OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-M1027, Docket MMRA-4221 (copper), dated October 23, 1956, with

Lewisohn Copper Corporation
P. O. Box 2728
Tucson, Arizona

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Peach and Elgin Mines located in Pima County, Arizona, during the period June 18, 1959, through October 7, 1962.

A certification of discovery or development was issued on October 3, 1958, and, in accordance with Article 8 and Amendment No. 2 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 11 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated October 20, 1958, indicated accepted costs under the exploration contract amounting to $53,354.30 with the Government's contribution on a 50 percent basis being $26,677.15.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review, which also found no sales subject to the Government's royalty through June 17, 1959. Accordingly, as of October 7, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. B. Talbert

E. B. Talbert, OME Auditor

November 2, 1962

STATUS OF PROJECT, SCOPE OF REVIEW AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of three unpatented claims (Flat Top, Round Top, and Busy) owned by the Operator and six patented claims (Mohawk, Newman, Peach, South End, Monitor, and Gap) held by the Operator through the assignment of a lease with option to purchase, all located in secs. 14, 15, 22, and 23, T. 18 S., R. 15 E., Helvetia Mining District. In consideration of the contract a Consent to Lien and Subordination Agreement was executed on August 1, 1956, by Frederick Lewisohn (owner of an undivided 10% interest), Southern Arizona Bank & Trust Company as administrator of the estate of Leonard Lewisohn (owner of an undivided 62½% interest), and the several testamentary trustees of Sam A. Lewisohn (owner of an undivided 27½% interest).

Exploration work under the contract was discontinued on April 4, 1957, due to a lack of sufficient finances, and formally terminated effective May 1, 1957, by a June 16, 1958, agreement. There was no production during the exploration period. Subsequent examinations and inquiries by OME regional representatives indicated that the property remained inactive through May 20, 1960.

The claims under this contract (and also those under contract Idm-K615, docket DMKA-2843, with Richard E. Chilson, the Operator's president, as an individual) were included in a Contract of Sale and Purchase executed on April 1, 1961, between the Operator and Banner Mining Company, P. O. Box 5605, Tucson, Arizona. A May 1, 1961, Supplement to Escrow Agreement, relating to the Contract of Sale and Purchase, recognizes the Government's "lien against production" from the claims under this contract (and also contract Idm-K615).

Inquiries on October 6, 1962, and examination of the property on October 7, 1962, by an OME regional representative found that the property had been inactive since termination of the exploration contract work, except for exploratory drilling by the Banner Mining Company.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that no production has occurred on the property since the date of the contract;

(2) The property has been inactive, except for exploratory drilling, since April 1957; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

Building 20 - Federal Center
Denver 25, Colorado

November 6, 1962

Memorandum

To: Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMMA-2845 (Copper)
Contract Ibm-B615
Richard E. Chilson
(King-in-Exile Mine)
Pima County, Arizona
and
DMMA-4221 (Copper)
Contract Ibm-E1027
Louisiana Copper Corporation
(Peach and Elgin Mines)
Pima County, Arizona

Attached is the original Report of Royalty Review dated November 2, 1962 on Contract Ibm-B615 covering the period September 28, 1955, through October 7, 1962 and on Contract Ibm-E1027 covering the period June 18, 1959, through October 7, 1962.

Original signed by

TMR

for
Hugh M. Commers

Attachments

cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres B615
Royalty Corres E1027
Chron

TMR/lm

November 2, 1962

Memorandum

To: Acting Field Officer, Region III

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: [redacted]-2643 (Copper)
Richard E. Chilson
King-in-Exile Mine
Pima County, Arizona
Contract Idm-E615
and
[redacted]-4221 (Copper)
Lewisohn Copper Corporation
Punch and Elgin Mines
Pima County, Arizona
Contract Idm-E1027

The original and one copy each of Reports of Royalty Review covering the subject contracts are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy of each for your files.

These Reports of Royalty Review are made for record purposes only; therefore, no copies for the Operators are provided.

As evidence of your concurrence, copies of your memorandum transmitting the original reports to the Fiscal Section should be furnished this Division. If for any reason you do not concur, all copies of the reports should be returned to this Division with your comments.

Enclosures

EDTalbert/mmr 11-2-62

cc: Docket
Director's Reading File
CA & A Division - Idm-E1027
Fiscal Section

Building 20 - Federal Center
Denver 25, Colorado

October 24, 1962

Memorandum

EXTRA COPY
O. M. E
RECEIVED OCT 29 1962
800

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

From: T. M. Romslo, Mining Engineer

Subject: DMEA-4221 (Copper)
Contract Idm-K1027
Lewisohn Copper Corp.
(Peach and Elgin Mines)
Pima County, Arizona
ON-SITE INSPECTION OF CERTIFIED PROJECT

Mr. Richard R. Chilson, informed me over the telephone at Tucson, Arizona, October 6, 1962, that subject property was inactive from termination of the project about May 1, 1957 to May 1962 when the Banner Mining Company acquired the property and started exploratory work. Regarding the contract between the Operator and the Banner Mining Company, he first said he believed a copy had been provided OME in answer to Mr. Griswold's letter, dated September 20, 1962. When told that it had not been received, he recalled not having sent it because a copy of the 50-page contract was not available. He agreed to obtain a copy of the pertinent part of the contract and forward it direct to Washington at an early date.

I visited the property October 7, 1962, and found that recent activity appeared to be confined to the Banner Mining Co.'s drilling operations. Mr. Allan Bowman, General Manager, Banner Mining Company, told me over the telephone in Tucson, October 8, 1962, that his company had acquired by a Contract of Sale and Purchase, dated April 1, 1961, numerous mining claims in the Helvitia and Rosemont districts. Also, that the claims acquired, included the properties of the subject contract and contract Idm-K1027. He was sure the Government's interest in production from the two properties was provided for in the contract, and agreed to mail to Mr. Connors a copy of the document concerned with the Government's interest. During a visit to the Banner Mining Co.'s office, October 12, 1962,

Mr. Bowman turned over to me a copy of the document and his covering letter to Mr. Connors, dated October 12, 1962. A copy of the letter and the document is attached. After my cursory inspection of the document, we mutually agreed that the quoted outstanding obligation under each contract furnished by the Lewisohn Copper Corp. should be checked by the OME. Mr. Bowman requested that the Banner Mining Co. be informed of the OME findings.

The OME, in its letter to the Banner Mining Co., should express its appreciation of Mr. Bowman's splendid cooperation in all matters pertaining to the OME and DMEA programs.

The document in question was obtained from Mr. Bowman, because I felt that our chances of obtaining it from Mr. Chilson are remote.

Original signed by

T. M. Romslo

Attachments

BANNER MINING COMPANY

P. O. BOX 5605 TUCSON, ARIZONA PHONE AXminister 4-1488

A. B. BOWMAN
VICE-PRES. & GEN. MGR.

L. L. TRAVIS, President

October 12, 1962

Mr. Hugh M. Connor
Acting Field Officer O.M.E.
Denver Federal Center
Building 20
Denver, Colorado

Dear Mr. Connor:

Mr. Marty Romslo of your office contacted me by phone last week regarding certain contracts the Government has with Richard E. Chilson and Lewisohn Copper Corp. both covering projects in Pima County, Arizona.

Banner Mining Company has entered into contracts with Lewisohn Copper Corp. and others in the Helvetia district of Pima County, Arizona to acquire several large groups of patented and unpatented mining claims. These contracts are in effect long term leases with options to purchase.

Mr. Romslo's question to me was about as follows: If Banner Mining Company produces from the claims which were under the IDM contracts, was provision made between Banner and Lewisohn Copper etc to protect the government's interest?

Our contract with Lewisohn Copper Corp. was dated April 1, 1961. A supplement to the Escrow Agreement under the above contract was signed on May 1, 1961, which specifically makes mention of the IDM contracts and sets up a method of paying the Government royalty in the event of production from the claims involved.

I am enclosing a conformed copy of this supplement for your information.

Yours very truly,

BANNER MINING COMPANY

A. B. Bowman

A. B. Bowman
General Manager

ABB: d
Enclosure

CONFORMED COPY

Tucson, Arizona

Dated: May 1, 1961

SUPPLEMENT TO ESCROW AGREEMENT

To:

SOUTHERN ARIZONA BANK AND TRUST COMPANY
Head Office
Tucson, Arizona

Gentlemen:

This is a Supplement to the Escrow Agreement dated May 1, 1961, between Lewisohn Copper Corp. and Banner Mining Company, relating to a Contract of Sale and Purchase, dated as of April 1, 1961, between said parties, covering one hundred one (101) unpatented mining claims, one (1) patented mining claim, and twenty-four (24) unpatented mill sites, described therein as the Lewisohn Group. Other contracts of sale and purchase with other parties cover other groups of mining claims described as the Rosemont Group, Blankenship Group and Tip Top Group in Exhibit "A" to the above mentioned Contract of Sale and Purchase.

By Contract No. Idm-E 615, executed September 28, 1953, DMEA Docket No. 2843 (copper), Richard E. Chilson entered into a production contract with the United States Government incurring an obligation in the sum of $5,100.00, on which there [illegible] $2,022.59. The rights of Richard E. Chilson have been assigned to Lewisohn Copper Corp., and this Contract (and the outstanding obligation thereunder) is a lien against the production from certain patented mining claims in the Rosemont Group and certain unpatented mining claims in the Lewisohn Group.

Also, by Contract No. Idm-K 1027, executed October [illegible], 1956 and terminated June 16, 1958, DMEA Docket No. [illegible]21 (copper), Lewisohn Copper Corp. entered into a production contract with the United States Government incurring an outstanding obligation in the sum of [illegible] which is a lien against production from certain patented mining claims in the [illegible]

Rosemont Group and certain unpatented mining claims in the Lewisohn Group. Lewisohn Copper Corp. states that there are no other production contracts with the United States Government entered into by it or assigned to it that are applicable to any of the mining claims in the Lewisohn Group, Rosemont Group, Blankenship Group or Tip Top Group.

Lewisohn Copper Corp. hereby agrees that as amounts become due under the above mentioned Contracts Nos. Idm-E 615 and Idm-K 1027, Banner Mining Company may (but does not obligate itself to) pay said amounts in behalf of Lewisohn Copper Corp. and will be allowed credit for said payments upon the next payments falling due under the above mentioned Contract of Sale and Purchase relating to the Lewisohn Group. Upon Banner Mining Company furnishing Southern Arizona Bank and Trust Company with satisfactory evidence of such payments, Southern Arizona Bank and Trust Company is hereby authorized to allow such credits.

In the absence of Lewisohn Copper Corp. and the United States Government agreeing on the amounts to be paid under the above mentioned contracts with the United States Government, Banner Mining Company is entitled to exercise its own judgment in determining amounts that may be due, and it shall be allowed credit by Southern Arizona Bank and Trust Company upon paying said amounts that are determined to be due under Contracts Nos. Idm-E 615 and Ldm-K 1027, although it is later determined that said amounts were, in fact, not due or were not owed the United States Government, or [illegible] due.

One of [illegible] enter into the a[illegible]ct of Sale and Purchase with Lewisohn Copper Corp. relating [illegible]sohn Group is the simultaneous execution by Lewi[illegible] of this Supplement to Escrow Agreement, and it [illegible] this Supplement to Escrow Agreement cannot be termi- [illegible] Lewisohn Copper Corp. unless Banner Mining Company [illegible]

the above mentioned Contract of Sale and Purchase.

This Supplement to Escrow Agreement shall be binding on the assignees and successors in interest of the partied hereto.

LEWISOHN COPPER CORP.

/s/ By Richard E. Chilson
President

ATTEST:

/s/ Boyd M. Morse
Secretary

BANNER MINING COMPANY

/s/ By A. B. Bowman
Vice President

ATTEST:

/s/ F. C. Prince
Assistant Secretary

Accepted for entry records of SOUTHERN ARIZONA BANK AND TRUST Arizona, this 1st day of May, 1961.

/s/ Wm. Harbes
Escrow Agent

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado pertaining to Contract Nm-M1027, Docket No. MEX 4321, dated October 23, 1956, with

Lewisohn Copper Corporation
120 North Church Avenue
Tucson, Arizona

for the purpose of determining the amount of royalties due the U. S. Government on the sales of Copper, from property referred to as Peach and Elgin Properties, located in Pima County, Arizona, during the period October 23, 1956 to June 17, 1959

A Certification of Discovery or Development was issued on October 3, 1958, and accordingly royalty is payable on all the production from the land described in Article 2 of the contract for a maximum period of 11 years from the date of the contract. A Report of Review in lieu of Final Cost Audit dated October 20, 1958, indicated accepted costs under the exploration contract amounting to $53,354.30, with the Government's contribution on a 50 percent basis being $26,677.15.

No royalty has been paid to the Government to date in connection with this contract.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) According to the Field Team's Semi-Annual Report of certified project for the period July 1, 1958 to December 31, 1958, operation ceased about May 1, 1957; no ore has been shipped since October 23, 1956, (The date of the exploration contract); no operations or ore shipments are anticipated in 1959.

(b) The administrative costs to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

June 17, 1959

JUN 22 1959
O.M.E.

Donald T. Finch
Donald T. Finch
OME Auditor

JUN 23 1959

Memorandum

To: Mr. Donald T. Finch, ONE Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-4221 (Copper)
Lewisohn Copper Corporation
Contract No. Idm-K1027

Your Report of Royalty Review is acceptable for regional distribution after changing the "10" at the end of the third line of the second paragraph to "11". This correction has been made in the Washington copies.

EDTalbert/ama
June 22, 1959

Copy to: Docket
Director's Reading File
Code 800

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Lewisohn Copper Corporation
P.O. Box 2728
Tucson, Arizona

pertaining to Exploration Project Contract No. Idm-E1027, DMEA No. 4221, including Amendments Nos. 1 and 2, and Termination Agreement dated June 16, 1958, for the months of November, 1956 to April, 1957, inclusive, covering a project for the exploration of copper on property known as Peach and Elgin Properties located in Pima County, Arizona.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given on the attachment to this report.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$53,578.60
Exceptions: (Schedule attached)		
Prior to this review	$224.30	
Herewith	0.00	224.30
Total Accepted Cost		$53,354.30

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty-six thousand, six hundred seventy-seven and 15/100ths Dollars is valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Amount payable to Operator	$26,677.15
Amount reimbursed	25,927.16
Balance due Operator	$ 749.99

Donald T. Finch
Donald T. Finch,
OME Auditor

October 20, 1958

REASONS FOR REPORT OF REVIEW IN LIEU OF FINAL AUDIT

CONTRACT NO. Idm-E1027 DOCKET NO. DMEA 4221

LEWISOHN COPPER CORPORATION

(a) The Monthly Reports were supported by documentary proof of that portion ($42,893.25) of the costs which covered work performed at unit rates under independent contract (per summary attached)

(b) The balance ($10,461.05) of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

(c) The administrative cost to the Government of an on-site audit would be excessive in relation to the estimated amount of possible disallowances thereunder.

SCHEDULE OF EXCEPTIONS

CONTRACT NO. Idm-E1027 DOCKET NO. DMEA 4221

LEWISOHN COPPER CORPORATION

Under Stage I: -

668	Chemical assays at $1.60 reported by Operator	$ 1,068.80
600	" " " " allowed by Contract	960.00
68	" " " " Disallowed	$ 108.80

Under Stage II: -

Operator reported 1,015 feet churn drilling	$10,265.50
Contract allows 1,015 ft. churn drilling @ $10.00/ft.	10,150.00
Excess Cost Disallowed	$ 115.50

SUMMARY

Assays disallowed	$108.80
Churn drilling disallowed	115.50
Total Disallowed	$224.30

SUMMARY OF DOCUMENTED COSTS

CONTRACT NO. I6m-E1027 DOCKET NO. DMEA 4221

LEWISOHN COPPER CORPORATION

Independent Contracts

Stage 1	3,460 feet of churn drilling @ $9.46337 per ft.		$32,743.25
Stage 2	1,015 " " " " " $10.00 " "		10,150.00
	4,475 " " " " " $9.585 " "		$42,893.25

OCT 24 1958

Mr. Donald T. Finch
GSE Auditor
224 New Customhouse
Denver 2, Colorado

Re: Louisiana Copper Corporation
Contract No. [illegible]
Docket No. [illegible]

Dear Mr. Finch:

Your report of review on the above-cited project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

AMalley/sma
October 24, 1958

Copy to: Docket
Director's Reading File
Mr. Chambers

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
OFFICE OF MINERALS EXPLORATION
294 New Customhouse
Denver 2, Colorado
October 17, 1958

RECEIVED 1958
800

Memorandum

To: Donald T. Finch, OME Auditor, Region XXI - w/enclosure

From: Acting Executive Officer, OME Field Team, Region XXI

Subject: Docket No. RMEA 4221 (Copper), Contract No. Lim-81027, Lewisohn Copper Corporation (Peach and Elgin properties), Pima County, Arizona

The subject contract was terminated, effective May 1, 1957, by a TERMINATION AGREEMENT dated June 16, 1958. A copy of the Termination Agreement is enclosed for your records.

The Operator has rendered its final report as required by the contract. Therefore, final payment of the Operator's account is in order contingent on release to this office of a Certificate and Report of Audit or Report of Review of reported project costs, whichever the case indicates.

Acceptable units of work or service completed on a "Fixed Unit Cost" basis consist of incidental allowance for 4,475 feet of churn drilling and analysis of 847 samples for copper content.

The sum of $750 was withheld from reimbursement to the Operator in processing the final accounting report and voucher for the month of April, 1957.

Original signed by
E. N. HARSHMAN

E. N. Harshman

JBC:prl

cc: Chmn. Op. Comm. (2)
Harshman
Cooper
Corres. file
Chron.

224 New Customhouse
Denver 2, Colorado
October 28, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4221 (Copper) Contract Idm-E1027, Lewisohn Copper Corporation, (Peach and Elgin properties) Pima County, Arizona - FINAL PAYMENT

Reference is made to our memorandum of June 24, 1957, whereby we forwarded the final Form MF-104, Operator's Monthly Report and Voucher, for April 1957, and requested that you withhold the amount of $750.00 from reimbursement to the Operator pending resolution of matters prerequisite to closing the account.

The Operator's final report has been received, therefore final payment to the Operator is to be made on the following basis, which is in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, OME, dated October 20, 1958.

Basis for Final Payment

Total accepted cost	$53,354.30
Government participation at 50 percent	26,677.15
Total prior payments	25,927.16
Balance due the Operator	$ 749.99

Original signed by
E. N. HARSHMAN
E. N. Harshman

JDC:hmh

cc: Chmn. Op. Comm. (2)
Harshman
Emerick
Romalo, OME/Tuc.
MF-104 file, Reg.III
Corres.file, Reg. III
Cooper
Chron

$749.99

10/31/58 DMEA 57-57

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

Budget Bureau No. 42-R1036.5

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

Month of April 195 7 Docket No. DMEA 4221 Contract No. 16m-E 1027
Operator's Name Lewisohn Copper Corp. Minerals Copper
Address 128 North Church, Tucson, Arizona
Contract Amount, $ 88,780.00 Government Participation: 50 % Amount, $ 44,390.00

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:			STAGE I			
Drilling	0	32,743.25	32,743.25			
~~Drilling~~ Incidentals	0	7,023.80	7,023.80			
~~Drilling~~ Assays	0	1,068.80	1,068.80			
~~Drilling~~ Check Assays	0	78.00	78.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:			STAGE II			
~~Drilling~~ Drilling	5,232.50	4,983.00	10,265.50			
~~Drilling~~ Incidentals	1,025.15	1,035.30	2,060.45			
~~Drilling~~ Assays	147.20	161.60	308.80			
Check Assays	30.00	0	30.00			
(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	6,484.85	47,093.75	53,570.60	6,369.35	47,093.75	53,463.10
				4-	108.80	108.80

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 31, 1957 Payee Lewisohn Copper Corp.
Per B. H. Martin Title Manager
B. H. Martin

*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)

note: Withheld 750.00 - Previous Disallowance

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 53,354.30
46,984.95
3184.68

Signature
(Authorized Certifying Officer)
Date 6/25/57 Vou. No. 57-140
(See other side)

RECEIVED JUL 1 1957 D.M.E.A.

