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

COPY

224 New Customhouse
Denver 2, Colorado

July 29, 1953

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2975 (Asbestos), Bore Tree Saddle Asbestos Company, Gila County, Arizona

Enclosed are the original and three copies of the final report pertaining to the above application.

The contract has been signed and is now in effect.

/s/ W. H. King

/s/ E. N. Harshman for
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

(date)

DATA REPORTS

DATE.....

~~MR.~~.....

CHIEF, MINERALS DIVISION

CALVIN PIERSON

MT. WEATHER

FOR YOUR INFORMATION AND REVIEW.

CALVIN PIERSON

600

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

June 19, 1953.

Memorandum

To: Field Team, Region IV

From: Chief Mining Division, Region IV

Subject: Final Report, DMEA Docket 2975 (Asbestos), Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Enclosed are nine copies of the final report on the subject docket.

The applicant requested $24,825.00 to build an access road and explore unspecified locations by 750 feet of drifting.

The field examiners and the applicant have agreed on a more realistic program with an estimated cost of $10,805.00. The work is recommended to be done in two stages. Stage I to include an access road and stripping the outcrop. Stage II will consist of 300 feet of drifting and/or crosscutting if the findings in Stage I warrant further exploration.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

(date)

MINING DIVISION
REGION IV

May 28, 1953

Memorandum

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

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

Subject : Report on Docket DMMA-2975, Bore Tree Saddle Asbestos Co., Gila County, Ariz.

Enclosed is a report on the above property by L. A. Stewart of the Bureau of Mines. A separate section on the geology probably will be submitted by A. F. Shride of the Geological Survey, but it may reach you after the June 5 deadline.

As there seems to be a very good chance of discovering a substantial quantity of strategic quality asbestos by this exploratory work, the examiners recommend a loan of $10,805. I believe Shride of the Geological Survey concurs with this recommendation as do I.

Brochure will be sent in by the Geological Survey.

Walter R. Storms

Walter R. Storms

cc W. H. King (8)
DMMA-2975
DF

WRStorms:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

June 15, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2975, Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Enclosed are the original and 8 copies of the geological report by A. F. Shride of the U. S. Geological Survey covering the above docket.

It has been recommended that the loan be approved for an exploration program to be set up in two stages--Stage 2 to be pursued only if exposures obtained in Stage I prove adequate.

The brochure is unclosed.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (10)

Reviewed by
DMEA OPERATIONS COMMITTEE

(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P.O.Box 4126, University Station
Tucson 5, Arizona

June 12, 1953

Memorandum

To: A. H. Koschmann, Denver, Colorado

From: Raymond F. Robinson, Tucson, Arizona

Subject: BMEA 2975, Bare Tree Saddle Asbestos Company, Gila County, Arizona

Enclosed please find original and 8 copies of a geologic memorandum report by A. F. Shride on the subject docket.

The U. S. Geological Survey and the U. S. Bureau of Mines examiners agree that this property deserves a modest amount of exploration which should be set up in two stages. Stage 2 should not be pursued unless exposures obtained by bulldozing in Stage 1 prove adequate in the judgment of the examining team.

I concur with their judgment and conclusions. The brochure is enclosed.

Raymond F. Robinson

Raymond F. Robinson
Acting District Supervisor
Arizona-New Mexico

Enclosures 10

(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P.O.Box 4126, University Station
Tucson 5, Arizona

June 12, 1953

Memorandum

To: A. M. Koschmann, Denver, Colorado

From: A. F. Shride, Tucson, Arizona

Subject: DMEA 2975, Bare Tree Saddle Asbestos Company, Gila County, Arizona

The area proposed for a modest exploration program on the Extension No. 1 claim may be geologically favorable to concentrations of asbestos. The description of the deposit on this claim, in Mr. Stewart's engineering report is adequate. The writer concurs with Mr. Stewart's recommendations concerning an exploration program.

The asbestos-serpentine zone on the Extension No. 1 claim occurs in limestone beds 6 to 12 inches thick. These beds by comparison with like occurrences are considered only moderately favorable to asbestos localization.

The asbestos-bearing limestones strike N. 80° W. and dip 16° to 18° S. Locally, along the outcrop on the north side of the stream shown on Figure 3 of the engineering report, the strata dip is only 5° S. If this change in attitude of the enclosing limestones is only a local feature due to drag on intrusion of the underlying diabase sill, and the asbestos is limited to a very narrow area, at a maximum 15 to 20 feet wide and 100 feet long, exploration may not be warranted.

Reviewed by
DMEA OPERATING COMMITTEE

(date)

It is possible that the change in attitude noted is due to slump of the limestones along the steep-sided ravine which cuts through the mineralized area. If this is the case the mineralization noted may be concentrated along bedding-plane faults which entered over more area than just adjacent to a discordancy in the underlying diabase and exploration would be warranted. The latter possibility can be optimistically entertained because asbestos was observed south of the ravine at the same stratigraphic horizon as the asbestos exposed by the open cuts on the north side of the ravine.

