Tucson, Arizona
September 16, 1975

To: Messrs. B.F. Dickerson, III
Superior Oil

Ted H. Foss
General Crude

From: Robert Blakestad
Perry, Knox, Kaufman, Inc.

Subject: Rosedale Prospect: Summary of Work to Date, Socorro County, N.M.

Introduction

The purpose of this report is to summarize the work done on the Rosedale property, located in the San Mateo Mountains, southwestern Socorro County, New Mexico.

Background

Gold with some silver occurs in quartz veins cutting Tertiary rhyolitic tuffs on the eastern side of the San Mateo Mountains. The veins are generally well-defined and are enveloped by distinctive alteration zones that may exceed 800 feet in width. Approximately 60,000-70,000 tons of ore grading about 0.33 oz/ton Au and an unknown, but possibly significant, amount of silver was mined from the Rosedale in the period 1882-1937. Mining was abruptly terminated in 1911 by fire, after which there was only minor activity in the District. No production is known from the adjacent Bellvein.

Recent work by PKK has consisted of general prospecting, reconnaissance geologic mapping, and geochemical sampling. The results of our efforts to date are condensed below.

Geologic Mapping

A crude reconnaissance-style geologic map was prepared for PKK by Mike Whyte, a recent NMIMT graduate. The map has proven to be a useful base for our geochemical sampling, as nearly all of the prospect workings were located and a general outline of the alteration envelope surrounding the veins was noted. The pertinent features with respect to vein trends and alteration halos are given on the attached map. (See Figure 1)

Geochemical Sampling

A total of 66 samples were taken from the dumps and/or exposed veins of most of the prospects along the Rosedale and Bell veins. Fully two-thirds of the samples taken contained anomalous amounts of gold and silver, and 4 areas have been defined that have geological and geochemical similarities to the Rosedale vein (see Figure 1). Of particular interest is the fact that two areas along the Bell vein are at least 1000 feet in length and additional areas of possible interest have been identified along the Rosedale vein.