(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. Idm-E 1027 in accordance with the terms of the contract.

Signature M Romalo WRJ Title Mining Engineer Date 6-7-57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. Kang Title Executive Officer Date JUN 24 1957

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1957 Docket No. DMEA 4221 Contract No. Idm-E 1027
Operator's Name Lewisohn Copper Corp. Minerals Copper
Address 128 North Church, 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
			STAGE I					
Drilling	Ft.	0	0	32,743.25	3,460	9.46	3,600	10.00
Incidentals	Ea	0	0	7,023.80	3,460	2.03	3,600	2.03
Assays	Ea	0	0	1,068.80	668	1.60	600	1.60
Check Assays	Ea	0	0	78.00	39	2.00	60	2.00
Winzes								
Drilling: Core			STAGE II					
Drilling	Ft	5,282.50	505	10,265.50	1,015	9.62	3,600	10.00
Incidentals	Ea	1,025.15	505	2,060.45	1,015	2.03	3,600	2.03
Assays	Ea	147.20	92	308.80	192	1.60	600	1.60
Check Assays	Ea	30.00	15	30.00	15	2.00	60	2.00
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		6,484.85		53,578.60				88,780.00

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 May 31, 1957 Operator Lewisohn Copper Corp.

Per B. H. Martin B. H. Martin Title Manager

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)

RECEIVED JUL 1 1957 D.M.E.A.

M. Conolo

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 872894

FINAL DISTRIBUTION
MADE JUN 27 1957

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

Administrative Audit Difference Statement

Lucinda Copper Corporation
125 North Church Avenue
Tucson, Arizona

Date: June 25, 1957
Payee's Reference: April 1957

Gentlemen:

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

Amount Claimed	$	6,484.85
Difference	$	115.50
Amount Approved	$	6,369.35

The reason for the difference was due to:

Suspend:
Reported Stage II drilling costs to date, 1015 ft at a total cost of - 10,265.50
Allowable Stage II drilling costs to date, 1015 ft at $10.00 per ft - 10,150.00
Amount to be suspended. 115.50

Reinstate: $750.00 which was withheld from the March 1957 voucher pending extension of the completion date.

Withhold: $750.00 pending resumption of contract work, which has been temporarily suspended.

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

Very sincerely yours,

N. E. Stokes
Audit Section

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE	INITIALS	CODE
7/2	C	220
	Com	100
		800

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

204 New Customhouse
Denver 2, Colorado

June 24, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4221, (Copper) Contract Idm-E1027
Lewisohn Copper Corporation (Peach mine) Pima County,
Arizona - Operator's Monthly Progress Report for the
month of April, 1957

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

Except as otherwise indicated below, we consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Amount to be Suspended:

The reported Stage II drilling costs to date exceed the maximum allowable average unit cost, therefore the excess cost is to be suspended as follows, subject to possible reinstatement at a later date to the extent that subsequent Stage II drilling costs may fall below the allowable unit cost.

Reported Stage II drilling costs to date, 1015 feet, at total cost of	$10,265.50
Allowable Stage II drilling costs to date, 1015 feet, at $10.00 per foot	10,150.00
Amount to be suspended	$ 115.50

Amount to be Reinstated:

Reinstate the amount of $750.00 which was withheld from the March, 1957, voucher pending extension of the completion date. The completion date was extended to October 1, 1957, by Amendment No. 2.

Amount to be Withheld:

Withhold an amount of $750.00 pending resumption of contract work, which has been temporarily suspended. If the contract work is not resumed, continue to withhold the amount of $750.00 pending resolution of matters which are prerequisite to closing the account.

Reconciliation with the Amount Reported by the Operator on Form MF-104 for April, 1957

Amount reported on Form MF-104 for April, 1957		$6,484.85
Amount to be suspended		115.50
Total accepted cost for April, 1957		$6,369.35
Government participation at 50 percent		$3,184.68
Amount to be reinstated	$750.00	
Amount to be withheld	750.00	
Net amount to be reinstated or withheld		0.00
Balance due the Operator		$3,184.68

Note: Attached is a copy of a letter from the Operator dated June 20, 1957, which clarifies the documentation of drilling costs.

Remarks:

Date of Report ---------- May 31, 1957
Date Received in Field Office ---------- June 6, 1957
Date received in Region Office ---------- June 10, 1957

Original signed by
W. H. KING
W. H. King

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
IMMA, Tuc.
Harshman } w/copy of Engr's report and
Townsend } Oper. letter of 6/20/57
MF-104 file, Reg. III
Chron.

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

DMEA
DEPARTMENT OF THE INTERIOR
JUN 21 1957
REGION III
DENVER, COLORADO

June 20, 1957

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

Re: Docket DMEA-4221 (Copper)
Contract Idm E 1027
Lewisohn Copper Corp.
(Peach Mine)
Pima County, Arizona

Dear Mr. King:

This will acknowledge your letter of June 18th requesting six copies of the drilling contract between Lewisohn Copper Corp. and Purcell Mining and Drilling Company, of Tucson. The contract is enclosed and the explanation of the delay follows.

The hole in question was started March 18th in the hardest and most difficult formation to drill thus far encountered. The drilling contractor spent 14 3/4 days, or 43 shifts, drilling the hole to a depth of 210 feet. Inasmuch as this was due to hard formation and/or trouble in keeping a straight hole, and the shift advance was considerably less than 15 feet, we reimbursed the drilling company at the rate of $100.00 per shift for 43 shifts, according to the terms of the contract. This amount was reduced by the 210 feet at $8.00 per foot which was drilled during this period, and by 48 hours of rig or delay time at $12.50 per hour, which also occurred during this period and which was paid for under heading of "Rig Time."

The contractor's invoice should have been set up as follows:

FIELD FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE	INITIALS	CODE

(See next page)

43 guaranteed shifts @100.00		$4,300.00	
Less 210' drilling @6.00	$1,260.00		
Less 48 hrs rig time @12.50	600.00	1,860.00	
Net Guaranteed Time			$2,440.00
295' drilling @6.00			$1,770.00
90' reaming @4.00			360.00
2722' casing @0.25			680.50
8' conductor pipe @ 4.00 (left in hole)			32.00
		Total,	$5,282.50

We realize now that a letter of explanation should have accompanied the monthly report and are sorry if this confusion has caused you any inconvenience.

Very truly yours,

B. H. Martin

B. H. Martin
Manager

BHM:bjg
Enclosure: Drilling Contract (6)
cc: Martin Romalo, U. S. B. M. - Tucson

DMEA
DEPARTMENT OF THE INTERIOR
JUN 10 1957
REGION III
DENVER, COLORADO

June 7, 1957

Memorandum

To: E. H. Kershman, Acting Executive Officer, DMEA Field Team, Region III

From: Superintendent, Southwest Experiment Station

Subject: April 1957 Progress Report, Docket DMEA-4221 (Copper), Contract Ida-41087, Louisiana Copper Corp. (Peach Mine), Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;
(2) Operator's narrative report with assays, drill log, and map.
(3) Forms MF-104 and MF-104A with drill contractor's invoice and assayer's invoices.

Also enclosed are 4 extra copies of our engineer's report.

The operator's April report was received in the Tucson office on June 6, 1957.

As all work is in accordance with terms of the contract, I recommend that the Government's share of the costs be paid with the possible exceptions as noted by T. M. Rosale, mining engineer, Bureau of Mines, in his report.

Signed by Walter R. Storms

Walter R. Storms

CC Exec. Officer (8)
DMEA-4221
WF

WRStorms:fr]

CERTIFIED COPY
DMEA
RECEIVED JUN 7 195
DATE

June 7, 1957

Memorandum

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

From: T. M. Romalo, Mining Engineer, Tucson, Ariz.

Subject: Progress Report for April 1957, Project DMEA-4220 (Copper), Contract Idm-K1037, Lewisohn Copper Corp. (Peach Mine), Pima County, Ariz.

On May 2, 1957, I visited the Peach Mine and checked exploratory progress under subject contract with B. H. Martin, manager. I found that operations had been recessed after completing hole K-4 at 505 feet on April 4, 1957.

The operator reports that hole K-4 developed 160 vertical feet of material averaging 0.80 percent copper. Drill hole data shows that the 160 feet comprises 3 zones that are separated by 2 thick sections of material containing about 0.2 percent copper.

ANALYSIS OF THE OPERATOR'S REPORT

The report was received June 6 after I had verbally requested it on several occasions.

Form MF-104

Drilling - The $5,282.50 is for the authorized 505 feet of churn drilling in hole K-4. It is supported by the original and certified copies of the Independent Contractor's invoice. The average per foot costs of this hole and all stage 2 drilling, respectively $10.46 and $10.1138, exceeds the allowable $10.00. On the basis of stage 2 costs to date, the disallowable portion of the $5,282.50 is $115.50 (1015 x $0.1138)

Incidentals - The $1,025.15 is for the 505 feet of drilling at the authorized additional cost of $2.03 per foot.

CC. Exec. Off. (Orig. & 8)
DMEA-4221
DF

THRomalo:frj

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

May 31, 1957

NARRATIVE REPORT FOR APRIL 1957

Docket No. DMEA 4221 (Copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under Contract No. Idm-E 1027 was continued into the month of April with the completion of Hole No. 50 on April 4th by the Purcell Mining and Drilling Company of Tucson, Arizona, using a type 60L Bucyrus-Erie drill. Upon completing this hole, drilling operations were suspended and a 90-day recess requested.

The statistics on this hole are as follows:

DMEA NO.	OUR NO.	GRID LOCATION	DEPTH
12	50	K-4	505 Feet

A total of 92 samples were taken, the sampling and assaying procedure being the same as previously described.

There is attached to this report a photostatic copy of the assay and geologic logs of hole 50, as well as copies of the assay certificates. There is also attached a map showing previous as well as April drilling in both plan and section.

The first 250 feet of Hole 50 were extremely hard drilling and several crevasses were encountered, resulting in loss of sample in some cases. No difficulty was experienced with the hole below 250 feet. This hole developed 160 vertical feet of material averaging 0.80% copper.

LEWISOHN COPPER CORP.

By B. H. Martin
B. H. Martin, Manager

BHM:bjg

DUPLICATE

PHONES: TUCSON 3-2373 OR 5-1385: TIGER

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

April 8, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED JUL 1 1957

DATE	INITIALS	CODE

Lewisohn Copper Corporation,
128 N Church Ave.
Tucson, Arizona.

Grid Location:
HOLE NO. 50

43 Guaranteed shifts @ $100.00 per shift		$4300.00
Less: 210 ft. drilling @ $6.00 per foot	$1260.00	
48 hrs rig time @ 12.50 per hour	600.00	1860.00
		$2440.00
295 ft. drilling @ $6.00 per foot		1770.00
90 ft. reaming @ 4.00 per foot		360.00
2722 ft. casing @ .25 per foot		680.50
8 ft. conductor pipe @ $4.00 per ft. (left in hole)		32.00
		$5282.50

MEMO:
The charges for this Hole are predicated on the hard drilling, inaccessibility of drilling location, which slowed up operations materially.

PURCELL DRILLING COMPANY

By Martha G Purcell
Martha G Purcell

Received payment

Martha G Purcell
Martha G. Purcell.

Certified Copy
BAM

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

March 29, 1957

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

CORRECTED COPY

LAB. NO. 11575

Lewisohn Copper Corp.
128 North Church
Tucson, Arizona

Attn: Mr. B.H. Martin, Gen. Mgr.

Gentlemen:

Following are our assays on 46 samples received by this office on March 26, 1957.

Sample No.	Percent Copper	Sample No.	Percent Copper
1652-1 plus 10	0.78	1785	0.48
" -10 plus 100	0.95	1795	0.19
" -100	1.83	1805	0.73
1652-2 plus 10	0.58	1851	0.15
" -10 plus 100	0.93	1852	1.00
" -100	1.88	1853	2.63
1660-1 plus 10	1.65	1854	1.98
" -10 plus 100	1.75	1855	0.88
" -100	0.88	1856	0.30
1660-2 plus 10	1.93	1857	0.33
" -10 plus 100	1.75	1858	0.35
" -100	0.88	1859	0.58
1542	0.25	1860	0.70
1564	1.00	1861	0.68
1582	1.05	1862	1.48
1586	0.28	1863	0.70
1634	0.30	1864	0.68
1652	1.33	1865	0.23
1660	1.23	1866	0.15
1668	0.12	1867	0.13
1730	0.98	1868	0.10
1762	0.85	1869	0.10
1775	0.30	1870	0.05

HOLE 50

Very truly yours,

DICKINSON LABORATORIES, INC.

By: George L. Dickinson
George L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

GLD:mm

certified Copy
BHM

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

April 13, 1957

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

LAB. NO. 11702

Lewisohn Copper Corp.
128 North Church, Tucson, Ariz. Attn: Mr. B.N. Martin, Gen. Mgr.

Sample No.	% Copper	Sample No.	%Copper
1871	0.10	1914	0.17
1872	0.05	1915	0.00
1873	0.10	1916	0.02
1874	0.19	1917	0.05
1875	0.24	1918	0.02
1876	0.24	1919	0.03
1877	0.05	1920	0.07
1878	0.07	1921	0.37
1879	0.05	1922	0.62
1880	0.00	1923	0.76
1881	0.27	1924	0.57
1882	0.49	1925	0.84
1883	0.22	1926	0.98
1884	0.39	1927	0.84
1885	0.29	1928	0.86
1886	0.59	1929	0.64
1887	0.44	1930	0.81
1889	0.49	1931	0.79
1892	0.19	1932	0.70
1893	0.22	1933	0.52
1898	0.34	1934	0.24
1899	0.44	1935	0.19
1900	0.84	1936	0.24
1901	0.71	1937	0.49
1902	0.81	1938	0.42
1903	0.49	1939	0.17
1904	0.64	1940	0.44
1906	0.52	1 941	0.24
1905	0.34	1942	0.27
1907	0.17	1943	0.29
1908	0.07	1944	0.19
1909	0.29	1945	0.29
1910	0.3 2	1946	0.17
1911	0.15	1947	0.22
1912	0.3 4	1948	0.19
1913	0.27	1949	0.27

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

certified copy
B.H.M.

Very truly yours,
DICKINSON LABORATORIES, INC.
By: George L. Dickinson
George L. Dickinson

GLD:mm

W. E. HAWLEY, PRES.

TELE: EMPIRE 4-2741

HAWLEY & HAWLEY

ASSAYERS AND CHEMISTS, INC.
537 TWELFTH STREET
DOUGLAS, ARIZONA

BOX 1060
DOUGLAS, ARIZONA
BOX 4
EL PASO, TEXAS

IDENTIFICATION	GOLD OZS	SILVER OZS	LEAD %	COPPER %	ZINC %	INSOL. %	IRON %		
1634				0.35					
1652				1.37					
1660				1.59					
1668				0.12					
1730				1.17					
1762				1.00					
1775				0.35					
1785				0.49					
1795				0.13					
1805				0.95					
1852				1.07					
1852				1.62					
1903				0.56					
1922				0.90					
1929				0.70					

CHECK ASSAYS - STACK II

Certified Copy
BAM

CO:
ADD:
CITY:
ADD:
CITY:

REMARKS:

ANALYSIS CERT. BY Richard

ACC: LEWISOHN COPPER COMPANY | DATE SPL. RECEIVED 5/3/57 | DATE COMPL. 5/7/57 | $ 30.00 | 257688

DRILL HOLE LOG C-50

D.M.E.A. Hole No. 13
Grid Location: K-4
Collar Elevation: 4579
Total Depth: 505

Hole Diameter

Depth (Feet)	Diameter (Inches)
0-370	10
370-505	8

Depth (Feet)		Geology
0-275		Marble
	0-30	Marble. Moderately garnetized. Minor brown translucent calcite. Weak chrysocolla. Weak pyrite, chalcopyrite. Moderate covellite and copper pitch.
	30-45	Iron-rich gossany material, minor marble and garnet. May be fracture zone. Strong brown limonite, very weak magnetite and chalcopyrite. Weak pyrite and copper pitch.
	45-50	Tan marble.
	50-80	White marble, minor limonite, garnet, dark red jasperry cuprite. Weak chrysocolla, copper pitch. Weak to moderate covellite.
	80-195	White marble. Locally minor gray-green siltstone, garnet, jaspery material, limonite, and chrysocolla. Note: some copper wire from blasting in concentrate at 100-105 but no effect on assay. Spotty very weak magnetite and sulfides.
	195-235	Samples lost in crevices.
	235-275	Marble. Similar to 80-195. Moderate brown limonite. 250-265. Moderate chrysocolla 250-275.
275-360		Garnetized limestone and gray-green siltstone. Weak chrysocolla. Spotty, very weak magnetite, pyrite, chalcopyrite.
360-460		Diopside rock. Mostly black siltstone-like variety. Minor gray-green siltstone.

360-425	Moderate to strong magnetite and pyrite. Moderate chalcopyrite.
425-460	Weak magnetite, pyrite, chalcopyrite.
460-505	Black quartzite. Weak magnetite, pyrite, chalcopyrite, oxides.

Ore Zones: 15-80 mixed; 250-285 Oxide, 365-425 Sulfide.

Heavy Sulfide Zone: 365-425

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1957 Docket No. DMEA 4221 Contract No. Idm E 1027
Operator's Name Lewisohn Copper Corp. Minerals Copper
Address 128 North Church, Tucson, Arizona
Contract Amount, $88,780.00 Government Participation: 50 % Amount, $44,390.00

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
STAGE I						
(1) Independent Short Form Contracts:						
Drilling	0	32,743.25	32,743.25			
~~Building~~ ~~xxxxxx~~ Incidentals	0	7,023.80	7,023.80			
~~Crosscutting~~ ~~xxxxxxx~~ Assays	0	1,068.80	1,068.80			
~~Drifting~~ ~~xxxxx~~ Check Assays	50.00	28.00	78.00			
(2) Labor and Supervision:						
~~Labor~~ ~~xxxx~~						
~~Supervision~~ ~~xxxxxxx~~						
~~Technical Services~~ ~~xxxxxxxxxxx~~						
STAGE II						
(3) Operating Mat'ls. and Supplies:						
~~Timber~~ ~~xxxx~~ Drilling	4983.00	0	4,983.00			
~~Explosives~~ ~~xxxxxx~~ Incidentals	1035.30	0	1,035.30			
~~Pipe~~ ~~xxx~~ Assays	161.60	0	161.60			
~~Track~~ ~~xxx~~ Check Assays	0	0	0			
(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	6229.90	40,863.85	47,093.75	6,229.90	40,863.85	47,093.75
				4-	108.80	108.80
					40,755.05	46,984.95

RECEIVED JUN 7 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 15, 1957 *Payee Lewisohn Copper Corp.
Per B. H. Martin Title Manager
~~B. H. Martin~~

*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: $2364.95

Signature
(Authorized Certifying Officer)
Date 6/3/57 Vouc. No. DMM 57-130
(See other side)

Note: Withhold 750.00
Previous Disallowance

(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. IdM-E 1027 in accordance with the terms of the contract.

