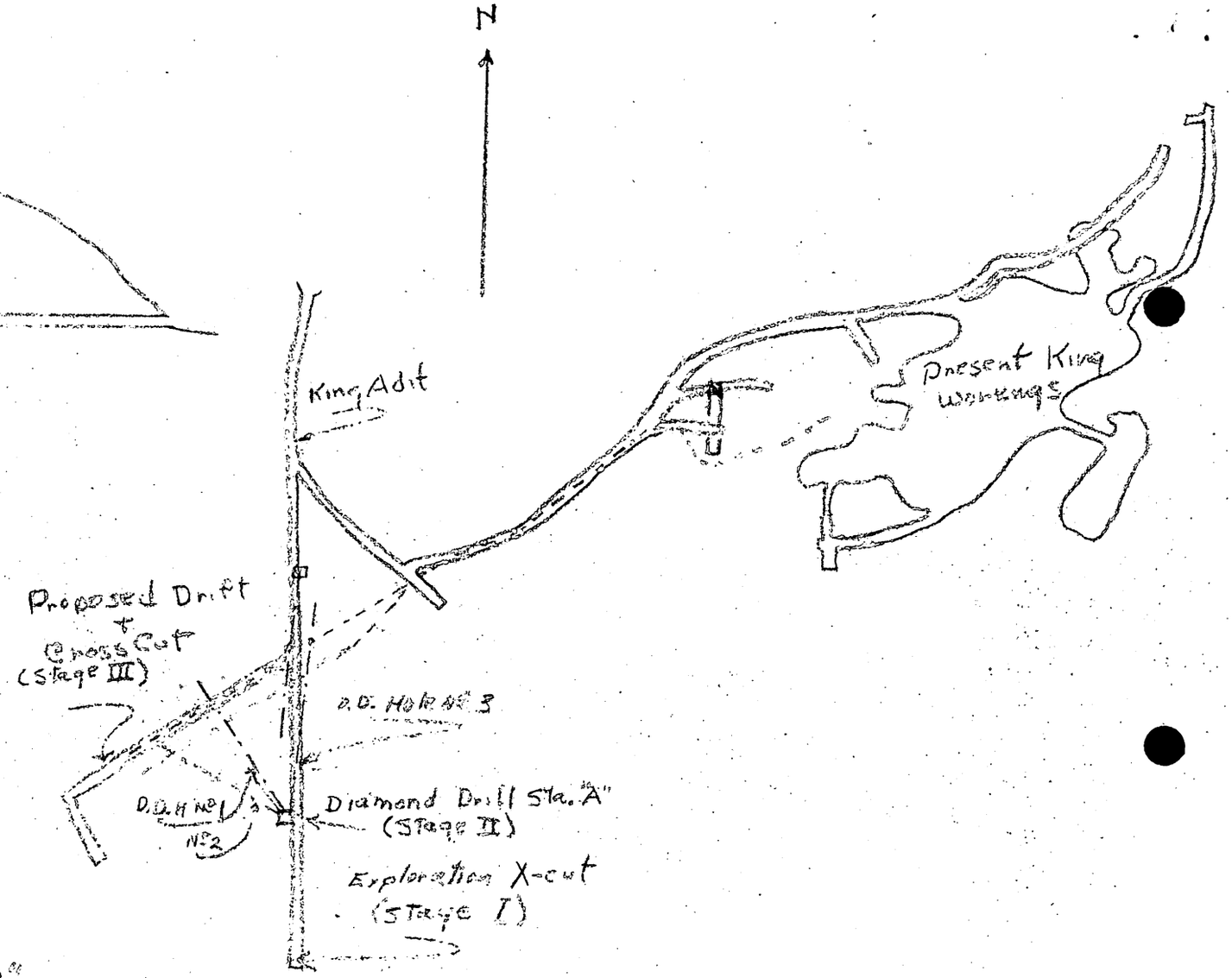
Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475





King in Exile Mine
Exploration Project
DMEA 2843
Contract No IDM-E615
December 1953 - Scale 200'-1"

by

Richard E. Carlson

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

224 New Customhouse
Denver 2, Colorado

January 4, 1954

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843, (Copper), Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona - Operator's Monthly Progress Report, for the period November, 1953

Enclosed are two copies of Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period November, 1953, pertaining to Docket DMEA 2843, Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine.