Debris covers most of the outcrops that are essential to evaluation of this deposit. Therefore, it is not possible to determine which of the two alternatives outlined above are most likely. The outcrops exposed show sufficient structural preparation of the host limestone to warrant Stage 1 (Bulldozing) of the proposed exploration. Stage 2 should not be entered on unless the exposures afforded by Stage 1 indicate an area of several thousands of square feet underlain by mineralized limestone. To warrant Stage 2 exposures made by Stage 1 of the proposed exploration should include an average cumulative thickness of asbestos veins of about 2 inches, and the mineralization should be continuous.

A. F. Shride
Geologist

Reviewed by
DMEA OPERATING COMMITTEE

(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA-2975, Bare Tree Saddle Asbestos Company

Gila County, Arizona

Lincoln A. Stewart, Mining Engineer
U. S. Bureau of Mines

May 1953

Reviewed by
DMEA OPERATING COMMITTEE

(date)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By Lincoln A. Stewart 1/

An application from the Bare Tree Saddle Asbestos Co. for a $24,825 exploration loan on its asbestos prospects was received April 20, 1953 by the Tucson office of the Defense Minerals Exploration Administration as docket DMEA-2075. The purpose of the requested $24,825 loan was to construct a 2-mile access road to the property, bulldoze the outcrops, and explore unspecified locations by 750 feet of drifting.

The property consists of 10 unpatented claims in the Tonto National Forest about 57 road miles north of Globe, Gila County, Ariz. There has been only a negligible production from these claims. An examination of the deposit was made on May 20, 1953, by the writer, accompanied by Robert W. Ageton of the Bureau of Mines, and A. F. Shride, accompanied by James Noel and Fred Hunner, all of the Geological Survey.

Several prospects were investigated, but only the deposit on Extension Claim No. 1 was considered as a likely exploration site. A 12- to 15-inch asbestos-bearing serpentine band, showing lateral extent of 100 feet, had been exposed by 3 cuts. The limestone bedding near the exposure had an east-west strike and dipped 5° to the south, but further back on the hill the formations showed a dip of 16° to the

1/ Mining Engineer, U. S. Bureau of Mines

south. The contour of the hill is such that the outcrop can be stripped to the northward, thus giving an indication of northward extent of the deposit. The same favorable beds are present on the opposite side of an eastward trending gulch and also can be exposed by stripping.

The company representative, who accompanied the examiners on this investigation, verbally modified the original proposal, suggesting that 300 feet of exploratory drifting was sufficient to determine the extent of this deposit. The originally proposed access road and outcrop stripping were to be the first stage of the work. The project cost thus was revised to a total of $10,805.

The examiners concluded, that although the 3 cuts showed only marginal ore of strategic grade, the strength of serpentine mineralization present, combined with the favorable stratigraphic location of the deposit, justified an exploration loan.

Therefore it is recommended that this project be favorably considered. Stage I will cost $2,555. If further exploration is shown to be justified, the maximum drifting cost of Stage II will be $8,250, or a total project cost of $10,805.

DMEA-2075, DOME TREE SADDLE ASBESTOS COMPANY
GILA COUNTY, ARIZONA

Engineering Report

By Lincoln A. Stewart
Mining Engineer
U. S. Bureau of Mines

May 1953

[illegible]-2975, [illegible] ASBESTOS [illegible]
GILA COUNTY, ARIZONA

CONTENTS

Engineering report	Page
Introduction	1
Location and accessibility	2
Ownership and extent	2
History and production	3
Description of the deposits	3
Proposed exploration	4
Discussion of proposal	5
Conclusions	6
Recommendations	7
Appendix	8

ILLUSTRATIONS

Figure		Following page
1	Location map	2
2	Claim map and location of proposed work	2
3	Detailed sketch of proposed work	4

INTRODUCTION

In April 1953, an application was submitted to the Defense Minerals Exploration Administration for a $24,825 exploratory loan by the Mere Tree Saddle Asbestos Co. for its asbestos prospect. This application, docketed as DMEA-2975, was received by the Tucson office of the Defense Minerals Exploration Administration on April 20, 1953. The purpose of the loan was to construct an access road to the property, expose the outcrops by bulldozing, and prospect the deposits with 750 feet of drifting and crosscutting.

The field examination was made on May 20, 1953 by A. F. Shride, James Neal, and Fred Mauser of the Geological Survey, and Lincoln A. Stewart and Robert W. Ageton of the Bureau of Mines. John V. Bustamante, one of the owners, accompanied the party and acted as a guide.

The examiners investigated 5 or 6 outcrops at various places on the property, but only one appeared to be worthy of a modest exploration project. Bustamante then suggested the following modified proposal: bulldoze an access road to the deposit of interest; clear off the outcrop to determine the extent of mineralization; and if showings justify, explore the deposit with up to 300 feet of drifting. The total cost of this latter proposal was estimated at $10,805.