Signature T. M. Romolo Title Mining Engineer Date 5-17-57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hornbrman Title Acting Executive Officer Date MAY 28 1957

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 7 Docket No. DMEA 4221 Contract No. Idm E 1027

Operator's Name Lewisohn Copper Corp. Minerals Copper

Address 128 North Church, 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
			STAGE I					
xxxxxDrilling	Ft.	0	0	32,743.25	3,460	9.46	3,600	10.00
Drifting xxxxxxxxxIncidentals	Ea.	0	0	7,023.80	3,460	2.03	3,600	2.03
Crosscutting xxxxx Assays	Ea.	0	0	1,068.80	668	1.60	600	1.60
Raising xxxxCheck Assays	Ea.	50.00	25	78.00	39	2.00	60	2.00
Shafts								
Winzes								
			STAGE II					
Drilling: Core xxxxDrilling	Ft.	4983.00	510	4,983.00	510	9.50	3,600	10.00
Churn xxxxIncidentals	Ea.	1035.30	510	1,035.30	510	2.03	3,600	2.03
Auger xxxxxxx Assays	Ea.	161.60	101	161.60	101	1.60	600	1.60
Shovel xxxxxxx Check Assays	Ea.	0	0	0	0	0	60	2.00
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		6229.90		47,093.75				88,780.00

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 May 15, 1957 Operator Lewisohn Copper Corp.

Per B. H. Martin B. H. Martin Title Manager

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)

RECEIVED JUN 7 1957 D.M.E.A.

M. Romolo

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 872894

FINAL DISTRIBUTION
MADE JUN 4 1957

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

Administrative Audit Difference Statement

[redacted]

Date: [redacted]
Payee's Reference: [redacted]

[redacted]

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

Amount Claimed $ [redacted]

Difference $

Amount Approved $ [redacted]

The reason for the difference was due to:

[redacted]

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DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/10	C	220
"	[illegible]	100
		800

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 27 1957
DATE | INITIAL | CODE

224 New Customhouse
Denver 2, Colorado

May 28, 1957

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket-4221, (Copper) Contract Ida-81027,
Lewisohn Copper Corporation (Peach mine)
Pima County, Arizona - Operator's Monthly Progress
Report for the month of March, 1957

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount reported on Form MF-104 for March, 1957, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deduction.

Withhold an amount of $750.00 pending resolution of matters relative to extension of the contract completion date, which has been requested by the Operator in conjunction with a request for additional work and funds.

Remarks:

Date of Report----------May 15, 1957
Date Received in Field Office----------May 17, 1957
Date Received in Region Office----------May 27, 1957

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures
JDC:kmh
cc: Chem. Op.Comm. (2)
Stearns
Harshman } w/copy of Engr's
Townsend } report
MF-104 File, Reg. III
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
MAY 27 1957
REGION III
DENVER, COLORADO

May 21, 1957

Memorandum

To: E. H. Marshman, Acting Executive Officer, DMEA Field Team, Region III

From: Superintendent, Southwest Experiment Station

Subject: March 1957 Progress Report, Docket DMEA-4221 (Copper), Contract IdM-21027, Lewisohn Copper Corp. (Peach Mine), Pima County, Ariz.

Enclosed in quintuplicate are the following:

1. Bureau of Mines engineer's report;
2. Operator's narrative report with map and drill hole long;
3. Forms MF-104 and MF-104A with drilling contractor's invoice and assayer's certificate.

Also enclosed are 4 extra copies of our engineer's report.

The operator's report was not received in the Tucson office until May 17. Reason for the delay is unknown to the writer.

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

Signed by Walter R. Storms

Walter R. Storms

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE

CC Exec. Off. (8)
DMEA-4221
SF

WRStorms:frj

May 17, 1957

Memorandum

To: Walter H. Stearns, Superintendent, Southwest Experiment Station.

From: T. M. Romale, Mining Engineer, Tucson, Arizona.

Subject: Progress Report for March 1957, Docket [illegible]A-4231 (Copper), Contract I4n-31027, Louisiana Copper Corp. (Peach Mine), Pima County, Ariz.

On April 1, 1957, I visited the property of subject exploratory contract and checked progress with R. E. Martin, manager. I found that during March, churn drill hole K-4 was completed to a depth of 310 feet and churn drilling of hole K-4 was in progress at a depth of 340 feet.

According to the Operator's assay log, hole K-4 penetrated a 300-foot section of potential ore averaging 0.43 percent copper at a depth of 125 to 435 feet. The operator's geologic log of the hole shows that essentially all of the 300 feet is in the sulfide zone and that the hole was bottomed probably in granite.

ANALYSIS OF THE OPERATOR'S REPORT

Form BF-104

Stage 1

Check Assays - The $55.00 is for the check analyses of 25 samples at the authorized cost of $2.00 per sample. It is supported by certified copies of the assayer's certificate. Of the authorized 60 check assays, 30 have been made to date.

Stage 2

Drilling - The $4,[illegible].00 is for the authorized 310 feet of churn drilling in hole K-4, the first of 3 approved holes of stage 2. It is supported by the original and certified copies of the Independent Contractor's invoice. The average per foot cost of the drilling is $9.77.

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DMEA
MAY 17 1957
RECEIVED
CONTRACTS

CC Exmen. Off. (Orig. & 8)
[illegible]A-4231
BF

TMRomale:frj

Incidentals - The $1,038.30 is for the 518 feet of drilling at the authorized additional cost of $2.05 per foot.

Assays - The $161.60 is for the analysis of 161 samples at the authorized cost of $1.00 per sample. The analyses are shown on the assayers certificate and the operator's assay log of the hole. The 161 analyses include the original and check assay of sample 1753.

Totals - The monthly total of $6,325.90 is correct. The other totals, $40,861.85 and $47,083.75, include the $168.00 disallowance of the February voucher.

Form MV-104A

The costs to date include the above mentioned disallowance.

The per foot cost of Stage 2 drilling to date is $9.77. The reported $9.80 is the average per foot cost of both Stage 1 and 2 drilling. Otherwise, the report is properly completed.

Recommendation Report

The report with attached map is considered satisfactory.

Original signed by
T. M. Romslo

T. M. Romslo
Mining Engineer
Southwest Experiment Station

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DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

May 15, 1957

NARRATIVE REPORT FOR MARCH 1957

Docket No. DMEA 4221 (Copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under Contract No. Idm-E 1027 was continued through the month of March by the Purcell Mining & Drilling Company of Tucson, Arizona, using a type 60L Bucyrus-Erie drill.

Only one hole was completed in March, due to road and location construction difficulties. The statistics on this hole are as follows:

DMEA NO.	OUR NO.	GRID LOCATION	DEPTH
11	49	E-4	510

This hole is the first hole under Stage II of the DMEA program.

A total of 101 samples were taken - the sampling and assaying procedure being the same as described in previous reports.

There is attached to this report a photostatic copy of the assay and geologic logs of hole 49, as well as copies of the assay certificates. There is also attached a map showing previous as well as March drilling in both plan and section.

Drilling conditions for hole 49 were good and no difficulty was experienced either with hardness or with maintaining straightness. Hole 49 developed 250 vertical feet of material averaging 0.63% copper. Although much higher grades may be obtained by elimination of some low grade zones.

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DMEA
RECEIVED JUN 7 1957
DATE | INITIALS | COPY

LEWISOHN COPPER CORP.

By B. H. Martin

B. H. Martin, Manager

BHM:bjg

PHONES: TUCSON 3-2373 OR 5-1385: TIGER

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

March 11, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	COMS.

Lewisohn Copper Corporation,
128 N Church Ave.
Tucson, Arizona.

Grid Location:
Hole Number 49.

510 ft. drilling @ $6.00 per foot		$3060.00
3862 ft. casing @ .25 " "		965.50
215 ft. reaming @ 4.00 " "		860.00
131 ft. liner @ .50 " "		65.50
8 ft. conductor pipe @ $4.00 per ft. (left in hole)		32.00
		$4983.00

PURCELL DRILLING COMPANY

By Martha G. Purcell
Martha G. Purcell, Owner.

Received payment:

Martha G. Purcell
Martha G. Purcell, Owner.

Certified Copy
BRM

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

March 13, 1957

LAB. NO. 11432

Lewisohn Copper Corp.
128 North Church,
Tucson, Ariz.

Mr. B.H. Martin, Gen. Mgr.

Gentlemen:

Following are our copper assays on 55 samples received by us on March 11th P.M. :

HOLE 43

Sample No.	% Copper	Sample No.	% Copper
No. 1726	0.15	1753	0.10
1727	0.17	1754	0.15
1728	0.19	1755	0.15
1729	0.44	1756	0.12
1730	1.28	1757	0.10
1731	0.39	1758	0.10
1732	0.66	1759	0.31
1733	0.59	1760	0.31
1734	0.39	1761	0.68
1735	0.27	1762	0.94
1736	0.17	1763	0.63
1737	0.07	1764	0.17
1738	0.10	1765	0.19
1739	0.22	1766	0.27
1740	0.12	1767	0.39
1741	0.17	1768	0.44
1742	0.17	1769	0.85
1743	0.10	1770	1.14
1744	0.19	1771	0.94
1745	0.24	1772	0.82
1746	0.34	1773	1.12
1747	0.29	1774	0.61
1748	0.36	1775	0.29
1749	0.29	1776	0.82
1750	0.44	1777	0.99
1751	0.17	1778	0.82
1752	0.10	1779	0.73
	CD 49 E4 135-140	1751	0.22

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN DOLDER POINTS

Certified Copy
BOM

Respectfully submitted,

DICKINSON LABORATORIES, INC.

Geo. L. Dickinson

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7008 • PHONE 2-6254
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

Mch. 17, 1957.

LAB. NO. 11460

Lewisohn Copper Corp.,
128 North Church,
Tucson, Ariz.

Mr. B. H. Martin, Gen. Mgr.

Gentlemen:

Following are our copper assays on 46 samples received at our office on Mch. 15th:

Sample No.	% Copper	Sample No.	% Copper
1780	0.39	1803	0.68
1781	0.31	1804	0.42
1782	0.39	1805	0.78
1783	0.34	1806	0.85
1784	0.29	1807	1.19
1785	0.51	1808	1.31
1786	0.54	1809	0.82
1787	0.46	1810	0.59
1788	0.78	1811	0.42
1789	0.92	1812	0.36
1790	0.72	1813	0.49
1791	0.54	1814	0.43
1792	0.54	1815	0.36
1793	0.60	1816	0.29
1794	0.39	1817	0.27
1795	0.19	1818	0.39
1796	0.12	1819	0.39
1797	0.61	1820	0.31
1798	0.82	1821	0.36
1799	0.85	1822	0.51
1800	0.59	1823	0.42
1801	0.56	1824	0.39
1802	0.63	1825	0.29

Respectfully submitted

Dickinson Laboratories, Inc.,

Geo. L. Dickinson

Geo. L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

Certified Copy
BHM

W. E. HAWLEY, PRES.

TELE: EMPIRE 4-2741

HAWLEY & HAWLEY

ASSAYERS AND CHEMISTS, INC.
537 TWELFTH STREET
DOUGLAS, ARIZONA

BOX 1060
DOUGLAS, ARIZONA
BOX 4
EL PASO, TEXAS

IDENTIFICATION	GOLD OZS	SILVER OZS	LEAD %	COPPER %	ZINC %	INSOL. %	IRON %		
1263				0.46					
1273				0.12					
1282				0.31					
1314				1.68					
1331				0.49					
1340				1.09					
1349				1.24					
1381				0.43					
1391				0.37					
1401				1.74					
1411				1.20					
1439				0.38					
1451				0.39					
1461				0.85					
1471				1.40					
1478				0.24					
1510				0.58					
1515				0.95					
1520				0.89					
1525				0.12					
1530				0.52					
1542				0.39					
1564				1.15					
1582				0.94					
1586				0.21					

25 CHECK ASSAYS

CC:
ADD:
CITY:
ADD:
CITY:

Certified Copy
BWW

REMARKS:

ANALYSIS CERT. BY: [illegible]

ACC: LEWISOHN COPPER COMPANY

DATE SPL. RECEIVED

DATE COMPL. 3/29/57

$ 50.00

296836

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Bebruary 1957 Docket No. DMEA 4221 Contract No. IDM-E 1027
Operator's Name Lewisohn Copper Corp. Minerals Copper
Address 128 North Church Street, Tucson, Arizona
Contract Amount, $88,780.00 Government Participation: 50 % Amount, $44,390.00

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	4,374.25	28,369.00	32,743.25			
~~Bulldozing~~ Incidentals	913.50	6,110.30	7,023.80			
~~xxxxxxx~~ Assays	140.80	928.00	1,068.80			
~~xxxxx~~ Check Assays	0	28.00	28.00			
(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):						
						55.05
TOTALS	5,428.55	35,435.30	40,863.85	5,319.75	35,435.30	40,754.75

RECEIVED APR 15 1957 D.M.E.A.

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

Date 3/15/57 *Payee Lewisohn Copper Corp.

B. H. Martin

Per B. H. Martin Title Manager

*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:

$ ~~2,714.28~~ 2659.88 RRC

Signature RRC
(Authorized Certifying Officer)

Date 4-11-57 Vou. No. DMA-57-111

(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. Idm-E1027 in accordance with the terms of the contract.

Signature M. Romero WRA Title Mining Engineer Date 3-22-57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hardman Title acting Executive Officer Date APR 9 1957

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1957 Docket No. DMEA 4221 Contract No. IDM-E 1027
Operator's Name Lewisohn Copper Corp. Minerals Copper
Address 128 North Church - 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
			Stage I					
Drilling	Ft.	4,374.25	450	37,743.25	3,460	9.46	3,600	10.00
Incidentals	Ft.	913.50	450	7,023.80	3,460	2.03	3,600	2.03
Assays	Ea.	140.80	88	1,068.80	668	1.60	600	1.60
Check Assays	Ea.	0	0	28.00	14	2.00	60	2.00
Winzes								
Drilling: Core								
			Stage II					
Drilling	Ft.	0	0	0	0	0	3,600	10.00
Incidentals	Ft.						3,600	2.03
Assays	Ea.						600	1.60
Check Assays	Ea.						60	2.00
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		5,428.55		40,863.85				88,780.00

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 15, 1957 Operator Lewisohn Copper Corp.

Per B. H. Martin Title Manager
B. H. Martin

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)

RECEIVED APR 15 1957 D.M.E.A.

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 872894

Oma 57-111

FINAL DISTRIBUTION
APR 12 1957
MADE

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

Administrative Audit Difference Statement

Lavidson Copper Corporation
128 North Church Avenue
Tucson, Arizona

Date: April 11, 1957
Payee's Reference: February 1957

Gentlemen:

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

Amount Claimed	$	5,428.55
Difference	$	108.80
Amount Approved	$	5,319.75

The reason for the difference was due to:

Disallowances:

68 Chemical Assays @ $1.60 each $108.80

668 assays reported to date under Stage I.
Only 600 assays authorized in Contract.

68 excess assays disallowed.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
4/15	C	020
"	Com	100
		800

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

Very sincerely yours,

N. E. Stokes
Audit Section

Randell R. Cooper
Fiscal Officer, Region III

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

224 New Customhouse
Denver 2, Colorado

April 9, 1957

WORK FILE COPY
DMEA
RECEIVED APR 15 1957
DATE | INITIAL | CODE

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket No. 4221, (Copper) Contract Idm-E1027, Lewisohn Copper Corporation (Peach mine) Pima County, Arizona - Operator's Monthly Progress Report for the month of February, 1957.

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

Except as otherwise noted below, we consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Disallowance, Chemical assays:

The Operator has reported a total of 668* chemical assays to date, under Stage I, at $1.60 per sample. The contract authorizes only 600* chemical assays under Stage I, therefore, the cost of the 68 excess assays is to be disallowed.

<u>Disallow</u> 68 assays at $1.60 each——————$108.80

* Exclusive of check assays.

Reconciliation with Amount Reported by the Operator on Form MP-104 for February, 1957

Amount reported on Form MP-104 for February, 1957	$5,428.55
Amount to be disallowed	108.80
Total accepted cost for February, 1957	$5,319.75
Government participation at 50 percent	2,659.88

In accordance with the provisions of Amendment No. 1, only ten of the twelve authorized and approved holes were drilled under Stage I, as insufficient Stage I footage remains to complete another hole. Proposed Stage I holes 3-S and 4-S were not drilled.

Remarks

Date of Report	March 15, 1957
Date Received in Field Office	March 21, 1957
Date Received in Region Office	March 27, 1957

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures
JEC:hh
cc: Chrm. Op. Comm. (2)
Storms
Harshman) w/copy of Engr's
Townsend) report
MP-104 File E1027, Reg. Dir.
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
MAR 27 1957
REGION III
DENVER, COLORADO

March 22, 1957

Memorandum

To : E. N. Harshman, Acting Executive Officer, DMEA Field Team

From : Superintendent, Southwest Experiment Station

Subject : February 1957 Progress Report, Docket DMEA-4231 (Copper) Contract Idm-K1067, Lewisohn Copper Corp. (Peach mine), Pima County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with plan map and sections;

(3) Forms MF-104 and MF-104A with driller's invoice, assays, and logs of holes.

Also enclosed are 4 extra copies of our engineer's report.

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

Signed by Walter R. Storms

Walter R. Storms

CC E. N. Harshman (3)
DMEA-4231
MF

WRStorms:frj

DMEA
RECEIVED APR 15 1957
DATE | COST

March 22, 1957

Memorandum

To : Walter R. Sterns, Superintendent, Southwest Experiment Station

From : T. M. Ramale, Mining Engineer, Tucson, Arizona

Subject : Progress Report for February 1957, Docket DMEA-4221, (Copper), Contract Lds-X1027, Lewisohn Copper Corp. (Peach Mine), Pima County, Ariz.

On March 4, 1957, I visited the exploratory project of captioned contract and checked progress with B. H. Martin, Manager. I found that during February, churn drill hole J-3 had been bottomed at a depth of 450 feet and the drilling of churn drill hole K-4 was in progress at a depth of 200 feet.

Potential ore cut by hole J-3 according to the Operator's assay log, averaged 0.72 percent copper for a hole length of 100 feet. It occurs from 165 to 265 feet from the surface.

Four samples were obtained for check analyses by the Bureau's laboratory at Tucson. The Bureau's assays were significantly higher than the operator's for 2 of the samples. Close checks were made on the others. Data on the four samples follows:

Sample No. U.S.B.M.	Sample No. L.C.Corp.	Hole No.	Interval (Feet)	Percent Copper U.S.B.M. Total	Percent Copper U.S.B.M. Sol.	Percent Copper L.C.Corp. Total
13000	1220	T-3	55-60	1.21	1.64	1.38
14054	1440	O-3	60-65	0.31	0.26	0.29
14056	1563	M-3	135-140	0.93	0.79	0.73
14056	1647	J-3	165-170	0.58	0.49	0.56

ORIGINAL FILE COPY
DMEA
RECEIVED APR 15 1957
DATE | REMARKS | INITIAL

cc R. N. Harshman (Orig. & 8
DMEA-4221
RF

TMRamale:frj

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

Drilling - The $4,374.25 is for the authorized 450 feet of churn drilling. It is supported by the Independent Contractor's detailed invoice that has been certified by the Operator's representative. The average per foot costs for this hole and to date, respectively $9.72 and $9.46, are within the allowable maximum of $10.00

The reported 450 feet of drilling also is supported by separate geologic and assay logs.