Property Situation

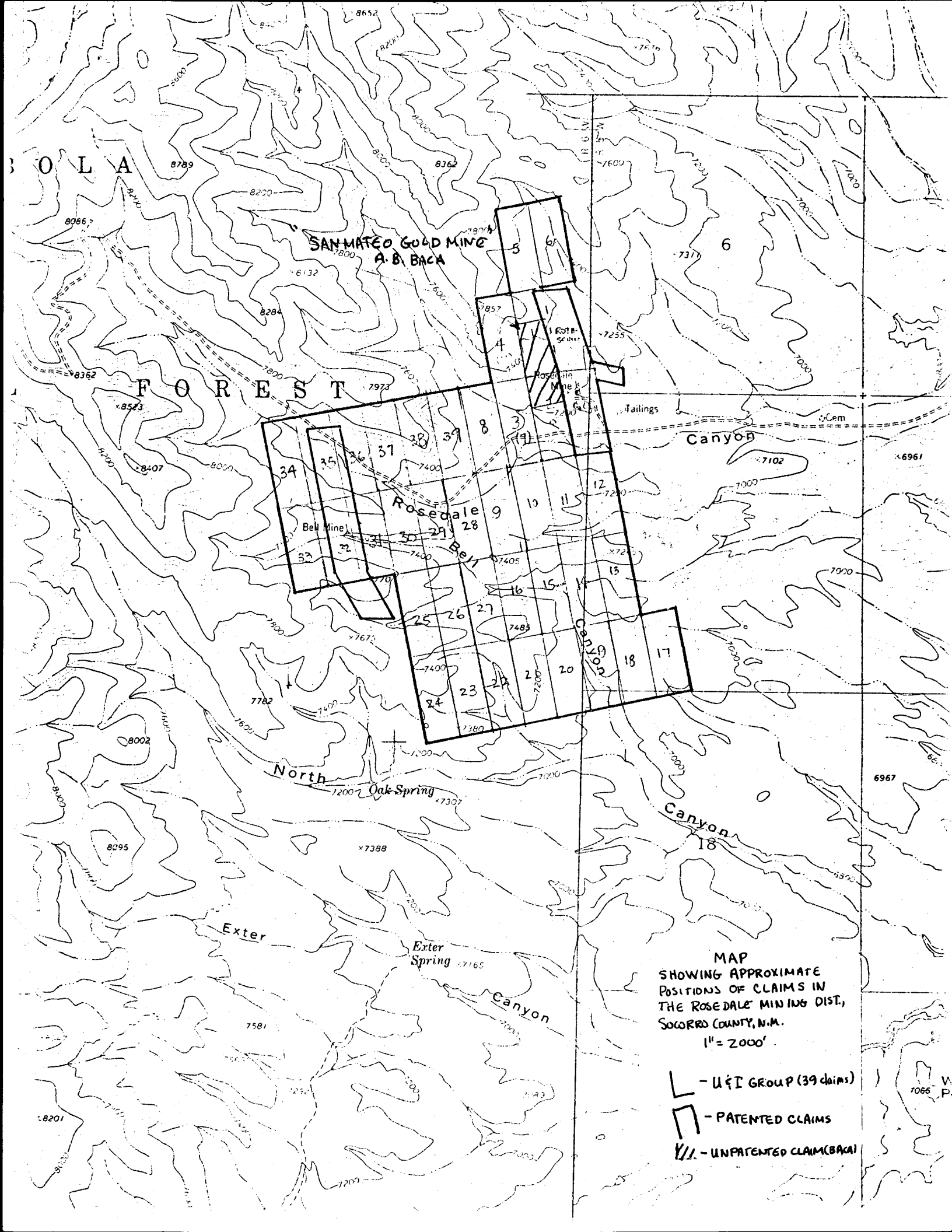
The Rosedale vein is partially covered by two patented mining claims and a millsite owned by Mr. Harry Ralston of Silver City, N.M. The Bell vein is partially covered by 3 patented claims owned by Mrs. Luann Lukens of Albuquerque. Thirty-nine unpatented lode claims (U&I group) were located in 1972-73 by Mr. Donald W. McCaig of Santa Fe, N.M. Close inspection of the courthouse records and of parts of the ground indicates that Mr. McCaig has not done any location work on any of the