W. H. King

W. H. King

Enclosures

ld

Copy to: [illegible] copy of report
[illegible]
[illegible]

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

224 New Customhouse
Denver 2, Colorado

December 9, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843 (Copper), Contract Idm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona - Operator's Monthly Progress Report, for the period November 1953

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	December 1, 1953
Date Received in Field Office	December 2, 1953
Date Received in Region Office	December 7, 1953

W. H. King

W. H. King

Enclosures

RDB:fwe

cc Sec.Oper.Comm. (2)
WRStorms
Contract
Chron

MINING DIVISION
REGION IV

December 3, 1953

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : November 1953 Progress Report, Contract Idm-8815, Docket DMEA-2046, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineer's report.

On the operator's map, please note that Drill Station "A" is incorrectly located. We have added arrows to show its correct position and also have shown crosscut face as of December 1. I also believe that the contact as shown in crosscut "B" actually is farther to the south.

As the 120 feet of crosscutting are in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2043
BF

WRStorms:frj

MINING DIVISION
, REGION IV

December 3, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for November 1953, Docket DMEA-2846, Contract Dm-2615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona.

The King-in-Exile copper mine was visited on December 1, 1953 and the progress was measured. Mr. Chilson was at the mine and assisted in measuring the advance. From the initial measuring point, the face of the crosscut now measures 372 feet. The starting point of the contract was 12 feet from this point, thus the total advance of the crosscut is 360 feet and the advance for November was 130 feet.

The operator now has stopped advancing the crosscut and is cutting a diamond drill station at a point 186 feet from the starting point. He plans to drill some diamond core drill holes under Stage II to explore the contact.

The crosscut was in monzonite for the entire 130 feet of advance during November. The operator had expected to pass through a contact zone, then through a thin monzonite sill and into limestone beds, and finally through a second contact zone and into a thick monzonite sill. However, only one contact zone was discovered. Ore minerals were very scanty although some pyrite was observed. Near the end of the crosscut, sulfides increased and some pyrite was coated with a black stain which may be chalcocite. No ore has been discovered by work under the contract so far.

The operator has presented a narrative report for November which is considered adequate. He has claimed reimbursement for the 130 feet of crosscutting that were completed in November. This work was in accordance with the terms of the contract which provides for Government participation at 50 percent of an agreed estimated cost of $30.00 per foot. The total cost of the work completed in November is $3,900.00 and the Government's agreed part is $1,950.00. It is recommended that the operator be paid this amount.

William R. Hardwick
William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMEA-2846
MF

WRHardwick:frj

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

December 1, 1953

Mr. W. H. King,
Executive Officer, DMEA
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: DMEA 2843
Contract Idm-5615

Dear Mr. King:

Herewith my second monthly report on the above contract. We have driven another 130 feet of crosscut and I believe we have completed phase 'I' of this contract since it appears that the second ore showing on the surface did not extend down to the adit level and driving further will not serve any useful purpose.

From the appearance of the contact where we crossed it as shown on the accompanying sketch it is my opinion that there is a strong possibility of ore within reach of diamond drill holes to the west or below the adit level and I now propose to set up at a point about 188 feet from the face at the beginning of this contract and to drill some holes to crosscut the contact to explore this possibility.

Except that the station is not at the extreme face of the exploration crosscut, I believe this falls within the scope of our contract. However, I would also like to drill one hole from a station "gg" as shown on the sketch so directed as to explore the first contact above the adit level and to probe for the second contact at a point about a hundred feet below its outcrop. A careful survey would first be made to determine the location and course of this hole.

Very truly yours,

Richard E. Chilson

Richard E. Chilson

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1953, 195..... Docket No. DMEA 2843 Contract No. Idm-E615

Operator's Name Richard E. Chilson Minerals Copper

Address P. O. Box 2729 Tucson, Arizona

Contract Amount, $ 13,575.00 Government Participation: 50 % Amount, $ 27,150.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
~~Drilling~~	$3,900.00	$3,900.00	$7,800.00			
Bulldozing						
Crosscutting *						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3,900.00	$3,900.00	$7,800.00	3,900.00	3,900.00	7,800.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec. 1, 1953 *Payee Richard E. Chilson

Per Same Title Operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$1950.00

Signature [illegible]
(Authorized Certifying Officer)

Date 12/18/53 Voucher No. DMEA 54-61

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1 DME 615 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 12/3/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date DEC 8 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 195 3 Docket No. DMEA 2843 Contract No. Idr-2615
Operator's Name Richard E. Chilson Minerals Copper
Address P. O. Box 2729 Tucson, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	$3,900.00	130	$7,800.00	260	$30.00		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3,900.00		$7,800.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Dec. 1, 1953 Operator Richard E. Chilson

Per Same Title Operator

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

November 25, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843, Contract Idm-E615 (Copper), Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of October 1953.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

November 16, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2843, Contract Idm-B615 (Copper), Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Arizona. Operator's Monthly Progress Report for the period October 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	November 2, 1953.
Date Received in Field Office	Unknown
Date Received in Region Office	November 16, 1953.