Incidental - The $283.50 is for the 450 feet of drilling at the authorized additional cost of $0.63 per foot.

Assays - The $140.00 is for the assay of 28 samples at the authorized cost of $5.00 per sample. The assays are shown on assay reports and a log of the hole.

Totals - The totals, $5,428.55, $36,435.30 and $40,863.85, appear to be correct.

Form MF-104A

The form is properly completed.

Narrative Report

The report is acceptable. The narrative section includes, at my request, an estimate of ore reserves indicated to date - 12 million tons of 0.72 percent copper.

The report also includes the customary plan map and the geologic cross sections which I had requested.

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE

Original signed by
T. M. Romslo

T. M. Romslo
Mining Engineer
Southwest Experiment Station

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

March 15, 1957

DMEA
RECEIVED APR 15 1957
DATE | INITIALS | CODE

NARRATIVE REPORT FOR FEBRUARY, 1957

Docket No. DMEA 4221 (copper)
Contract No. Idm-E 1027
Lewisohn copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under Contract No. Idm-E 1027 was continued through the month of February, by the Purcell Mining and Drilling Company of Tucson, Arizona using a type 60 L Bucyrus-Erie drill.

Only one hole was completed in February, since the drill rig was shut down for some time per mechanical overhaul. The statistics on this hole are as follows:

DMEA NO.	OUR NO.	GRID LOCATION	DEPTH
10	48	J-3	450

This hole No. 48, is the last hole under Stage I of the DMEA program, since the total completed footage is now 3460 and another hole could not be completed within the allowable 3600 Feet.

A total of 88 samples were taken - the sampling and assaying procedure being the same as described in the January report.

There is attached to this report a photostatic copy of the assay and geologic logs of Hole No. 48, as well as copies of the assay certificates. There is also attached, a map showing previous as well as February drilling in both plan and section.

Drilling conditions for Hole No. 48 were good and no difficulty was experienced either with hardness or maintaining straightness. Hole No. 48 developed 160 vertical feet of material averaging 0.72% copper.

Total tonnage developed by all drilling to date, is approximately 12 million tons of material averaging 0.70% copper and 0.30 oz. per ton silver and of which, approximately 2,200,000 tons of 0.73% copper have been developed by the 10 holes or 3,460 feet, comprising Stage I of the DMEA program.

Although 12 Million tons of 0.72% copper does not as yet constitute a commercial ore body, all indications are that further drilling on both the Peach and Elgin areas will disclose sufficient additional tonnage to be considered commercial. The stripping ratio is still considered to be approximately 1:1.

There is attached to this report, a series of 8 geologic cross sections and a key map indicating the position of these sections. While far from complete, this series is submitted as representative of the drilled area of the Peach Hill.

LEWISOHN COPPER CORP.

By B. H. Martin
B. H. Martin, Manager

PHONES: TUCSON 3-2373 OR 3-1385: TIGH[illegible]

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

February 18, 1957

RECEIVED APR 15 1957 D.M.E.A.

Lewisohn Copper Corporation,
128 N. Church Avenue,
Tucson, Arizona.

Grid Location: 1-5
Hole Number 48

450 ft. drilling @ $6.00	per foot	$2,700.00
165 ft. reaming @ 4.00	per foot	660.00
2494 ft. casing @ .25¢	per foot	623.50
130 ft. liner @ .50¢	per foot	65.00
8 ft. conductor pipe @ $4.00 (left in hole)	per foot	32.00
23½ hours rig time @ $12.50	per hour	293.75
		$4,374.25

PURCELL DRILLING COMPANY

By Martha G. Purcell
Martha G. Purcell, Owner

Received payment:

Martha G. Purcell
Martha G. Purcell, Owner

Certified Copy
BHM

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

Budget Bureau No. 42-R1036.5

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

Month of January, 1957 Docket No. DMEA 4221 Contract No. Idm-E 1027

Operator's Name LEWISOHN COPPER CORP. Minerals Copper

Address 128 North Church Avenue, Tucson, Arizona

Contract Amount, $88,780.00 Government Participation: 50 % Amount, $44,390.00

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	8,523.75	19,845.25	28,369.00			
Incidental	1,534.65	4,577.65	6,110.30			
Assays	233.60	694.40	928.00			
Check Assays	0	28.00	28.00			
(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	10,290.00	25,145.30	35,435.30	10,290.00	25,145.30	35,435.30

RECEIVED MAR 4 1957 D.M.E.A.

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

Date Feb. 15, 1957 *Payee LEWISOHN COPPER CORP.

Per B. H. Martin Title Manager

B. H. Martin

*When a voucher is signed for a corporation 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:

$5145.00

Signature [illegible] (Authorized Certifying Officer)

Date 2/28/57 Voucher DMA 57-94

(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. Idm-E1027 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engineer Date 2-21-57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title acting Executive Officer Date FEB 27 1957

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 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1957 Docket No. DMEA 4221 Contract No. Idm-E 1027

Operator's Name LEWISOHN COPPER CORP. Minerals Copper

Address 128 North Church Avenue, 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
			STAGE I					
Drilling	Ft.	8,523.75	755	28,369.00	3,010	9.42	3,600	10.00
Incidental	Ft.	1,532.65	755	6,110.30	3,010	2.03	3,600	2.03
Assays	Ea.	233.60	146	928.00	580	1.60	600	1.60
Check Assays	Ea.	0	0	28.00	14	2.00	60	2.00
			STAGE II					
Drilling	Ft.	0	0	0	0	0	3,600	10.00
Incidentals	Ft.						3,600	2.03
Assays	Ea.						600	1.60
Check Assays	Ea.						60	2.00
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		10,290.00		35,435.30				88,780.00

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.

REMARKS:

Date February 15, 1957 Operator LEWISOHN COPPER CORP.

Per B. H. Martin Title Manager

B. H. Martin

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)

RECEIVED MAR 4 1957 DMEA

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 872894

ORIGINAL FILE COPY
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RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	[illegible]	220
3/5	[illegible]	100
		800

224 New Customhouse
Denver 2, Colorado

February 27, 1957

FINAL DISTRIBUTION
MADE MAR 1 1957

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket-4221 (Copper) Contract Idm-E1027, Lewisohn Copper Corporation (Peach mine) Pima County, Arizona - Operator's Monthly Progress Report for the month of January, 1957

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount reported on Form MF-104 for January, 1957, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report——————————February 15, 1957
Date Received in Field Office——————February 16, 1957
(approximate)
Date Received in Region Office——————February 25, 1957.

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures

JDC;hh
cc: Chan. Op. Comm. (2)
Storms
Harshman)w/copy of engr's report
MF-104 File E1027
Chron.

February 21, 1957

Memorandum

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

From : L. A. Stewart for Superintendent, Southwest Experiment Station

Subject : Progress Report for January 1957, Docket DMEA-4SH (Copper) Contract IAm-21067, Lucholsa Copper Corp. (Finch 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 4 extra copies of our engineer's report.

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

LINCOLN A. STEWART

Lincoln A. Stewart for
Walter R. Stearns, Superintendent
Southwest Experiment Station

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

W. M. Trayer (6)
DMEA-4SH
DF

LAStewart:fr:j

DMEA
DEPARTMENT OF THE INTERIOR
FEB 25 1957
REGION III
DENVER, COLORADO

February 21, 1957

Memorandum

To : Walter R. Stamm, Supt, Southwest Exp. Station

From : T. M. Rasmle, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for January 1957, Docket DMEA-4228 (Copper) Contract Lm-21027, Lanlanka Copper Corp. (Punch Mine), Pima County, Ariz.

J. H. Falck and I visited the Punch Mine February 1, 1957. After I had checked progress under captioned contract, Falck and I examined the area of the operator's proposed additional drilling. Representatives of the operator present were R. E. Gibbons, president, D. H. Martin, Manager, and A. Epman, geologist.

Progress in churn drilling under the contract for the reporting period was confined to the completion of holes G-5 and M-3 for a total advance of 755 feet. Both holes reportedly were bottomed in quartzite, G-5 at 355 feet and M-3 at 400 feet. Sections of potential ore penetrated by the holes totalled 255 feet averaging 0.75 percent copper, according to the operator.

Hole G-46, in the area of proposed additional drilling, also was drilled during the reporting period. It was drilled, at no cost to the Government, for data pertinent to investigation of the area of proposed drilling near the Kigin mine.

ANALYSIS OF THE OPERATOR'S REPORT

Form MT-104

Drilling - The $8,555.75 is for the authorized 755 feet of churn drilling. The cost is documented by the Independent Contractor's detailed invoice, certified by the operator. The average per foot costs of drilling for January and to date are $11.33 and $9.42. Reasons for abnormally high costs during January are explained in the Operator's Narrative Report. As the average cost to date is less than the allowable maximum of $10.00 per foot, the reported total cost for January probably is allowable.

The reported 755 feet of drilling also is supported by separate geologic and assay logs.

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DATE
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cc W. M. Traver (Orig. & 3)
DMEA-4228
MF

TMRamsle:fr:j

Incidental - The $1,532.65 is for the 755 feet of drilling at the authorized cost of $2.03 per foot.

Assays - The $233.60 is for 146 assays at the authorized cost of $1.60 per sample. The assays are shown on the assayer's reports and on logs of the holes.

Totals - The totals, $10,289.00, $25,146.30 and $35,435.30, appear to be correct.

Form MF-104A

The form is properly completed.

Narrative Report

The report with attached map is acceptable. Mr. Martin, verbally reported that the vertical sections which I had requested are being prepared by Harvison Schmitt. He said the sections would be ready for next month's report which will include requested ore reserve estimates.

T. M. ROMELO, MINING ENGINEER
SOUTHWEST EXPERIMENT STATION

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

February 15, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

NARRATIVE REPORT FOR JANUARY 1957

Docket No. DMEA 4221 (copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under Contract No. Idm-E 1027 was continued through the month of January by the Purcell Mining and Drilling Company of Tucson, Arizona, using a type 60L Bucyrus-Erie churn drill.

The two holes completed in January are summarized below. (Refer to attached map, assay and geologic logs.)

DMEA NO.	OUR NO.	GRID LOCATION	DEPTH
8	45	O-5	355
9	47	M-3	400

Hole No. 46 was also drilled in January, in the Elgin area, but was not a part of the DMEA program. This was because we did not have an approved Peach drill site completed when Hole 45 was finished.

A total of 146 samples were taken, the sampling and assaying procedure being the same as described for December. No check samples were run in January due to the slow return of pulps by the assayer.

There is attached to this report a photostatic copy of the assay and geologic logs of the two holes. There is also attached a map showing previous as well as January drilling in both plan and section.

Copies of assay certificates are also attached and made a part of this report.

Drilling conditions have been substantially the same as before. There has been some difficulty with hard drilling and keeping a straight hole for approximately the first 100 feet of both Holes Nos. 45 and 47. After this upper 100 feet, no more trouble was encountered.

The two holes drilled in January represent a total of 755 feet of drilling. This drilling developed 255 vertical feet of material averaging 0.75% copper, which is believed to be of a grade sufficient to constitute ore. The overburden ratio thus far is approximately 1:1.

LEWISOHN COPPER CORP.

By B. H. Martin
B. H. Martin, Manager

PHONES: TUCSON 3-2973 or 5-1385: TIGE

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

January 11 1957

OFFICIAL FILE COPY DMEA RECEIVED MAR 4 1957		
DATE	INITIALS	CODE

Lewisohn Copper Corporation,
128 N Church Avenue
Tucson, Arizona.

GRID
LOCATION

0 5 Hole No.45

355 feet of drilling	@ 6.00 per ft.	$2130.00
1840 feet of casing	@ .25 " "	460.00
73 hours rig time	@ 12.50 per hr.	912.50
155 feet reaming	@ 4.00 per ft.	620.00
116 feet liner	@ .50 per ft.	58.00
6 feet conductor pipe (left in hole)	@ 4.00 per ft.	24.00
		$4204.50

PURCELL DRILLING COMPANY

By Marthas G. Purcell
Martha G. Purcell. Owner

Received payment:

Martha G. Purcell
Martha G Purcell. Owner

Certified Copy
BBM

PHONES: TUCSON 3-2373 OR 5-1385: TIGER

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

February 2 1957

Lewisohn Copper Corporation
128 N. Church Avenue
Tucson, Arizona.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

Grid Location: M-3
Hole Number 47

400' of drilling	@ $6.00 per foot	$2400.00
205' of reaming	@ 4.00 "	820.00
336' of Liner	@ .50¢ "	168.00
2072' of Casing	@ .25¢ "	518.00
30½ hours Rig time	@ $12.50 per hour	381.25
8' conductor pipe (left in hole)	@ 4.00 per foot	32.00
		$4319.25

PURCELL DRILLING COMPANY

By Martha G. Purcell
Martha G. Purcell, Owner.

Received payment:

Martha G. Purcell
Martha G. Purcell, Owner.

Certified Copy
BAM

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 6 Docket No. DMEA 4221 Contract No. Idm-E 1027

Operator's Name Lewisohn Copper Corp. Minerals Copper

Address 128 North Church, Tucson, Arizona

Contract Amount, $ 88,780.00 Government Participation: 50 % Amount, $ 44,390.00

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:	9,225.75	10,619.50	19,845.25			
~~xxxxxxxx~~ Incidental	2,080.75	2,496.90	4,577.65			
~~xxxxxxxx~~ Assays	313.60	380.80	694.40			
~~xxxxxx~~ Check assays	28.00	0	28.00			
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):						
	11,648.10	13,497.20	25,145.30			
TOTALS				11,648.10	13,497.20	25,145.30

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

Date Jan. 15, 1957 *Payee Lewisohn Copper Corp.

Per B. H. Martin Title Manager

*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:

$ 5824.05

Signature (Authorized Certifying Officer)

Date 1/29/57 Voucher 57-82

(See other side)

RECEIVED FEB 1 1957 DMEA

(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. IGM-E1027 in accordance with the terms of the contract.

Signature D.M. Romslo for WRS Title Mining Engineer Date 1-16-57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Mavey Title Executive Officer Date JAN 25 1957

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 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December, 1956 Docket No. DMEA 4221 Contract No. Idm-E 1027

Operator's Name Lewisohn Copper Corp. Minerals Copper

Address 128 North Church, 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
			STAGE I					
Drilling	Ft.	9,225.75	1,025	19,845.25	2,255	8.80	3,600	10.00
Drilling Incidentals	Ft.	2,080.75	1,025	4,577.65	2,255	2.03	3,600	2.03
Crosscutting Assays	Ea.	313.60	196	694.40	434	1.60	600	1.60
Raising Check assays	Ea.	28.00	14	28.00	14	2.00	60	2.00
Shafts								
Winzes								
			STAGE II					
Drilling: Core Drilling	Ft.	0	0	0	0	0	3,600	10.00
Churn Incidentals	Ft.						3,600	2.03
Auger Assays	Ea.						600	1.60
Sampling Check assays	Ea.						60	2.00
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		11,648.10		25,145.30				88,780.00

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 Jan. 15, 1957 Operator Lewisohn Copper Corp.

Per B. H. Marston Title Manager

Remarks:

RECEIVED FEB 1 1957 D.M.E.A.

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)

J. W. Romslo

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 872894

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

224 New Customhouse
Denver 2, Colorado

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DMEA
RECEIVED FEB 1 1957

DATE	INITIALS	CODE
2/1	COM	100

January 25, 1957

FINAL DISTRIBUTION
MADE JAN 30 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4221 (copper) Contract Idm-K1027
Lewisohn Copper Corporation (Peach Mine)
Pima County, Arizona. Operator's Monthly
Progress Report for the month of December, 1956.

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount reported on Form MF-104 for December, 1956, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report----------January 15, 1957
Date Received in Field Office------January 15, 1957
Date Received in Region Office-----January 21, 1957

Original signed by
W. M. TRAVER
W. M. Traver

Enclosures
[illegible]:ytl
cc
Sec. Op. Comm. (2)
Storms
Marshman, w/copy of engr's. report
MF-104 File K1027
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 1 1957

DATE	INITIALS	CODE

DMEA
DEPARTMENT OF THE INTERIOR
JAN 21 1957
REGION III
DENVER, COLORADO

January 17, 1957

Memorandum

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

From : L. A. Stewart IGF Superintendent, Southwest Experiment Station

Subject : Progress Report for December 1956, Docket DMEA-4221 (Copper) Contract Ide-81027, Lorraine Copper Corp. (Peach 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 4 extra copies of our engineer's report.

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

LINCOLN A. STEWART

Lincoln A. Stewart for
Walter R. Storms, Superintendent
Southwest Experiment Station

W. M. Traver (8)
DMEA-4221
DF

LAStewart:frj

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 1 1957
DATE | INITIALS | CODE

January 17, 1957

Memorandum

To : Walter R. Stearns, Superintendent, Southwest Experiment Station

From : T. M. Romale, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for December 1956, Docket DMEA-432H (Copper) Contract Ida-31027, Lewisohn Copper Corp. (Peach Mine), Pima County, Ariz.

On January 2, 1957, I visited the Peach Mine and checked progress under subject exploratory contract with Richard E. Chilson and B. H. Martin, President and Field Manager of the Corporation, respectively. I found that during December churn drill holes P-6, 0-3 and P-4 had been completed for a reported total of 1,025 feet. Hole 0-5 was being drilled.

Sections of potential ore in the above completed 3 holes were reported to be as follows:

Hole No.	Depth	Interval	Thickness	Percent Total Copper
P-6	420'	130 - 155'	125'	0.43
		375 - 410'	35'	0.50
0-3	330	25 - 115'	90'	0.67
P-4	345	60 - 215'	155'	0.97
		255 - 295'	30'	0.56

As a check on the accuracy of assays reported by the operator, the rejects of 6 samples were obtained for analysis by the Bureau's laboratory at Tucson. The reasonably close check obtained indicates that the assays reported by the operator are acceptable.

Sample No. DMEA	Sample No. L.C.CORP.	HOLE NO.	INTERVAL (FEET)	PERCENT COPPER DMEA TOTAL	PERCENT COPPER DMEA HydroChl.	PERCENT COPPER L.C.CORP. TOTAL
12793	1325	P-6	405 - 410	0.60	0.51	0.68
12794	1327	0-3	50 - 55	1.04	0.88	0.94
12795	1405	P-4	180 - 185	1.39	0.36	1.51
12796	SP-20	0-3	130 - 255	0.72	0.42	0.75
12797	SP-22B	0-3	315 - 330	0.70	0.62	0.72
12798	SP-21	0-3	315 - 305	0.70	0.67	0.64

CC W. M. Traver (Orig. & 2)
DMEA-432H
DF

TMRomale:frj

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

Drilling - The $9,225.75 is for the authorized 1,025 feet of churn drilling. The cost is documented by the independent contractor's detailed invoice. The maximum allowable and actual per foot costs are $10.00 and $9.00, respectively. The 1,025 feet of drilling also is documented by separate geologic and assay logs.

Incidental - The $2,000.75 is for other costs less assaying for the 1,025 feet of drilling at an authorized cost of $1.95 per foot.

Assays - The $313.60 is for the assaying of 196 samples at an authorized cost of $1.60 a sample. Analyses are shown on assayer's report and assay logs.

Check assays - The $28.00 is for the check assaying of 14 samples at an authorized per sample cost of $2.00. The 14 analyses are shown on the assayers report.

Totals - The costs, $11,648.10, $13,497.20 and $25,145.30, appear to be correct.

Form MF-104A

The Form is properly completed.