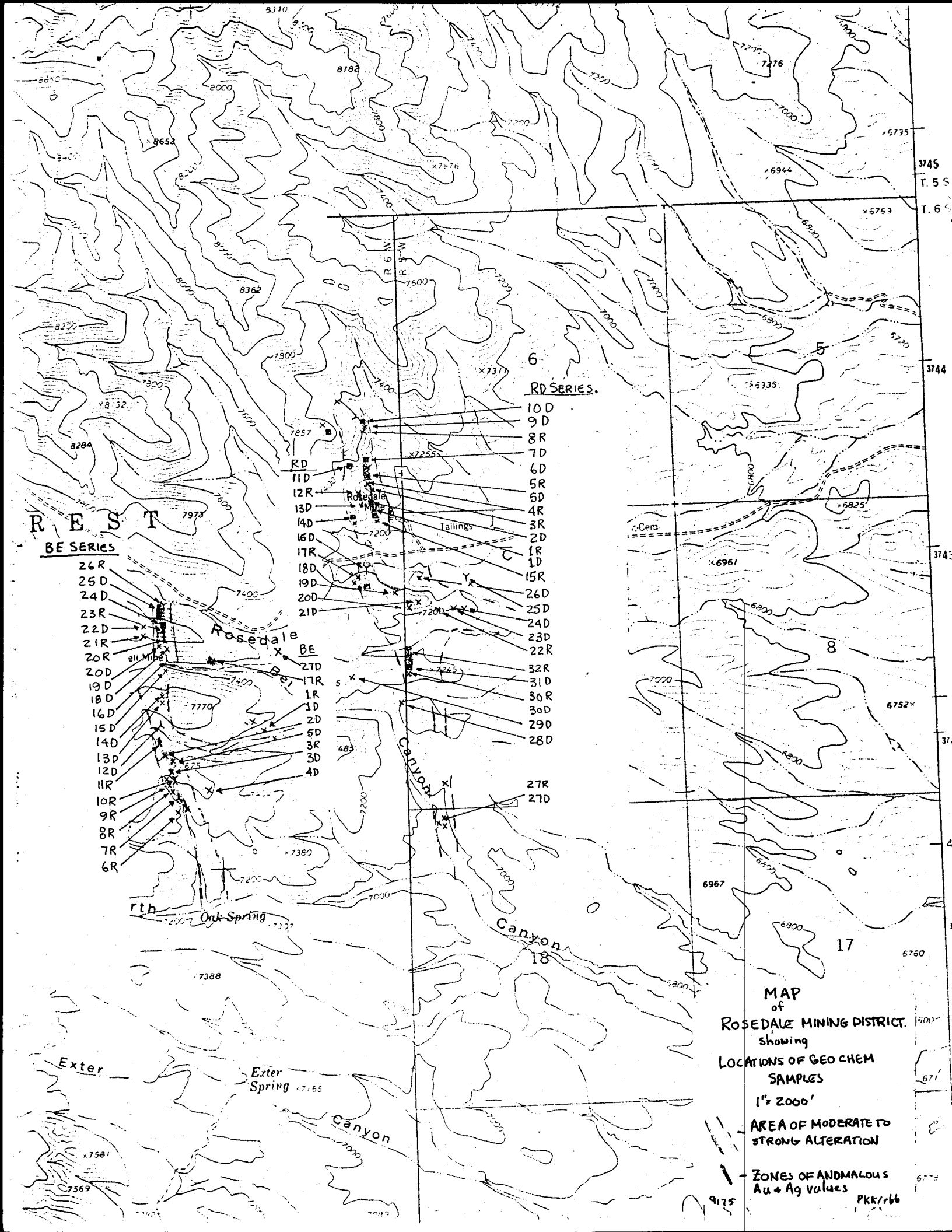
claims of the group and that they are open to location. Another unpatented claim was located by Mr. A.B. Baca of Socorro, N.M. adjacent to the patented claims of the Rosedale group (see attached map). It is in conflict with two claims of the U&I group, but also appears to be open to location because of lack of proper location work.

Present Activities

In order to more fully establish that the ground is open to location for the reasons stated above, Mr. D.L. Settlemeyer, a U.S. Minerals Surveyor, was engaged to examine the area in question. Mr. Settlemeyer has determined that there is no evidence of recent physical activities (last 5+ years) in the Rosedale-Bell Mines area. We propose to stake approximately 35-40 claims to cover all of the favorable areas. This staking will be done by a qualified contractor -- probably Mr. Settlemeyer. Patented land owners are also being contacted.

Following acquisition of the ground, we propose to do further surface and underground sampling to better establish mineralization trends and relative intensities. Should this additional sampling confirm that areas of favorable size exist, a limited amount of drilling will probably be warranted as an initial test.


SAN MATEO GOLD MINE
A. B. BACA
FOREST
Rosedale
Bell Mine
Bell
Canyon
Tailings
Cem
North
Oak Spring
Exter
Exter Spring
Canyon
MAP
SHOWING APPROXIMATE POSITIONS OF CLAIMS IN THE ROSEDALE MINING DIST., SOCORRO COUNTY, N.M.
1" = 2000'
- U&I GROUP (39 claims)
- PATENTED CLAIMS
- UNPATENTED CLAIM (BACA)



MAP
of
ROSEDALE MINING DISTRICT.
showing
LOCATIONS OF GEO CHEM
SAMPLES
1" = 2000'