John F. Shaw
John F. Shaw
For W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

MINING DIVISION
REGION IV

November 12, 1953

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : October 1953 Progress Report, Contract Idm-E615, Docket DMEA-2843, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report with map;

(2) Operator's narrative report;

(3) Forms MF-104 and MF-104A.

Also enclosed are two extra copies of our engineer's report.

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2843
DF

WRStorms:frj

MINING DIVISION
REGION IV

November 12, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for October 1953, DMEA Docket 2843, Contract Mm-E615, Richard E. Chilson's King-in-Exile Copper Mine, Pima County, Ariz.

The King-in-Exile copper mine was visited on November 6, 1953. Mr. Chilson was not present at the time of the visit but his employees were operating the mine.

Stage I of the contract consists of driving crosscut B 280 feet south to cut through the contact zone and into the overlying monzonite porphyry. The propert was visited on October 1 and at that time the face of crosscut B was at a point 12 feet south of a drill hole which was used as a measuring point. When the property was visited on November 6, the crosscut had been advanced to a point 162 feet south of this same measuring point for an advance of 130 feet. Mr. Chilson stated that 130 feet were completed in October.

At the point where the contract was started the rock consisted of relatively unaltered limestone. When the crosscut had advanced approximately 27 feet a zone of marbleized lime, garnet, and granite was encountered. This zone was highly fractured and fairly well mineralized. It has not yet been sampled. On November 6 the face of the drift was in a granite-type rock and the mineralization was very spotty.

The 130 feet of crosscut reported by the operator are in accordance with the provisions of the contract which provides that the Government will participate to the extent of 50 percent of an agreed estimated cost of $30.00 per foot. The total cost of the 130 feet that were completed in October is $3,900.00, and the Government's agreed part is $1,950.00. It is recommended that the operator be paid this amount.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (orig. & 6)
DMEA-2843
DF

WRHardwick:frj

RICHARD E. CHILSON
ENGINEERING AND MINING
P. O. BOX 2729
TUCSON, ARIZONA

November 1, 1953

Mr. W. H. King
Executive Officer, DMEA
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: DMEA 2843
Contract Idm-6615

Dear Mr. King:

This is the narrative portion of the first monthly report on the above captioned contract.

Contract was received from your office on the 2nd of October and on that same day engineers from the Tucson office of the Bureau of Mines examined the property to establish a point of reference to keep track of progress.

Work has been pressed on a two and three shift basis since that time resulting in about five feet of advance per day.

The face on the 2nd was completely barren unaltered limestone. At 27' a recent monzonite was encountered containing scattered mineralization with floaters of garnet.

This monzonite, cut with many slips and gouge seams, some carrying strong mineralization, continued to 125 ' where the last round of the month contained a large percentage of limestone metamorphics and apparently increasing mineralization on the fractures.

None of this formation has been assayed as the copper content would be of the nature of .25% and assaying would only confirm the traces which are evident to the eye.

Very truly yours,

Richard E. Chilson

Richard E. Chilson

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1953 Docket No. DMEA 2843 Contract No. Idm-E615

Operator's Name Richard E. Chilson Minerals Copper

Address P. O. Box 2729, Tucson, Ariz.

Contract Amount, $ 27,150.00 Government Participation: 50 % Amount, $ 13,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$3,900.00	none	$3,900.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3,900.00	None	$3,900.00	3,900.00	--	3,900.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date November 2, 1953 Payee Richard E. Chilson

Per Same Title Operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 19.50 00

Signature [signature]
(Authorized Certifying Officer)

Date 11/18/53 Vou. No. DMA 54-50

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Jem F 615 in accordance with the terms of the contract.