Narrative Report

The report with attached map is acceptable. Vertical sections through the deposit which I have requested, are being prepared for subsequent reports.

Original signed by
T. M. Romelo
T. M. ROMELO

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 1 1957

DATE	INITIALS	CODE

January 15, 1957

NARRATIVE REPORT FOR DECEMBER, 1956

Docket No. D.M.E.A. 4221 (Copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under Contract No. Idm-E 1027 was continued through the month of December by the Purcell Drilling Company of Tucson, Arizona, using a type 60-L Bucyrus Erie churn drill.

The three holes completed in December are summarized below. (Refer to attached map, assay and geologic logs.)

D.M.E.A. NO.	OUR NO.	GRID LOCATION	DEPTH
5	42	P-6	460
6	43	O-3	220
7	44	P-4	345
			1,025 feet

A total of 196 samples were taken, the sampling and assaying procedure being the same as described for November. A total of 14 check assays were run by Hawley & Hawley of Douglas, Arizona, and the results agreed very well with the initial assays by Dickinson Laboratories, Inc. of El Paso, Texas. More check samples will be sent out as the pulps are returned.

There is attached to this report a photostatic copy of the assay logs and geologic logs of the three holes. There is also attached a map showing previous, as well as present, drilling in both plan and section.

Copies of assay and check assay certificates are also attached and made a part of this report.

Drilling conditions in general have been good as before, except for the first 60 feet of Hole No. 44 (DMEA No. 7), in which extremely hard drilling limestone was encountered. In addition, there was some difficulty experienced in keeping the hole straight through this hard zone.

These 3 holes drilled during December represent a total of 1,025 feet of drilling. This drilling developed 415 vertical feet of material averaging 0.74% copper, which is believed to be of a grade sufficient to constitute ore. The overburden ratio is thus far less than 1:1.

LEWISOHN COPPER CORP.

By B. H. Martin
B. H. Martin, Manager

BHM:bjg

DRILL HOLE LOG - C-42

D.M.E.A. Hole No. 5
Grid Coordinate: P-6
Collar Elevation: 4427 feet
Total Depth: 460 feet

Hole Diameter

Depth (feet)	Diameter (inches)
0-235	10
235-426	8
426-460	7

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DMEA
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DATE | INITIALS | CODE

Depth (feet)		Geology
0-70		Marble with moderate garnet alteration and siltstone.
	0-70	White marble. Moderate garnet alteration 0-45. Strong garnet alteration 45-70. Purple hematite stain. Weak chrysocolla and copper pitch except in siltstone zone.
	15-30	Siltstone, minor marble. Very weak oxides.
	20-70	Weak magnetite.
70-375		Garnetized limestone, minor siltstone.
	70-80	Garnetized limestone; weak magnetite and copper oxides.
	80-95	Dark and light green siltstone, minor salite rock. Moderate limonite in last 5 feet. Moderate magnetite and copper oxides.
	95-140	Garnetized limestone, minor siltstone. Weak magnetite, weak copper oxides. Moderate chrysocolla and copper pitch last 10 feet.
	140-155	Siltstone and garnetized limestone. Weak magnetite and chalcopyrite, moderate pyrite, weak copper oxides.
	155-170	Garnetized limestone, minor limonite. Weak magnetite, pyrite, chalcopyrite and chrysocolla.
	170-195	Siltstone and garnetized limestone. Moderate magnetite, pyrite and trace chalcopyrite first 10 feet, then weak magnetite and chrysocolla.
	195-375	Garnetized limestone. Weak yellow calcite-quartz material. Weak chrysocolla. Weak magnetite and pyrite. No pyrite 230-270 and 310-365. Trace chalcopyrite, chalcocite, covellite 365-375.
375-405		Garnetized limestone and diopside garnet rock and 20% quartz vein material.

	375-390	Garnetized limestone and diopside garnet rock. Weak magnetite, pyrite, chalcopyrite, bornite, and chalcocite. All moderate in last 5 feet.
	370-405	Diopside garnet rock and siltstone, minor garnetized limestone. Moderate magnetite, pyrite, chalcopyrite, weak bornite.
405-460		Granite.
	405-440	Weak magnetite and pyrite.

Ore Zone: 375-405 sulfide.
No Heavy Sulfide Zone.

DRILL HOLE LOG C-43

D.M.E.A. Hole No. 6
Grid Location: O-3
Collar Elevation: 4456 feet
Total Depth: 220 feet

Hole Diameter

Depth (feet)	Diameter (inches)
0-220	10

Depth (feet)		Geology
0-80		Garnetized limestone, diopside rock, and minor marble. Weak yellow calcite-quartz material. Minor marble first 25 feet. Dominantly diopside rock with weak limonite 25-80. Moderate chrysocolla.
	0-50	Weak magnetite.
	50-70	Moderate magnetite, weak pyrite, trace chalcopyrite, chalcocite.
	70-80	Moderate magnetite and pyrite; weak total chalcopyrite, bornite, chalcocite and covellite.
80-185		Garnetized limestone and siltstone.
	95-115	Minor siltstone and moderate diopside content, weak limonite. Weak chrysocolla. Weak magnetite, pyrite, trace chalcopyrite. Moderate pyrite 100-115.
	115-185	Garnetized limestone and minor siltstone. Weak magnetite. Weak pyrite 150-170. Weak chrysocolla.
185-220		Black quartzite. Weak magnetite. Weak pyrite last 10 feet.

Ore Zone: 20-115
No Heavy Sulfide Zone.

DRILL HOLE LOG C-44

D.M.E.A. Hole No. 7
Grid Location: P-4
Collar Elevation: 4408 feet
Total Depth: 345 feet

Hole Diameter

Depth (feet)	Diameter (inches)
0-266	10
266-345	8

Depth (feet)		Geology
0-130		Garnetized lime with minor diopside and minor siltstone. (Transition zone between grossularite rock and grossularite-diopside rock.)
	0-60	Little diopside. Minor siltstone 25-30, 50-60. Weak chrysocolla. Very weak magnetite and pyrite 40-55.
	55-95	Moderate diopside. Minor limestone first 15 feet. Minor siltstone 70-95. Strong magnetite; weak pyrite, chalcopyrite, bornite; moderate chrysocolla and copper pitch, weak malachite.
	95-130	Weak diopside. Moderate gray-green siltstone. Strong black siltstone 110-115. Weak chrysocolla. Weak magnetite. Weak pyrite first 10 feet. Weak magnetite, moderate pyrite, weak chalcopyrite and bornite last 5 feet.
130-215		Diopside-garnet rock. Moderate limonite to 185. Strong limonite 155-160 and 165-170. Minor siltstone 130-135. 20% quartz vein material 150-165, 185-190, 210-215. Moderate to strong magnetite, moderate pyrite, strong total of covellite, chalcopyrite, bornite, chalcocite. Weak copper pitch and chrysocolla. Moderate malachite and chrysocolla last 10 feet.
215-345		Black quartzite.
	215-265	Weak magnetite, pyrite, chalcopyrite, chrysocolla.
	265-295	Weak magnetite, moderate chrysocolla.
	295-345	Weak magnetite, weak chrysocolla; weak pyrite 295-335.

Ore Zones: 60-130 mixed, 130-215 sulfide.
Heavy Sulfide Zone: 130-215

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

Dec. 24, 1956.

LAB. NO. 10847

Lewisohn Copper Corporation,
128 North Church,
Tucson, Ariz.

Attention: Mr. B. H. Martin

Gentlemen:

Following are our copper assays on 40 samples received by this office on Dec. 21st:

Sample No.	% Copper	Sample No.	% Copper
1239	0.31	1262	0.24
1240	0.27	3	0.54
1	0.31	4	0.46
2	0.12	5	0.39
3	0.05	6	0.34
1244	0.29	7	0.39
1248	0.34	8	0.49
9	0.39	9	0.34
1250	0.29	1270	0.60
1	0.24	1	0.60
2	0.27	2	0.39
3	0.56	3	0.31
4	0.46	4	0.31
5	0.34	5	0.31
6	0.27	6	0.39
7	0.22	7	0.39
8	0.22	8	0.27
9	0.24	9	0.69
1260	0.19	1280	0.59
1	0.17	1281	0.39

Respectfully submitted:
DICKINSON LABORATORIES, INC.,

By: Geo. L. Dickinson
George L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

GEO. L. DICKINSON
GEO. G. DICKINSON
ROBERT L. DICKINSON

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES
WATER ANALYSIS

DICKINSON LABORATORIES

P. O. BOX 1145 PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

December 24, 1956

LAB. NO. 10847

Lewisohn Copper Corporation,
128 North Church,
Tucson, Arizona.

Attention: Mr. B. H. Martin

Gentlemen:

Following are our copper assays on 60 samples received by this office on December 21, 1956:

Sample No.	% Copper	Sample No.	% Copper
1282	0.44	1312	0.43
3	0.31	13	0.82
4	0.17	14	1.67
5	0.15	15	0.96
6	0.22	16	1.14
7	0.22	17	0.82
8	0.22	18	0.66
9	0.29	19	0.31
1290	0.27	1320	0.29
1	0.36	1	0.27
2	0.39	2	0.19
3	0.50	3	0.29
4	0.46	4	0.24
5	0.46	5	0.19
6	0.39	6	0.24
1297	0.24	7	0.22
8	0.10	8	0.19
1299	0.10	1329	0.27
1300	0.12	1330	0.31
1	0.34	1	0.59
2	0.51	2	0.59
3	0.39	3	0.85
4	0.19	4	0.69
5	0.19	5	0.44
6	0.17	6	0.59
7	0.17	7	0.94
8	0.10	8	0.56
9	0.22	9	0.72
1310	0.19	1340	0.97
1311	0.19	1341	1.23

Respectfully submitted:
DICKINSON LABORATORIES, INC.,

By: George L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
SHIPPERS AT
[illegible]

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

December 24, 1956

LAB. NO. 10847

Lewisohn Copper Corporation,
128 North Church,
Tucson, Arizona.

Attention: Mr. B. H. Martin

Gentlemen:

Following are our copper assays on 29 samples received by this office on December 21, 1956:

Sample No.	% Copper	Sample No.	% Copper
1342	0.90	1357	0.31
3	0.31	8	0.19
4	0.22	9	0.29
5	0.19	1360	0.36
6	0.24	1	0.22
7	0.72	2	0.29
8	0.67	3	0.44
9	1.24	4	0.27
1350	0.46	5	0.19
1	0.22	6	0.24
2	0.36	7	0.19
3	0.73	8	0.17
4	0.31	9	0.24
5	0.17	1370	0.19
1356	0.15		

Respectfully submitted;
DICKINSON LABORATORIES, INC.,

By: George L. Dickinson
George L. Dickinson

P.S. "MERRY XMAS & HAPPY NEW YEAR"

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN [illegible]

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

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UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

DICKINSON LABORATORIES

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

Dec. 31, 1956.

LAB. NO. 10904

Lewisohn Copper Corporation,
123 North Church,
Tucson, Ariz.

Mr. R. H. Martin-Gen Mgr.

Gentlemen:

Following are our assays on 68 samples received by this laboratory Dec. 29 & 31:

Sample No.	% Copper	Sample No.	% Copper	Sample No.	% Copper
1371	0.23	1401	1.57	1431	0.24
1372	0.21	1402	1.14	1432	0.26
1373	0.19	1403	2.05	1433	0.19
1374	0.09	1404	1.52	1434	0.16
1375	0.14	1405	1.21	1435	0.16
1376	0.14	1406	0.76	1436	0.14
1377	0.16	1407	0.78	1437	0.14
1378	0.19	1408	2.44		
1379	0.24	1409	0.86	CD-44)	
1380	0.24	1410	1.40	P-4 210/215)	1.19
1381	0.63	1411	1.21	1411)	
1382	0.80	1412	0.39		
1383	0.95	1413	0.31		
1384	0.80	1414	0.19		
1385	0.71	1415	0.24		
1386	0.71	1416	0.16		
1387	0.56	1417	0.19		
1388	0.34	1418	0.09		
1389	0.36	1419	0.12		
1390	0.41	1420	0.16		
1391	0.39	1421	0.12		
1392	0.34	1422	0.59		
1393	0.36	1423	0.73		
1394	0.36	1424	0.56		
1395	0.63	1425	0.34		
1396	0.71	1426	0.49		
1397	1.14	1427	0.56		
1398	2.11	1428	0.26		
1399	1.31	1429	0.19		
1400	1.48	1430	0.16		

Respectfully submitted,

Dickinson Laboratories, Inc.,

Geo. L. Dickinson

Geo. L. Dickinson.

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

W. E. HAWLEY
PRESIDENT

BOX 4
EL PASO, TEXAS

HAWLEY & HAWLEY

ASSAYERS AND CHEMISTS, INC.

SHIPPERS REPRESENTATIVES

UMPIRES, WEIGHERS AND SAMPLERS

H. W. BOLLWEG, JR.
TREASURER

LABORATORIES:
537 TWELFTH STREET
BOX 1060
DOUGLAS, ARIZONA

WE HEREBY CERTIFY THAT THE FOLLOWING RESULTS WERE OBTAINED FROM SAMPLES OF Lewisohn Copper Corp.

OFFICE NO.	MARKED	GOLD OZS.	SILVER OZS.	LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT			
295980	Sample No. 344				0.21					
	" 345				0.29					
	" 346				0.25					
	" 347				0.46					
	" 954				0.03					
	" 955				0.63					
	" 1005				1.16					
	" 1022				0.48					
	" 1030				0.26					
	" 1040				1.00					
	" 1049				0.58					
	" 1081				0.50					
	" 1089				0.76					
	" 1120				0.77					
	" 1181				0.59					
	" 1191				1.32					
	" 1200				0.45					
	" 1222				0.89					
	" 1230				4.53					
	" 1234				0.69					

NEW DMEA

DMEA CHECK SAMPLES (14) (Extra)

CHARGES: $ 40.00

DATE 12/27/56

HAWLEY & HAWLEY

PER [signature] ASSAYER

RECEIVED
FEB 1 1957
D.M.E.A.

PHONES: TUCSON 3-2373 OR 5-1385: TIG[illegible]

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

January 6, 1957

FILE COPY
DMEA
RECEIVED FEB 1 1957

DATE	INITIALS	CODE

Lewisohn Copper Corporation,
128 N. Church Avenue,
Tucson, Arizona.

STATEMENT OF DECEMBER 1956 DRILLING

Grid Location: P-6
Hole Number: 42

460' of drilling @ $6.00 per Foot	$2,760.00	
120' of reaming @ 4.00 " "	480.00	
485' of casing @ .25 " "	121.25	
1128' of liners @ .50 " "	564.00	
5' of conductor pipe @ $5.00 per foot (left in hole)	25.00	
31 hours rig time @ $12.50 per hour	387.50	$4,337.75

Grid Location: Q-3
Hole Number: 43

220' of drilling @ $6.00 per foot	$1,320.00	
65' of reaming @ 4.00 " "	260.00	
369 of casing @ .25 " "	92.25	
5' of conductor pipe @ $5.00 per foot (left in hole)	25.00	
8 hours rig time @ $12.50 per hour	100.00	1,797.25

Grid Location: P-4
Hole Number: 44

345' of drilling @ $6.00 per foot	$2,070.00	
120' of reaming @ 4.00 " "	480.00	
1381' of casing @ .25 " "	345.25	
116' of liners @ .50 " "	58.00	
5' of conductor pipe @ $5.00 per foot (left in hole)	25.00	
9 hours rig time @ $12.50 per hour	112.50	3,090.75
		$9,225.75

PURCELL DRILLING COMPANY

By
Martha G. Purcell, Owner

Received payment:

Martha G. Purcell. Owner

Certified Copy
BHM

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1956 Docket No. DMEA 4221 (Copper) Contract No. Idm-E 1027
Operator's Name LEWISOHN COPPER CORP Minerals COPPER
Address 128 N. CHURCH, TUCSON, ARIZONA
Contract Amount, $ 88,780.00 Government Participation: 50 % Amount, $ 44,390.00

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	10,619.50	0	10,619.50			
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	380.80	0	380.80			
Payroll Taxes						
Liability Insurance						
(8) ~~Contingencies~~ (specify): Items 2 thru 7 (less assaying)	2,496.90	0	2,496.90			
TOTALS	13,497.20	0	13,497.20	13,497.20	–	13,497.20

RECEIVED JAN 14 1957 D.M.E.A.

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

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec 15 1956 *Payee LEWISOHN COPPER CORP
Per B. H. Martin Title MANAGER.

*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:
$ 6748.60
Signature
(Authorized Certifying Officer)
Date 1/10/57 Voucher No. DMA 57-74
(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. Idm-E 1027 in accordance with the terms of the contract.

Signature D M Romolo Title Mining Engineer Date Dec 19, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Parker Title Executive Officer Date JAN 8 1957

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 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JAN 14 1957 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of NOVEMBER 1956 Docket No. DMEA 4221 (COPPER) Contract No. TUCSON E 1027
Operator's Name LEWISOHN COPPER CORP Minerals COPPER
Address 128 N. CHURCH, 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								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn	Feet	10,619.50	1230	10,619.50	1230	8.63	7200	10.00
Auger								
~~Stripping~~ ASSAYS 6	EACH	380.80	238	380.80	238	1.60	1200	1.60
~~Trenching~~ ASSAYS (CHECK)	EACH	0	0	0	0	0	120	2.00
Test Pits								
~~Blade and Other~~ Items 2 thru 7 (less assaying)	Feet	2,496.90	1230	2,496.90	1230	2.03	7200	2.03
TOTAL DISTRIBUTED COSTS		13,497.20		13,497.20				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		13,497.20		13,497.20				88,780.00

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 15, 1956 Operator LEWISOHN COPPER CORP

Per B. H. Martin Title MANAGER

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

M Romero

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 872894

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

FINAL DISTRIBUTION
MADE JAN 11 1957

224 New Customhouse
Denver 2, Colorado

January 8, 1957

RECEIVED
JAN 14 1957
DMEA

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4221 (Copper) Contract Idm-K1027, Lewisohn Copper Corporation (Peach mine) Pima County, Arizona - Operator's Monthly Progress Report for the month of November, 1956

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount reported on Form MF-104 for November, 1956, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report - - - - - - - - - - - December 15, 1956
Date Received in Field Office - - December 19, 1956
Date Received in Region Office - - December 26, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: Chm. Op. Comm. (2)
Barshman w/copy of engr's. report
MF-104 File K1027
Storms
Chron.

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

December 20, 1956

RECEIVED
JAN 14 1957
D.M.E.A.

Memorandum

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

From : Lincoln A. Stewart for Superintendent, Southwest Experiment Station

Subject : Progress Report for November 1956, Docket DMEA-422 (Copper) Contract I2m-X1027, Lucinchu Copper Corp. (Peach 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 4 extra copies of our engineer's report.

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

LINCOLN A. STEWART

Lincoln A. Stewart for
Walter R. Storms
Superintendent
Southwest Experiment Station

Wl M. Trover (8)
DMEA-422
DF

LAStewart:frj

RECEIVED JAN 14 1957 D.M.E.A.

December 28, 1956

Memorandum

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

From : T. M. Romslo, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for November 1956, Docket DMEA-4121 (Copper) Contract IDm-21927, Lookalike Copper Corp. (Peach Mine) Pima County, Ariz.

On December 6, 1956, I visited the Peach Mine and inspected progress under subject exploration contract with Richard E. Chilson, President of the Corp., and B. H. Martin, Manager and project supervisor.

I found that 4 of the 13 approved holes of Stage I (P-B, P-E, P-G, and P-F) reportedly had been completed for a total depth of 1,120 feet during November. Drilling of the fifth hole, P-6, was in progress.