— AREA OF MODERATE TO STRONG ALTERATION

— ZONES OF ANOMALOUS Au + Ag values

PKK/66

SKYLI . LABS, INC.
Hawley & Hawley, Assayers and Chemists Division
1700 W. Grant Rd., P.O. Box 50106, Tucson, Arizona 85703
(602) 622-4836

Charles E. Thompson
Arizona Registered Assayer No. 9427

William L. Lehmbeck
Arizona Registered Assayer No. 9425

CERTIFICATE OF ANALYSIS

ITEM NO.	SAMPLE IDENTIFICATION	Au ppm	Ag ppm
1	RD- 1 D	0.89	11.
2	1 R	0.29	5.0
3	2 D	3.1	32.
4	3 R	0.79	7.4
5	4 R	0.11	1.4
6	5 R	0.25	2.2
7	5 D	0.31	1.8
8	6 D	0.20	1.2
9	7 D	0.14	1.2
10	8 R	0.03	0.2
11	9 D	<0.02	<0.2
12	10 D	<0.02	<0.2
13	11 D	0.03	0.2
14	12 R	0.04	0.4
15	13 D	0.09	0.2
16	14 D	<0.02	0.2
17	15 R	0.08	5.4
18	16 D	0.04	0.4
19	17 R	0.06	<0.2
20	18 D	0.22	1.0
21	19 D	0.03	0.2
22	20 D	0.06	<0.2
23	21 D	0.09	<0.2
24	22 D	0.07	<0.2
25	23 D	<0.02	<0.2
26	24 D	<0.02	<0.2
27	25 D	<0.02	<0.2
28	26 D	0.03	<0.2
29	27 D	<0.02	<0.2
30	27 D	<0.02	<0.2
31	28 D	<0.02	<0.2
32	29 D	<0.02	<0.2
33	30 D	0.12	<0.2
34	30 R	0.14	0.2
35	31 D	0.72	1.8
36	RD- 32 R	0.74	3.4

TO: Perry, Knox, Kaufman, Inc.
P.O. Box 12754
Tucson, Arizona 85732
Attn.: Mr. A. J. Perry

cc: Mr. R. B. Blakestad

REMARKS: Trace analysis

CERTIFIED BY:

DATE REC'D:	DATE COMPL.:	JOB NUMBER:
8/5/75	8/18/75	751689

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William L. Lehmbeck
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CERTIFICATE OF ANALYSIS

ITEM NO.	SAMPLE IDENTIFICATION	Au ppm	Ag ppm
1	BE- 1 D	<0.02	<0.2
2	1 R	<0.02	<0.2
3	2 D	<0.02	<0.2
4	3 R	0.14	<0.2
5	3 D	0.07	0.2
6	4 D	<0.02	<0.2
7	5 D	0.10	<0.2
8	6 R	0.10	4.0
9	7 R	1.0	5.2
10	8 R	0.04	<0.2
11	9 D	0.17	1.6
12	10 R	1.0	3.6
13	11 R	0.16	3.4
14	12 D	<0.02	<0.2
15	13 D	<0.02	<0.2
16	14 D	<0.02	<0.2
17	15 D	<0.02	<0.2
18	16 D	<0.02	<0.2
19	17 R	0.21	7.2
20	18 D	<0.02	<0.2
21	19 D	0.37	1.6
22	20 D	0.27	2.6
23	20 R	0.26	5.6
24	21 R	0.10	0.2
25	22 D	0.11	0.2
26	23 R	0.06	0.2
27	24 D	0.41	10.
28	25 D	0.31	5.4
29	26 R	0.46	0.2
30	BE- 29 D	0.03	<0.2

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CC: Mr. R. B. Blakestad

REMARKS:
Trace analysis

CERTIFIED BY:

DATE REC'D:	DATE COMPL.:	JOB NUMBER:
8/5/75	8/19/75	751690