Signature William R. Hardinge WRH Title Mining Engineer Date 11/12/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. KING Title Executive Officer Date NOV 16 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 195 3 Docket No. DMEA 2843 Contract No. Idm-E615

Operator's Name Richard E. Chilson Minerals Copper

Address P. O. Box 2729, Tucson, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	$3,900.00	130	$3,900.00	130	$30.00	280	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3,900.00		$3,900.00				$27,150.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date November 2, 1953 Operator Richard E. Chilson

Per Same Title Operator

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS:

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

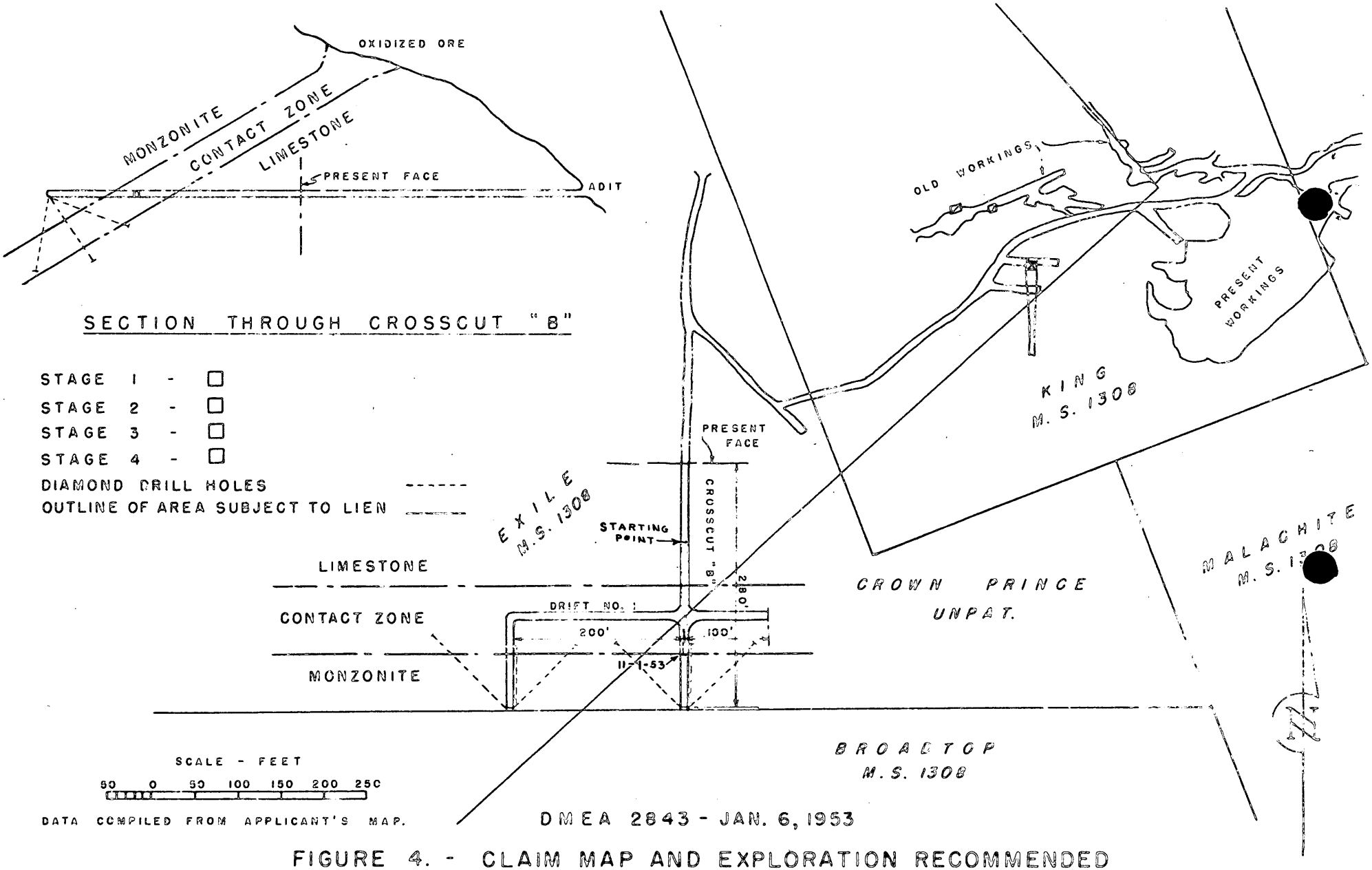


FIGURE 4. - CLAIM MAP AND EXPLORATION RECOMMENDED

KING-IN-EXILE WORKINGS HELVETIA MINING DISTRICT PIMA COUNTY, ARIZONA