The drilling is being done by the Purcell Mining and Drilling Company, under an independent contract, using a 60-L Bucyrus Erie churn drill. Three shifts are worked daily for 6 days a week. This company recently completed drilling at the nearby Duvall copper property. Its operations are supervised by Mrs. Martha G. Purcell, who I met at the drilling. Mrs. Purcell reportedly entered the business several years ago after inspecting the operations of several drilling contractors, one of whom had drilled her property near Oracle, Ariz. She reportedly found most of the drilling was not in accordance with accepted practices and that the operations were inefficient. Based on these findings she set up a company that has been successful; probably the most important reason for this is that the operations are carried out efficiently and properly by well-paid experienced drillers. Other reasons for the successful operations are that excellent equipment is kept in good operating condition and an adequate supply of accessories is available from an orderly arranged depot at each job.

W. M. Traver (Orig. & 8)
DMEA-4121
MF

TMRomslo:frj

A total of 238 5-foot samples were obtained from 4 holes by samplers employed by the operator. They were prepared by other samplers, also employed by the operator, for assay by the Dickenson Laboratories, Inc., El Paso, Texas. My inspections at both the drill rig and the sampling rooms on the property indicated that the samples were properly obtained and prepared for analyses.

The less than average thicknesses and grades of ore penetrated by holes 2-2, 3-5 and 3-6 indicate a weakening of mineralization at the southeasterly portion of the zone. Hole 3-7 in the northwestern portion of the zone penetrated 70 feet of potential ore containing an average of about 1.16 percent copper.

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

Charge Drilling - The $18,619.80 is for 1,230 feet of advance at an actual total cost documented by the certified drill contractor's invoice. The average per foot cost of about $8.63 is less than the maximum allowable $10.00. The reported 1,230 feet of drilling is shown on the sub-contractor invoice and the separate geological and assay logs of holes.

Sampling and Analysis - The $380.80 is for the assay of the 238 samples at the authorized fixed cost of $1.60 per sample. The analyses of the 238 samples are shown on the assayers report and the assay logs.

Items 2 thru 7 (less assaying) - The $2,496.90 is for the 1,230 feet of drilling at the authorized fixed cost of $2.03 per foot.

Total Costs - The Monthly and To-Date totals of $13,497.20 appear to be correct.

Form MF-104A

The form is properly completed.

Narrative Report

The report with attached map is considered satisfactory. Separate geologic and assay logs are a part of the report.

Original signed by
T. M. Romslo

T. M. Romslo, Mining Engineer
Southwest Experiment Station

LEWISOHN COPPER CORP.
128 NORTH CHURCH
TUCSON, ARIZONA

RECEIVED JAN 14 1957 D.M.E.A.

December 1956

NARRATIVE REPORT FOR NOVEMBER

Docket No. D.M.E.A. 4221 (Copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp. (Peach Mine)
Pima County, Arizona

Churn drilling under contract No. Idm-E 1027 was begun on November 2, 1956, by the Parcell Drilling Company of Tucson, Arizona, using a type 60-L Bucyrus Erie churn drill.

The four holes completed in November are indicated below:
(Refer to attached map)

DMEA NO.	OUR NO.	GRID LOCATION	DEPTH
1	C-38	D-2	235
2	C-39	E-3	380
3	C-40	G-3	460
4	C-41	T-3	105
			1,230 feet

A total of 238 samples were taken, each representing an interval of 5 feet. Overburden was not sampled. These samples were split out of the entire volume of material by Jones splitters until approximately one gallon of material remained which is then dried on an automatic steam table. This gallon is further split until enough material remains for 3 sample pulps. The material is then pulverized. One pulp is sent to the assayer, the other 2 are filed. The rejects from this operation are also filed for future metallurgical testing. Dickinson Laboratories, of El Paso, Texas, are the assayers and the samples are being run for total copper. When sufficient have accumulated, approximately 10% of these returned pulps will be sent to Hawley & Hawley, assayers, of Douglas, Arizona, for check purposes.

The following procedure governs the drilling of all churn drill holes:

A 17 inch diameter hole is drilled through overburden to solid rock and 16 inch casing is then set. A 13 inch hole is then drilled until the ore zone is encountered. Ten inch casing is then set from the surface to the bottom of the hole. The hole size is now reduced to 9 inches and drilling below the casing further than the length of the drilling tools (about 40 feet) is prohibited to prevent salting of the samples. When 40 feet is reached, 8 inch casing (called liner) is run from just inside the bottom of the 10 inch to the bottom of the hole. The next 40 feet is now drilled 7 1/2 inches in diameter, then the above mentioned 8 inch casing pulled, the 7 1/2 inch hole reamed to 9 inches and an additional 40 feet of 8 inch casing run in. This process is repeated until the hole is bottomed in quartzite or granite. This continuous casing is necessary to preserve the integrity of the samples. No holes are being drilled smaller than 7 inches in diameter.

There is attached to this report a photostatic copy of the assay logs and geologic logs of the 4 holes.

There is also attached a map showing previous as well as present drilling in both plan and section.

Copies of the assay certificates are also attached and made a part of this report.

The 4 holes with which this report is concerned represent a total of 1,230 feet of drilling. This drilling developed 395 vertical feet of material with a weighted average of 0.70% copper. This is believed to be of a grade sufficient to constitute ore. Drilling conditions have in general been excellent.

LEWISOHN COPPER CORP.

By B. H. Martin
B. H. Martin, Manager

PHONES: TUCSON 3-2373 OR 5-1385: TI [illegible]O

PURCELL MINING AND DRILLING COMPANY

P. O. Box 670
TUCSON, ARIZONA

November 30, 1956

Lewisohn Copper Corporation,
128 N. Church Avenue
Tucson, Arizona.

Gentlemen:

We hereby submit our bill for drilling done on your property at Helvetia, for the period of November 2, 1956, to November 26, 1956, inclusive:

GRID LOCATION	HOLE NO.		
D - 2	38	Drilled to 285 feet - - - - -	$ 2,801.75
E - 3	39	Drilled to 380 feet - - - - -	3,534.00
G - 3	40	Drilled to 460 feet - - - - -	3,588.25
T - 3	41	Drilled to 105 feet - - - - -	695.50
	Total	1230 feet - - - -	$10,619.50

Yours truly,

PURCELL DRILLING COMPANY

By Martha G. Purcell
Martha G. Purcell.

Received Payment:

Martha G. Purcell
Martha G. Purcell.

Certified true copy
B.H.M.

EXTRA COPY O. M. E.		
RECEIVED	25 1959	
DATE		800

224 New Customhouse
Denver 2, Colorado

June 23, 1959

CERTIFIED MAIL

Mr. Richard E. Chilson, President
Lewisohn Copper Corporation
P. O. Box 2728
Tucson, Arizona

Re: Docket DMRA 4221 (Copper)
Contract Idm-E1027
Lewisohn Copper Corporation
(Peach and Elgin mines)
Pima County, Arizona

Dear Mr. Chilson:

Will you please advise this office the mailing addresses of the following individuals:

Frederick Lewisohn
Eustace Seligman
Alfred Adolph Rossin
John G. Greenburgh
David M. Bergman

We wish to forward correspondence to them relating to the captioned project, and I am sure you will want to co-operate with us by supplying the needed addresses.

Our original request to you for this information, dated October 13, 1958, was directed to 1870 North Warren Avenue, Tucson, Arizona, and may not have been delivered to you.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

HMC:jy

cc: Chm. Op. Comm. (2)
Reg. Corres. E1027
Contract file
Chron.

Contract Adm. & Audit Div.

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT MADE AN EXPLORATION PROJECT CONTRACT

To: Richard E. Chilson, President
Levinson Copper Corporation
1670 North Warren Avenue
Tucson, Arizona

Pursuant to the provisions of Exploration Project Contract No. Ida-21087, dated October 23, 1956, Docket No. NMEA-8021, hereinafter called the "contract", between Levinson Copper Corporation, a Delaware corporation, and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Channel drilling has proved the existence of low-grade oxide-sulphide copper ore occurring as contact metamorphic deposits predominately in limestone, generally underlain by quartzite, near the contacts with granite and quartz monzonite.

Date: OCT 3 1958

VHGrimsold/lsm/gla
(9/23/58) 9-30-58

cc: Docket
Mr. C. A. Fredell, BR.TDE.DMR
Mr. Frank Lamb, DMRE
Mr. Killingbord, DMRE
Director's Reading File
Operating Committee
Contract Adm. & Audit Div.
Finance Office
Mr. Johnson
Mr. Grimsold
GMI Field Team, Region III(2)

THE UNITED STATES OF AMERICA

By [signature]
ACTING Director, Office of Minerals Exploration

Frederick Levinson
Montague Saligman
Alfred Adolph Rosein
John G. Greenberger
David H. Meyers

[illegible] 195[illegible]

Mr. Robert F. Phillips, President
Anderson Copper Corporation
1970 North Mesa Avenue
Tucson, Arizona

Re: Project No. [illegible] (Copper)
Anderson Copper Corporation
Pack and Eight Mines
Pima County, Arizona
Contract No. [illegible]

Dear Mr. Phillips:

Transmitted is a certification of shipments of strategic minerals pursuant to the Exploration Project Contract No. [illegible], dated October [illegible], 1954, on the lands described in the contract.

By the terms of the Exploration Project Contract and of the certification, all minerals mined or produced from October [illegible], 1954, to October [illegible], 1957, are subject to the Government's percentage royalty as set forth in the contract until the date which the Government has released or its participating interest is repaid.

Payments should be made to the Executive Officer, Ore Field Team, Region III, 200 Kar Customhouse Building, Denver 2, Colorado. Checks should be drawn in favor of the Office of Minerals Exploration, which is the successor to the Defense Minerals Exploration Administration. The purchaser should be advised to submit royalties from the current day to each subsequent and forward the checks to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of the certificate checks, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any change in ownership and production rights that might affect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify him of pertinent information that such is the case.

Sincerely yours,

C. O. Mittendorf

Enclosure

ACTING [illegible]

([redacted] Lewisohn Copper Corporation (Copper))

[redacted]/lmm/gla
(9/23/58) rewritten 9/30/58

cc to: Docket
Director's Reading File
Operating Committee
Contract Adm. & Audit Div.
Mr. Lamb, [redacted]
Mr. Killingsord, [redacted]
Mr. Johnson
GSK Field Team, Region XXI (2)
Mr. Griswold
Frederick Lewisohn
Eustace Seligman
Alfred Adolph Rosein
John G. Greenburgh
David M. Heyman

OCT 6 1958

Mr. Clarence A. Fredell, Director
Technical Research and Development Division
Defense Materials Service
General Services Administration
Room 3034
7th and D Streets, S. W.
Washington 25, D. C.

Re: Contract No. DMA-4021 (Copper)
Lucindale Copper Corporation
Ronan and Eagle Mines
Pima County, Arizona
Contract No. Ida-41027

Dear Mr. Fredell:

Enclosed is a copy of a certification of discovery or development related to Exploration Project Contract No. Ida-41027.

The contract was dated October 23, 1956, with the Government participating to the extent of 50 percent in an exploration project estimated to cost $85,750.00. Actual expenditures were $53,354.30 (subject to audit), with the Government's share being half of such amount, or $26,677.15.

The total amount of work provided for under the contract consisted of 7,000 feet of churn drilling. Work actually performed consisted of 4,375 feet churn drilled.

The discovery consists of mixed oxide and sulphide copper ores occurring in contact metamorphic deposits principally in limestones, generally associated by quartzite, with the contacts with granite and quartz monzonite. The estimated ore reserves resulting from the work of exploration under the contract consists of 5,000,000 tons with a grade of 3.76 percent copper. Drilling by the Operator resulted in additional reserves estimated at 11,000,000 tons of the same grade.

cc: Director's Reading File
Operating Committee
Mr. F. A. Johnson
Mr. Frank Lamb, MMSS
Mr. Hilinger, MMSS
Contract Adm. & Audit Div.
GSA Field Team, Reg. III (Acting Director
Mr. Grimold

Sincerely yours,

C. O. Mittendorf

Enclosure

MGrimold/lmc/gln (9/3/58) 9/30/58

800

25th New Customhouse
Denver 2, Colorado
September 24, 1958

Mr. Richard E. Chilson
Louisiana Copper Corporation
1070 North Warren
Tucson, Arizona

Re: Docket No. DMSA 4021 (Copper)
Contract No. Ma-31007
Louisiana Copper Corporation
(Punch and Elgin properties)
Pima County, Arizona

Dear Mr. Chilson:

Reference is made to our letter of August 19, 1958, whereby we forwarded the "Operator's Copy" of the TERMINATION AGREEMENT, which was executed to terminate Contract No. Ma-31007, effective May 1, 1957, and advised you of the requirements under Article 7 (e) of the contract form regarding rendering to the Government of a final report pertaining to the work completed under the contract. To date, the final report has not been received in this office.

Please forward to this office by October 10, 1958, either the required five copies of the final report or a firm commitment as to the date on or before which the report will be received in this office. Otherwise, the matter will be referred to the Washington Office for consideration and appropriate action, due to your failure to comply with the contract provisions.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer

JDC:prl

cc: One/Washington (2)
Harshman
Emerick
Fresalo GMK/Tucson
Corres. file
Cooper
Chron.

Audit's copy

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 21 1958
DATE | INITIALS | CODE

TERMINATION AGREEMENT

It is agreed this 16th day of June, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Lewisohn Copper Corporation, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1027, Docket No. DMEA-4221, dated October 23, 1956, hereinafter called the "Contract", that:

1. Effective May 1, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government will contribute only to the allowable costs incurred prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government respecting certification of discovery or development, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts audits, and the right to recover any overpayment, are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this Termination Agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals Exploration Administration

LEWISOHN COPPER CORPORATION

By Richard E. Chilson

Title President

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE
800

EXPLORATION PROJECT CONTRACT

LEWISOHN COPPER CORPORATION

DOCKET NO. DMEA 4221

CONTRACT NO. Ida-E1047

AMENDMENT NO. 2

It is agreed this 12th day of June, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Lewisohn Copper Corporation, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Ida-E1047, Docket No. DMEA 4221, dated October 23, 1956, hereinafter called the "Contract," that:

1. The date fixed in Article 3 on or before which the work shall be completed is extended from April 1, 1957 to August 1, 1957.

2. The maximum period for payment of royalty and lien for payment thereof, provided for in the contract, is increased to eleven (11) years from the date of the contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in sextuplicate the day and year first above written.

LEWISOHN COPPER CORPORATION

By Richard E. Chelson
Richard E. Chelson
President

UNITED STATES OF AMERICA

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

(SEAL)

WP

DMEA RECEIVED JAN 25 1957		
DATE	INITIALS	CODE
1-25	C	220
		800
AMENDMENT NO. 1		

EXPLORATION PROJECT CONTRACT
LEWISOHN COPPER CORPORATION
DOCKET NO. DMEA 4221
CONTRACT NO. Idm-E1027

It is agreed this 14th day of January, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Lewisohn Copper Corporation, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1027, Docket No. DMEA 4221, dated October 23, 1956, hereinafter called the "Contract," that:

Whereas, the bottom of the ore zone has been found to be deeper than originally estimated; and

Whereas, insufficient footage is provided in the Contract to enable drilling twelve holes under each of Stages I and II to the deeper horizon;

Therefore, only such holes will be drilled as are possible within the footage of 3,600 feet provided in the Contract for each of Stages I and II. If a hole cannot be completed within the balance of footage remaining under each of the stages, the hole will not be started.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in sextuplicate the day and year first above written.

LEWISOHN COPPER CORPORATION

By Richard E. Chilson
Richard E. Chilson
President

(Seal)

UNITED STATES OF AMERICA

By W. M. Weaver
Executive Officer, DMEA
Field Team, Region III

LEWISOHN COPPER CORP.
128 NORTH CHURCH
TUCSON, ARIZONA

DMEA
DEPARTMENT OF THE INTERIOR
JAN 11 1957
REGION III
DENVER, COLORADO

January 10, 1957

Mr. W. M. Traver
Executive Officer, D.M.E.A.
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4221 (copper)
Contract No. Idm.-E 1027
Lewisohn Copper Corp.
Pima County, Arizona

Dear Mr. Traver:

This will acknowledge your letters of January 2nd and 3rd.

With reference to Stage I drilling, we concur that sufficient footage is available, within the 3600' provided to complete 10 holes of the 12 approved and that holes S-3 and O-4 should be eliminated at this time.

Very truly yours,

B. H. Martin

B. H. Martin, Manager

BHM:bjg
Air Mail

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DMEA
RECEIVED JAN 25 1957

DATE	INITIALS	CODE

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

EXPIRATION DATE
DMEA
RECEIVED
DATE | TIME | CODE
800

224 New Customhouse
Denver 2, Colorado

January 3, 1957

Mr. B. N. Martin, Manager
Lewisohn Copper Corporation
188 North Church
Tucson, Arizona

Re: Docket No. DMEA 4221 (Copper)
Contract No. Idm-E1027
Lewisohn Copper Corporation
Pima County, Arizona

Dear Mr. Martin:

In reference to your request of December 18, 1956, and consistent with provisions in the Contract, this constitutes the Government's approval for the drilling of three holes under Stage II of the Contract.

The three approved holes are to be at coordinate locations E4, N4, and K4, in reference to the map, "Fig. 5," attached to the Contract.

The holes are to be drilled in compliance with all provisions in the Contract pertaining thereto.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of cost expressly designated as "maximum."

Very truly yours,

DMEA Field Team, Region III

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

JWT:prl

cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file, Reg. III
Harshman
Storms
Emerick
Townsend
Corres. file
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
DEC 28 1956
REGION III
DENVER, COLORADO

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DEC 26 1956

DATE	INITIALS	CODE

GEOLOGICAL SURVEY
DENVER, COLORADO

December 21, 1956

Memorandum

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

From : T. M. Amole
W. L. Emerick

Through: L. A. Stewart for
W. R. Pearce
R. E. Herrmann

Subject : Project DMEA-4021 (Copper), Contract Ibn-61027, Lewisohn Copper Corp., (Peach Mine), Pima County, Ariz.

Reference is made to the attached letter to you by S. H. Martin, Manager of subject corporation. The letter, in triplicate, is accompanied by 4 copies of a map showing the locations of holes completed through November 1956 and one copy of separate geologic and assay logs of holes. As mentioned in the letter, one copy of each of the logs was retained by the Denver office.

Mr. Martin requests approval for use of a portion of the Stage II drilling after completion of the 3,660 feet profiled under Stage I. As requested the Stage II drilling would be used for:

1. Drilling of presently approved holes that may not be completed because the average depth per hole probably will exceed the estimated 300 feet.

2. Drilling of 3 proposed holes under Stage II. The 3 proposed holes are D4, E4, and F4.

The following rough estimate of the footage required for the above drilling was prepared by the writers from data submitted with the letter and from information furnished verbally by Mr. Martin. The number of holes to be drilled under Stage I probably will be reduced from 12 to 10 by eliminating hole A5 and possibly F4. Drilling of hole A3 does not appear to be necessary at this time because here the mineralized zone is cut off on the west by the quartzite footwall and has been tested on the other sides by drilled holes.

CC W. M. Truscer (Orig. & 3)
Chrn R. E. Herrmann
W. L. Emerick
DMEA-4021
WF

TMAmole:WLEmerick:fr;

Hole P4 also could be eliminated if favorable results are obtained from the 3 holes along coordinate 4. On this basis it appears that the additional footage required for Stage I would be confined to a few hundred feet for the completion of the 18th hole.

Drilling required for the 3 proposed holes is estimated at 1,300 to 1,500 feet on the basis of depths to granite or quartzite in nearly completed holes.

We believe approval of the requested drilling only after completion of Stage I is justified for the following reasons partially presented by Mr. Kaplan:

1. The 3,600 feet of Stage I drilling may be exhausted before 10 or 11 of the 13 approved holes of Stage I have been completed.

2. Drilling of the 3 proposed holes under Stage II will test for a width extension of the southern portion of the mineralized zone which in itself could contain significant reserves of potentially minable ore.

13 The findings of the approved hole yet to be drilled in this area, P4, should not affect the advisability of drilling the 3 proposed holes. The reason for this being that in a deposit of this type the results of more than one hole are needed for evaluation purposes.

T. H. Smith, Mining Engineer
U. S. Bureau of Mines

W L Emerick

W. L. Emerick, Geologist
U. S. Geological Survey

EXTRA COPY

LEWISOHN COPPER CORP.

128 NORTH CHURCH
TUCSON, ARIZONA

~~OFFICIAL FILE COPY~~

DMEA		
RECEIVED JAN 7 1957		
DATE	INITIALS	CODE

December 18, 1956

U. S. Bureau Of Mines
Southwest Experiment Station
DEC 19 1956
Tucson, Arizona

Mr. W. M. Traver
Executive Officer D.M.E.A.
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4221 (Copper)
Contract No. Idm-E 1027
Lewisohn Copper Corp.
Pima County, Arizona

Dear Mr. Traver:

Reference is made to your letter of November 2, 1956, to Boyd M. Morse of the Lewisohn Copper Corp.

Although Stage I of our churn drilling program is not yet completed, we would like to request approval for 3 holes to be drilled under Stage II, and that such a portion of this footage may be applied to complete the last hole under Stage I.

We do not propose to do any drilling under Stage II until Stage I is complete but yet wish to anticipate the end of Stage I in order to minimize the delay between stages for the following reasons:

1. A skilled staff, difficult of replacement, must be preserved as long as further drilling is contemplated. This means retaining them on the company payroll during any suspension of operations between stages.

2. Several hundreds of feet of difficult and time consuming road and location work must be completed before any of the proposed locations can be drilled. It is estimated that 3 months may be required to complete this road work. So that this may not further increase the delay between stages, it is

necessary to begin as soon as possible since every foot involves the drilling, blasting, and removal of hard rock.

3. A minimum delay between stages will reduce the chances of losing the services of a thoroughly competent drilling contractor and minimize the payment of stand-by time to this contractor.

Additional reasons for requesting approval of a portion of work under Stage II at this time are as follows:

1. Reasons for drilling the proposed 3 holes are already established by work completed, thus the remainder of the Stage I program will contribute nothing as far as these 3 are concerned.

2. Since we are limited to 3,600 feet of drill hole under Stage I, the probability is that the 3,600 foot mark will be attained before the last hole has reached its objective. Therefore, if a few feet of Stage II footage may now be applied, the hole can be completed with DMEA assistance.

Attached to this request is a 100 scale map showing in plan and isometric projection all surface holes drilled to date with or without DMEA assistance and the proposed 3 holes under Stage II. Two complete sets of assay logs and geologic logs are herewith supplied, one for the Tucson office and one for the Denver DMEA office.

A general evaluation of the holes completed to date adjacent to the area of the proposed 3 holes, reveals the presence of a mineralized zone extensive in length but with little or no proven width. By definition, an ore body implies width as well as length but a single or even a double row of holes develops little in this dimension. Therefore, for a portion of Stage II, we propose the following 3 holes: E4, H4 and K4.

Since DMEA holes 1, 2 and 3 (C-38, C-39 and C-40, refer to map) suggest a weakening of the mineralization to the southeast, it is believed expedient to drill E4 to confirm or deny this possibility. Inasmuch as many ore bodies exhibit alternating bands of varying

grades of ore, it is believed likely that C-38, C-39, C-40 and D-9 are in a lower grade band and that E-4 may pick up ore of a higher grade, thus adding width to the end of the mineralized zone.

Holes K-4 and H-4 are proposed on the basis of the excellent results from previous adjacent drilling and are expected to contribute to the width dimension in this area. Since this north-south mineralized zone is bounded on the west by the quartzite footwall, the only possible extension must be to the east.

It should be pointed out that the Stage I and II contracts specify 12 holes each of an average depth of 300 feet, and we are thus limited in each case to 3,600 feet of drilling. Since the actual average depth of each hole is running from 375 to 400 feet we will be limited to 9 to 10 holes instead of 12 in each stage.

Very truly yours,

LEWISOHN COPPER CORP.

B. H. Martin

B. H. Martin, Manager

BHM:bjg
Encls:

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

L. A. MARCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7006 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
CONTINENTAL OILS
MARSHALL TESTING
PARKER-TIVICK LABORATORY
SOIL AND WATER ANALYSES

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DICKINSON LABORATORIES

DATE	INITIALS	CODE

LAB. NO. 10546

Nov. 10, 1956.

Lasalcolm Copper Corp.,
128 N. Church,
Tucson, Ariz.

Attention: Mr. B. H. Martin, Manager.

Gentlemen:

Following are our assays on the 31 samples received by our office on Nov. 8th:

Sample No.	% Copper	% Non-Sulf. Copper	% Molybdenum	Oz. per ton Gold	Oz. per ton Silver
SP-14	0.82	0.27	0.00	00.00	0.90
SP-15	0.56	0.12	0.00	0.00	0.30
SP-16	0.58	0.22	Trace	0.00	0.40
1001	0.75				
1002	0.73				
1003	0.46				
1004	0.48				
1005	0.94				
1006	0.87				
1007	0.56				
1008	0.22				
1009	0.24				
1010	0.29				
1011	0.24				
1012	0.22				
1013	0.12				
1014	0.24				
1015	0.12				
1016	0.10				
1017	0.22				
1018	0.17				
1019	0.31				
1020	0.27				
1021	0.27				
1022	0.48				
1023	0.53				
1024	0.36				
1025	0.36				
1026	0.52				
1038	0.68				
1039	0.99				

Respectfully submitted

Dickinson Laboratories, Inc.,

Geo. L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
OREX AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

GEO. L. DICKINSON—PRESIDENT
GEO. C. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7806 • PHONE 2-6284
1000 WEST MAIN ST.
EL PASO, TEXAS

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DATE	INITIALS	CQD

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
[illegible] OILS
[illegible] INC.
[illegible] LABORATORY
[illegible] ANALYSES

Nov. 16, 1956.

Lovington Copper Corp.,
128 E. Church,
Tucson, Ariz.

Mr. B. H. Martin, Manager.

Gentlemen:

Following are our assays on 27 samples received at this office this morning's mail:

Sample No.	% Copper
1026	1.04
1027	0.82
1028	0.34
1029	0.39
1030	0.31
1031	0.54
1032	0.80
1033	0.92
1034	0.44
1035	0.31
1037	0.54
1040	1.02
1041	0.79
1042	0.99
1043	0.54
1044	0.34
1045	0.36
1046	0.44
1047	0.50
[illegible]	[illegible]
[illegible]	0.61
1050	0.27
1051	0.31
1052	0.24
1053	0.12
1054	0.22
1055	0.15

Respectfully submitted

Dickinson Laboratories, Inc.

Geo. L. Dickinson

Geo. L. Dickinson

BUYER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

GEO. L. DICKINSON—PRESIDENT
GEO. M. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7066 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
[illegible]
[illegible] TESTING
[illegible] LABORATORY
SOIL AND WATER ANALYSES

EXPLORATION
DMEA
RECEIVED [illegible] 7 1957
DATE | INITIALS | CODE

Nov. 22, 1956.

LAB. NO. 10519

Lewisalm Copper Corp.,
128 North Church,
Tucson, Ariz.

Attention: Mr. B. H. Martin, Gen. Mgr.,

Gentlemen:

Following are our copper assays on 75 samples received by our office on Nov. 21:

Sample No.	% Copper	Sample No.	% Copper	Sample No.	% Copper
Broad top X-1	2.18	1084	0.38		
1056	0.46	1085	0.36	1113	0.12
1057	0.22	1086	0.29	1114	0.36
1058	0.17	1087	0.55	1115	0.31
1059	0.24	1088	0.61	1116	0.39
1060	0.34	1089	0.79	1117	0.48
1061	0.31	1090	0.39	1118	0.55
1062	0.34	1091	0.29	1119	0.82
1063	0.29	1092	0.27	1120	0.82
1064	0.31	1093	0.15	1121	0.41
1065	0.41	1094	0.27	1122	0.66
1066	0.34	1095	0.39	1123	0.59
1067	0.31	1096	0.22	1124	0.29
1068	0.58	1097	0.24	1125	0.24
1069	0.53	1098	0.22	1126	0.31
1070	0.53	1099	0.17	1127	0.27
1071	0.29	1100	0.19	1128	0.27
1072	0.17	1101	0.31	1129	0.15
1073	0.29	1102	0.50		
1074	0.39	1103	0.41		
1075	0.36	1104	0.29		
1076	0.17	1105	0.22		
1077	0.15	1106	0.22		
1078	0.41	1107	0.12		
1079	0.36	1108	0.41		
1080	0.31	1109	0.39		
1081	0.46	1110	0.59		
1082	0.54	1111	0.46		
1083	0.66	1112	0.22		

Respectfully submitted

Dickinson Laboratories, Inc.

Geo. L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PHELPS DODGE REFINERY
FOR
ORES AND SCRAP COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

GEO. L. DICKINSON—PRESIDENT
GEO. A. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

J. A. HANCOCK, PH. D.
CONSULTING CHEMIST

P. O. BOX 7006 • PHONE 2-9284
1300 WEST MAIN ST.
EL PASO, TEXAS

SUBSIDIARIES:
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COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

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DATE	INITIALS	CODE

LAB NO. 10661

Nov. 28, 1954.

Lewisohn Copper Corp.,
128 N. Church,
Tucson, Ariz.

Mr. R. H. Martin, Gen. Mgr.,

Gentlemen:

Following are our copper assays on 29 samples received by Parcels Post this morning:

Sample No.	% Copper
1130	0.36
1131	0.27
1132	0.19
1133	0.24
1134	0.22
1135	0.31
1136	0.10
1137	0.15
1138	0.22
1139	0.15
1140	0.19
1141	0.10
1142	0.36
1143	0.27
1144	0.24
1145	0.22
1146	0.24
1147	0.18
1148	0.46
1149	0.27
1150	0.24
1151	0.22
1152	0.24
1153	0.17
1154	0.10
1155	0.22
1156	0.27
1157	0.36
1158	0.36

Yours very truly

Dickinson Laboratories, Inc.,

Geo. L. Dickinson.

PURCHASE REPRESENTATIVES AT
EL PASO SMELTING WORKS
AND ASARCO REFINERY
FOR
GOLD AND SCRAP COPPER

REPRESENTATIVES
FOR
CO-SHIPPERS AT
SPECIAL BUYER POINTS

GEO. L. DICKINSON—PRESIDENT
GEO. G. DICKINSON—VICE-PRESIDENT
ROBERT L. DICKINSON—VICE-PRESIDENT

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES

DICKINSON LABORATORIES, INC.

P. O. BOX 7096 • PHONE 2-9264
1300 WEST MAIN ST.
EL PASO, TEXAS

I. A. HANCOCK, PH. D.
CONSULTING CHEMIST

SUBSIDIARIES:
TEXAS TESTING LABORATORIES
COTTONSEED OILS
PHYSICAL TESTING
FARM SERVICE LABORATORY
SOIL AND WATER ANALYSES

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O.M.E.A.
RECEIVED JAN 7 1957
DATE | INITIALS | CODE
LABORATORIES

Dec. 1, 1956.

LAB. No. 10669

Mr. B. K. Martin, Gen. Mgr.,
Lowriston Copper Corp.,
126 North Church,
Tucson, Ariz.
Gentlemen:

Following are our copper assays on 61 samples received by our office on Nov. 30th:

Sample No.	% Copper	Sample No.	% Copper
1159	0.10	1190	0.34
1160	0.36	1191	1.18
1161	0.54	1192	0.94
1162	0.31	1193	0.99
1163	0.31	1194	0.99
1164	0.22	1195	0.48
1165	0.46	1196	0.41
1166	0.36	1197	0.39
1167	0.29	1198	0.24
1168	0.59	1199	0.34
1169	0.36	1200	0.41
1170	0.27	1201	0.46
1171	0.19	1202	0.54
1172	0.31	1203	0.61
1173	0.50	1204	0.46
1174	0.36	1205	0.34
1175	0.34	1206	0.27
1176	0.29	1207	0.27
1177	0.22	1208	0.22
1178	0.36	1209	0.24
1179	0.31	1210	0.19
1180	0.34	1211	0.22
1181	0.80	1212	0.27
1182	0.39	1213	0.22
1183	0.27	1214	0.24
1184	0.27	1215	0.19
1185	0.19	1216	0.12
1186	0.12	1217	0.12
1187	0.17	1218	0.10
1188	0.12	1219	0.17
1189	0.10		

Yours very truly,

Dickinson Laboratories, Inc.,

Geo. L. Dickinson

Geo. L. Dickinson

SHIPPER'S REPRESENTATIVES AT
EL PASO SMELTING WORKS
PERTH AMBOY REFINERY
FOR
ORE AND BLISTER COPPER

REPRESENTATIVES
FOR
ORE SHIPPERS AT
MEXICAN BORDER POINTS

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

224 New Customhouse
Denver 2, Colorado

November 19, 1956

Mr. Boyd M. Morse, Secretary
Lewisohn Copper Corporation
128 North Church Avenue
Tucson, Arizona

Re: Docket DMEA 4221 (Copper)
Contract Idm-21027
Lewisohn Copper Corporation
(Peach Mine)
Pima County, Arizona

Dear Mr. Morse:

Whereas a part of the holes shown on Figure 5 attached to the contract and originally planned for drilling under Stage I were drilled at the Operator's expense without contribution to the cost thereof by the Government; therefore, consistent with provisions in the contract additional holes are approved to be substituted for holes already drilled.

In reference to your request of November 2, 1956, and effective that date, this constitutes the Government's approval of 9 holes to be substituted for like number of holes that have already been drilled as mentioned above. The holes are located as follows, according to coordinate locations on the map, Figure 5, attached to the contract: 2-D, 3-E, 3-G, 3-O, 3-S, 3-T, 4-O, 4-P, 5-O.

The foregoing listed 9 drill holes, together with holes at coordinate location 3-J, 3-M and 6-P, will constitute the 12 holes to be drilled under Stage I of the contract.

This work approval shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Very truly yours,

DMEA Field Team, Region III

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

JW T:jy

cc: Chm. Op. Comm. (4)
Finance Office, Reg. III
Amend. File, Reg. III
Harshman
Storms
Emerick
Townsend
Corresp.
Chron.

Box 4126 University Station
Tucson, Arizona

U.S. GEOLOGICAL SURVEY
DENVER, COLORADO

MEMORANDUM

November 12, 1956

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

From: T. M. Romslo, U. S. Bureau of Mines
W. L. Emerick, U.S. Geological Survey

Through: W. R. Storms
E. N. Harshman

Subject: Docket DMEA 4221 (Copper), Contract No. Ima-1027, Lewisohn Copper Corp., (Peach Mine), Pima County, Arizona

Reference is made to W. M. Traver's letter of November 7, 1956 requesting recommendations on applicant's request for relocation of holes under Stage I of the above docket.

Of the original 12 holes proposed to be drilled under Stage I, applicant has already drilled 6 holes (6-S, 6-R, 4-S, 2-L, 1-J, 2-K) at his own expense, three other original holes (6-P, 3-M, 3-J) are included in applicant's presently proposed pattern of drilling, and 3 additional original holes (7-R, 1-K, 3-H) are not included in the applicant's proposed amended pattern of drilling.

In regard to the three Stage I holes (7-R, 1-K, 3-H) not included in the applicant's request for relocation of holes, Hole 1-K is in a location shown to be poor by applicant's drill Hole 1-J, 150 feet southeast, in Area 'A'. The line of holes on coordinate 1 in Area 'A' appear to be in ground too near the flat-dipping limestone-quartzite contact to be of value, either in depth or assay.

By omitting Holes 3-H and 7-R from his Stage I program and substituting others, applicant may not be justified but it appears that his presently proposed pattern of drilling is practical. Holes 3-H and 7-R could be drilled under Stage II, if warranted.

Inasmuch as applicant has already drilled six of the proposed Stage I holes at his own expense and includes three of the original holes in the present program, it is recommended that the nine holes located at the following coordinates:

2-N	3-O	4-O
3-E	3-S	4-P
3-G	3-T	5-O

be approved under Stage I. It is further recommended that approval of hole relocations be made retroactive to November 2, 1956.

Original signed by
T. M. Romslo

T. M. Romslo, U. S. Bureau of Mines

W L Emerick

W.L.Emerick, U.S. Geological Survey

TMR and WLE:mm

cc: Traver (3)
Haralson
King
Storms
Emerick

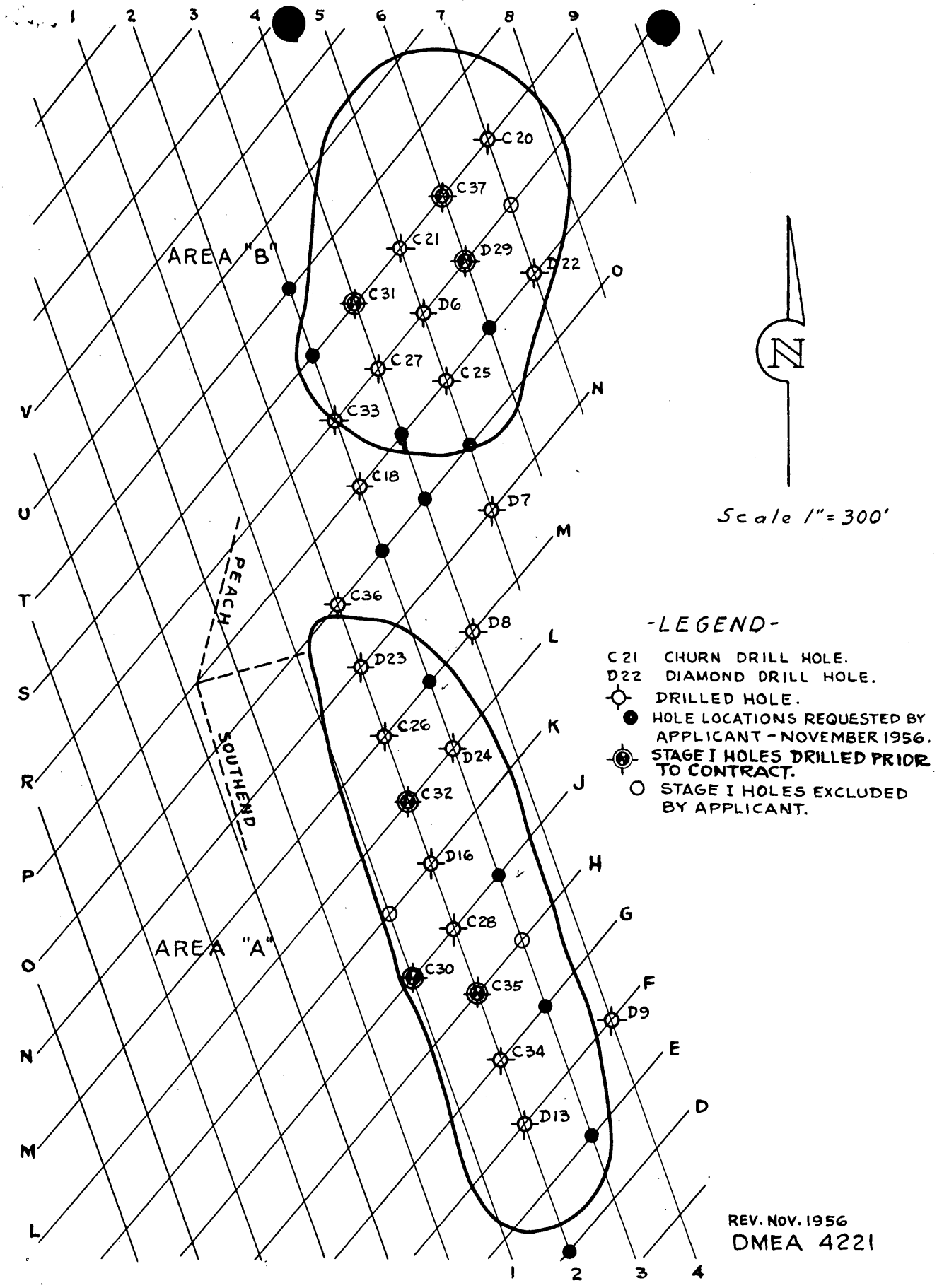

FIG.-5A. PROPOSED EXPLORATIONS - LEWISOHN COPPER CORP.
PIMA COUNTY, ARIZONA

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JUN 26 1956
D.M.E.A.

MME Form 14
Sept. 1958

Contract No. Idm-E) 1027
~~MMA~~)

Docket No. DMEA) 4221
~~MME~~)

Date of Action 10/31/58

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Terminated contract

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor: Lewisohn Copper Corporation
120 North Church Avenue
Tucson, Arizona

Date of Contract	Region	State	Commodity
October 29, 1956	III	Arizona	Copper
	Reserve		Obligation
Prior Amount	0		44,390.00
Increase	0		0
Decrease	0		17,712.85
Revised Amount	0		26,677.15

Remarks:

cc: 800
210

43244

Contract No. Idm-E 1027

Docket No. 4221

Executed ~~Approved~~ contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
October 23, 1956	III	Arizona	Copper

Name and Address of Operator: Lewis John Copper Corporation
128 North Church Avenue
Tucson, Arizona

	Reserve	Obligation
Prior Amount	0	0
Increase	0	$44,390.00
Decrease	0	0
Revised Amount	0	$44,390.00

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 10/29/56

98963

Government's Copy

RECEIVED
OCT 22 1956

MF-200
(Revised June 1954)

Docket No. DMEA 4221

Commodity Copper

Contract No. Idm-E 1027

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this OCT 23 1956 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Lewisohn Copper Corporation, a Delaware corporation, whose mailing address is 128 North Church Avenue, Tucson, Arizona, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and two maps

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Arizona, County of Pima, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] ..... in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] See Annex I, [7] ..... recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: ....
..................Consents to Lien of Lessors..................
....

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of ....Copper.................. The work to be performed is described in Exhibit "A." The Operator on or before November 15, 1956.................. shall commence the work, and on or before ...April 1, 1957.................. (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~[illegible]~~ except as otherwise provided in Exhibit "A" with respect to stages of work. (See Article 13)

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $...88,780.00..................
The Government shall contribute ..50.. percent of the allowable costs as they are incurred in a total sum not in excess of $..44,390.00..................: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

16—70617-1

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; [redacted] See Article 13.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. **See Article 13.**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value therof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) Categories (2) through (7) of Article 6(a) are deleted.

(c) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the contract.

(d) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(e) In the last sentence of Article 6(c) the words "Article 8" are substituted for the words "Article 9."

(f) Notwithstanding any other provision of the contract, the allowable unit cost per foot of drilling is the average unit cost per foot completed on the basis of the actual unit costs of drilling incurred by the Operator, the average cost not to exceed the estimated unit cost set forth in the contract.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]
Administrator, Defense Minerals
Exploration Administration

LEWISOHN COPPER CORPORATION
(Operator)

By Richard E. Chilson

Title President

I, Boyd M. Morse, certify that I am the secretary of the corporation named as Operator herein; that Richard E. Chilson, who signed this contract on behalf of the Operator, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Boyd M. Morse

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

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OCT 22 1956

EXPLORATION PROJECT CONTRACT
LEWISOHN COPPER CORPORATION
DOCKET NO. DMEA-4221

ANNEX I

The land referred to in Article 2 consists of 3 unpatented claims owned by the Operator, and 6 patented claims leased by the Operator with Option to purchase, from Frederick Lewisohn, The Southern Arizona Bank and Trust Company, Administrator of the Estate of Leonard Lewisohn, and David M. Heyman, John G. Greenburgh, Eustace Seligman, and Alfred Adolph Rossin, Trustees of the Estate of Sam A. Lewisohn, pursuant to an agreement dated October 11, 1955, running to Richard E. Chilson and assigned by him to Operator October 12, 1955 with consent of lessors. The claims are in the Helvetia Mining District and patents for them are recorded in the Office of the County Recorder, Pima County, Arizona, in Book No. 22, Deeds of Mines at pages 383, et seq., pages 392, et seq., and pages 397, et seq.

The patented claims are as follows:

Mohawk	Lot No. 1300
Newman	Lot No. 1304
Peach	Lot No. 1305
South End	Lot No. 1305
Monitor	Lot No. 1305
Gap	Lot No. 1305

The 3 unpatented claims, owned by the Operator, and Notices of Location of same being recorded in the Office of the County Recorder, Pima County, Arizona, are as follows:

Flat Top	Book 913	Page 600
Round Top	Book 914	Page 1
Duzy	Book 932	Page 231

All of the claims listed above are shown on the attached map entitled, "Lewisohn Copper Corp., Base Map, Feb. 1956."

MF-209
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Lewisohn Copper Corporation
Docket No. DMEA- 4221
Contract No. Idm-E 1027
Contract Date OCT 23 1956

RECEIVED
OCT RECEIVED
OCT 17 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Pima, State of Arizona, described as follows: 2/ 6 patented mining claims, Mohawk, Newman, Peach, South End, Monitor, Gap, patents for which are recorded in the Office of the County Recorder, Pima County, in Book No. 22, Deeds of Mines at pages 383, et seq., pages 392, et seq., and pages 397, et seq.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 1st day of August, 1956.

Frederick Lewisohn	[Seal]	New York, New York	[Address]
Frederick Lewisohn	[Seal]	New York, New York	[Address]
	[Seal]	New York, New York	[Address]
	[Seal]	New York, New York	[Address]
	[Seal]	New York, New York	[Address]
Trustees u/Art. 7th of the Will of Sam A. Lewisohn, deceased			
	[Seal]		[Address]

XXXXXXX XXXXXXXX certify ~~that I am~~ the _____ X _____ (Secretary, Etc.) of the corporation named herein; that X _____ X _____ who signed this agreement was then X _____ X (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

X X X X X
X X X X X
S X X X X
XXXXXXXX XXXXXXXXX XXXXX

[Corporate Seal]

SOUTHERN ARIZONA BANK & TRUST CO.

James M Sawtelle
Vice-President

Secretary

I, James Stuart Douglas, certify that I am the Secretary of the corporation named herein; that James M Sawtelle who signed this agreement was then Vice-President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Secretary

ESTABLISHED 1903

SOUTHERN ARIZONA BANK & TRUST COMPANY

MEMBER FEDERAL RESERVE SYSTEM

TUCSON - ARIZONA

JAMES STUART DOUGLAS
VICE PRESIDENT

October 31, 1956

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DMEA

The United States of America
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket DMEA 4221 (copper)
Lewisohn Copper Corp., Peach
Mine, Pima County, Arizona.

Gentlemen:

On October 12, 1956, this bank executed and affixed its corporate seal to a document entitled Consent to Lien and Subordination Agreement, in connection with the above-described contract between the United States and Lewisohn Copper Corp.

This is to certify that when affixing the signature of the bank, through its officers, the Southern Arizona Bank and Trust Company was acting in its capacity as Administrator with the Will Annexed of the Estate of Leonard Lewisohn, deceased, which estate is one of the owners of the patented lode mining claims referred to in said contract.

Very truly yours,

James Stuart Douglas
Vice-President

JSD:ih

EXPLORATION PROJECT CONTRACT
LEWISOHN COPPER CORPORATION
DOCKET NO. DMEA-4221

RECEIVED
OCT 22 1956

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for ores of copper by churn drilling. The work is divided into two stages, with not more than twelve holes aggregating a length of 3,600 feet to be drilled in each stage. It is expected that each hole will reach an approximate depth of 300 feet.

The locations of the twelve holes comprising Stage I are approximately shown on the attached map entitled "Figure 5." However, in the event that the Operator previously may have drilled any of such designated holes at its own expense, the Government may indicate other hole locations as applicable to Stage I.

Under Stage II, only such drilling shall be done as is approved in advance by the Government with respect to number of holes, locations, and depths.

All holes shall be drilled to a minimum diameter of six inches, except where otherwise authorized by the Government.

Holes shall be reamed and cased or cemented and redrilled as necessary.

Representative samples shall be taken in mineralized zones, utilizing hole intervals of not less than five feet nor more than 10 feet. All samples shall be chemically analyzed for total copper. Certified copies of all assay certificates and complete log records of all holes shall be submitted with the Operator's monthly reports. A duplicate of each sample taken shall be retained and made available for disposition by the Government.

The project shall be supervised by a competent engineer-geologist who shall devote full time to the project work.

Only the costs of completed drill holes are allowable costs of the project.

Estimated Costs of Project

Stage I

Actual Costs

Category (1) Independent Contracts

Churn drilling, 3,600 feet @ $10.00/ft. (The unit cost includes all costs for reaming, casing, lost casing, moving, delays and all costs and charges pertaining to the drilling work.)	$36,000.00	
Categories (2) through (7)	None	

Fixed Unit Costs (See Article 13)

Incidental allowance 1/ for each foot of drilling completed, 3,600 feet @ $2.03/ft.	7,308.00	
600 Samples to be chemically assayed for total copper @ $1.60 per sample	960.00	
60 Samples to be check assayed for total copper @ $2.00 per sample	120.00	
Estimated Cost of Stage I		$44,388.00

Stage II

Actual Costs

Category (1) Independent Contracts

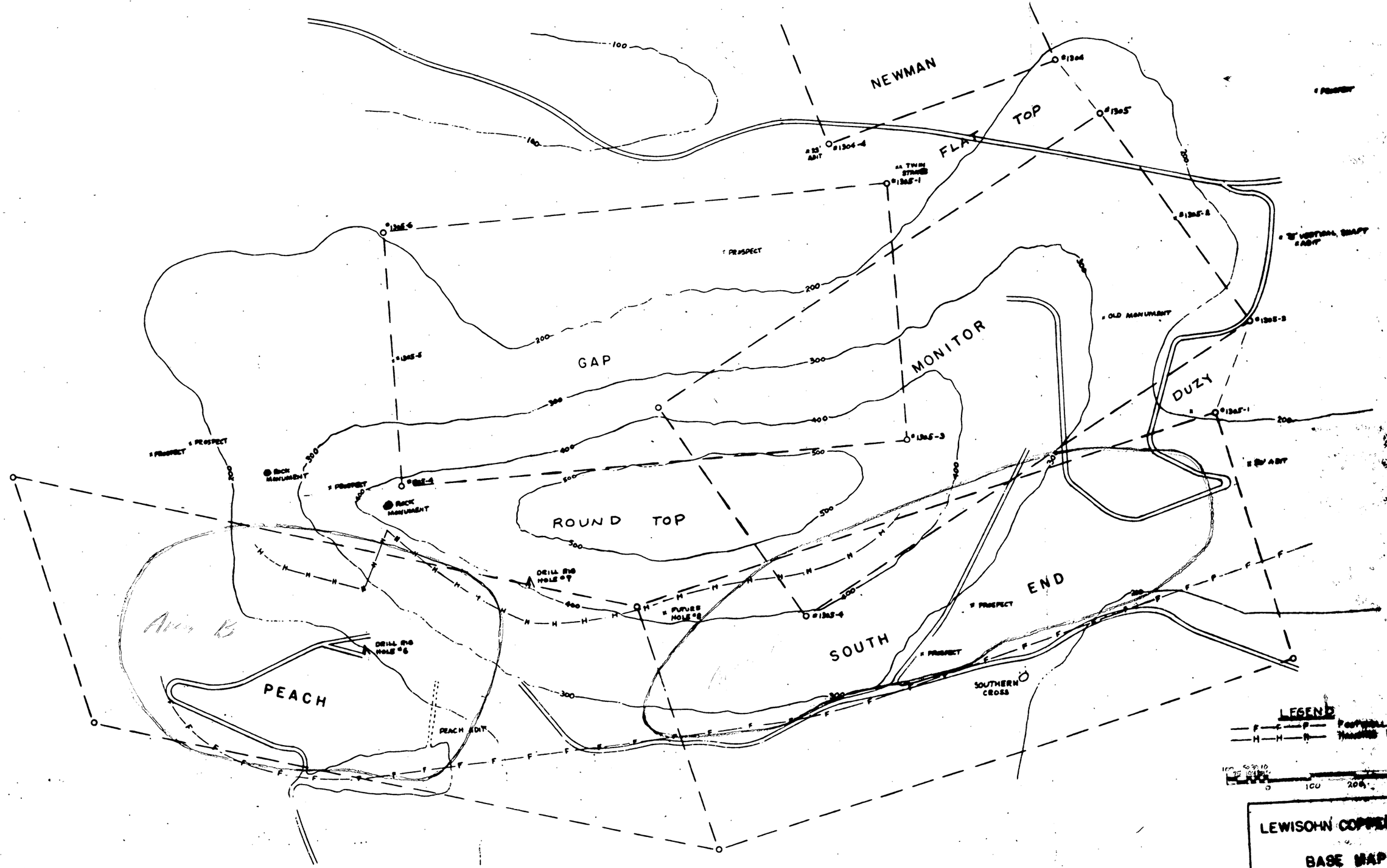
Churn drilling, 3,600 feet @ $10.00/ft. (The unit cost includes all costs for reaming, casing, lost casing, moving, delays and all costs and charges pertaining to the drilling work.)	$36,000.00	
Categories (2) through (7)	None	

Fixed Unit Costs (See Article 13)

Incidental allowance 1/ for each foot of drilling completed, 3,600 feet @ $2.03/ft.	7,308.00	
600 Samples to be chemically assayed for total copper @ $1.60 per sample	960.00	

60 Samples to be check assayed for total copper @ $2.00 per sample	120.00	
Estimated Cost of Stage II		$44,388.00
Estimated Cost of Project (rounded)		$88,780.00
Government Participation @ 50%		$44,390.00

1/ Includes all costs that might otherwise have been allowable costs under Categories (2) through (7) of Article 6(a), except assaying.


NEWMAN
FLAT TOP
GAP
MONITOR
DUZY
ROUND TOP
SOUTH END
PEACH
PROSPECT
OLD MONUMENT
ROCK MONUMENT
DRILL RIG HOLE #7
DRILL RIG HOLE #6
FUTURE HOLE #8
PEACH ADIT
SOUTHERN CROSS
TWIN STRINGS
#1304
#1304-4
#1305
#1305-1
#1305-2
#1305-3
#1305-4
#1305-5
#1305-6
100
200
300
400
500
LEGEND
0
100
200
300
LEWISOHN COPPER CO
BASE MAP
DESIGN BY
SCALE: 1" = 200'
FEB. 1956

DMEA 4221

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OCT 22 1956

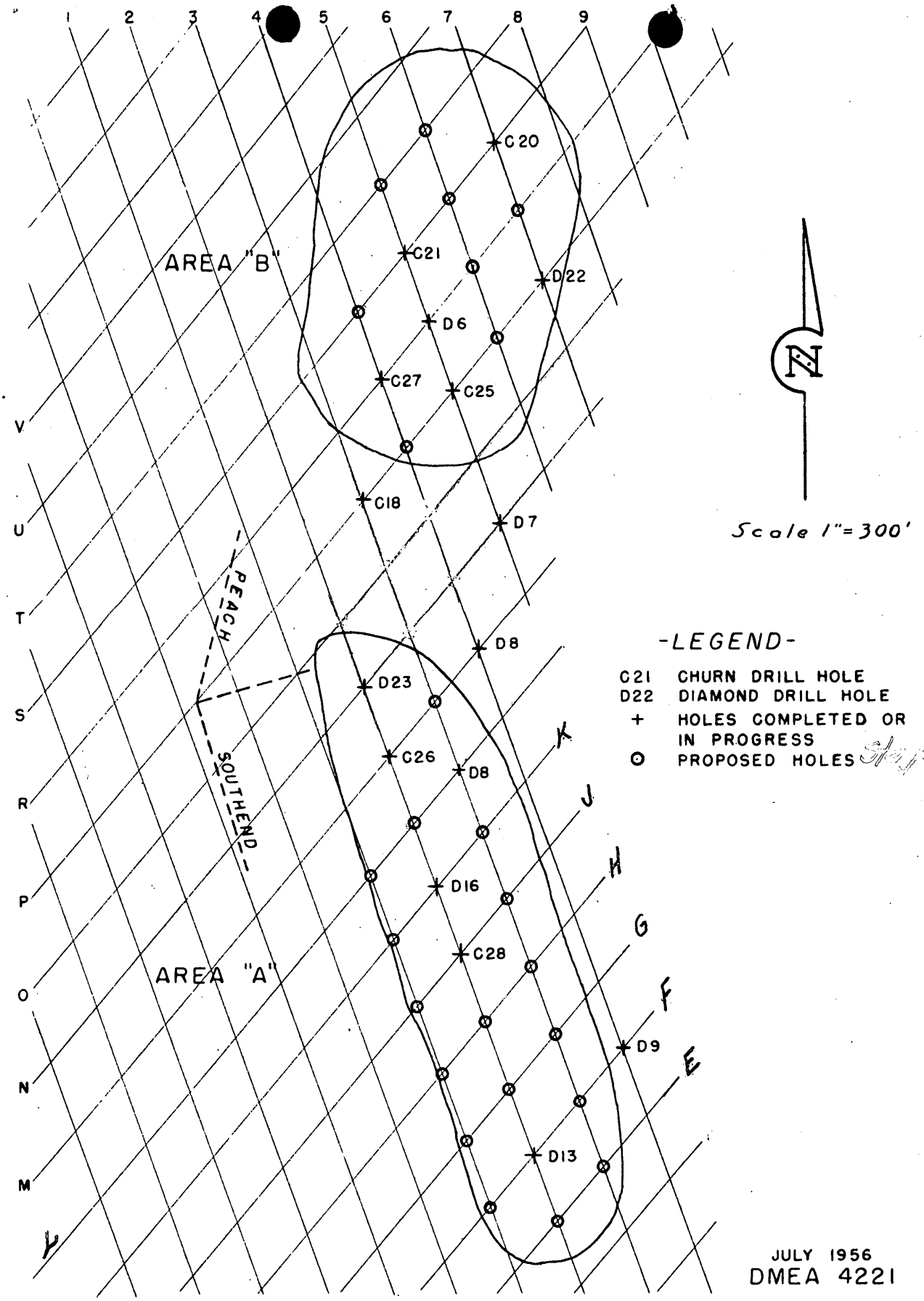

FIG.- 5 - PROPOSED EXPLORATIONS - LEWISOHN COPPER CORP.
PIMA COUNTY, ARIZONA

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