LOCATION AND ACCESSIBILITY

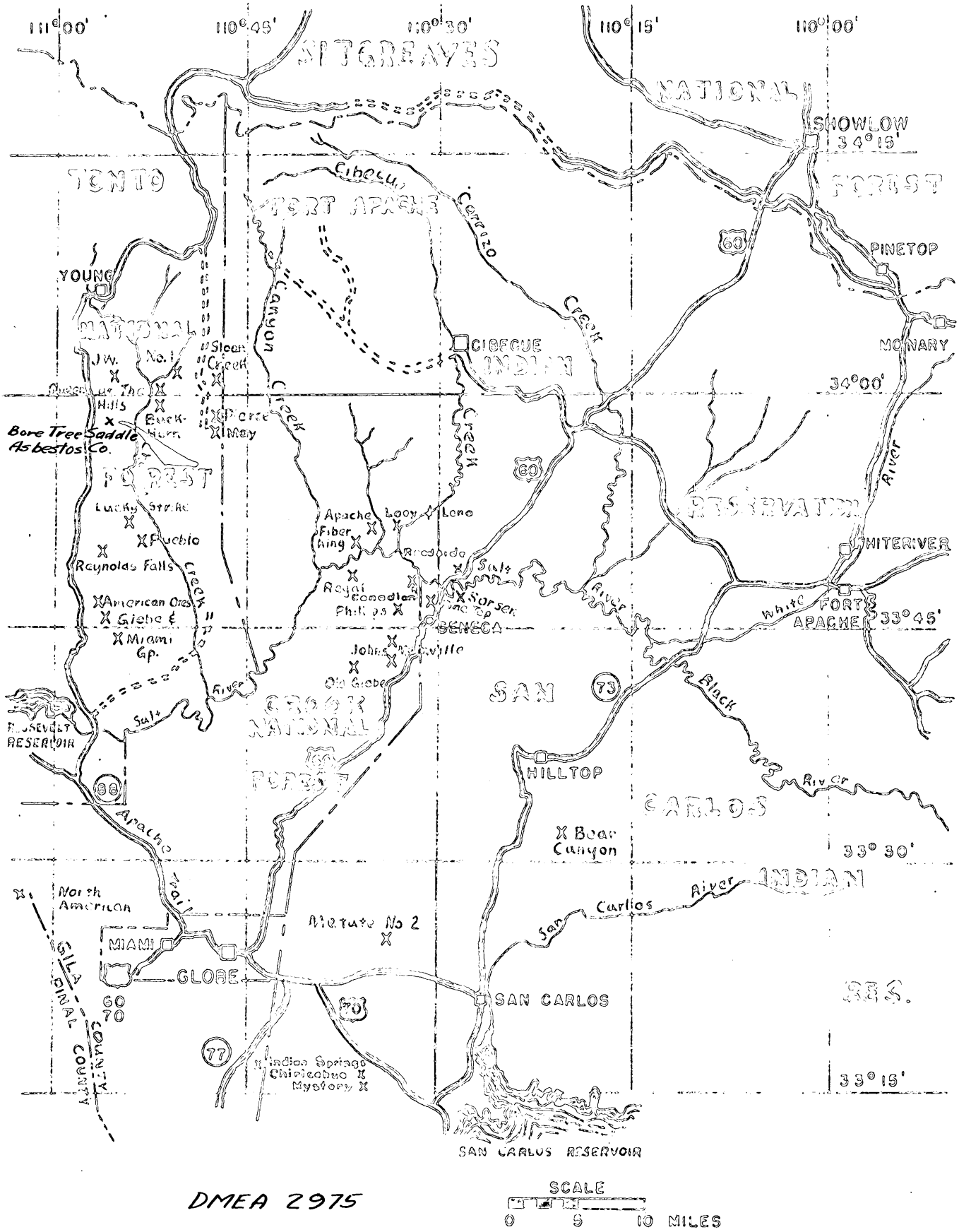
The claims are situated on the steep west slope of the Cherry Creek Canyon in the Sierra Ancha Mountains on both sides of Ash Creek, a short tributary of Cherry Creek. Township 7 N., R. 14 E., in which the claims are situated, is unsurveyed, but by projection from the next township north, the location can be established as within sections 4 and 5. The property is reached from Globe via the Globe-Young-Holbrook road (figure 1). At 57 miles north of Globe, the trail to the claims takes off eastward at a loading corral that is signed "Bear Tree Saddle". The head of the trail is on the rim at an altitude of 6,000 feet; the claims are 1,300 to 1,500 feet lower.

This area is in the Tonto National Forest about 13 miles south of Young. Travel on the proposed 2-mile access road to the property would be virtually impossible during extremely wet weather, but the Globe-Young road is passable throughout the year, except possibly for a day or two after a heavy snowstorm.

OWNERSHIP AND MINING

The Bare Tree Saddle Asbestos Co. is a partnership consisting of John V. Bustamante, Jr., Fred Fritz, William Nunes, and Steve Wasich, all of whom reside at Globe, Ariz. The company address is Box 1724, Globe, Gila County, Ariz.

The property is composed of 10 unpatented claims (figure 2), which are recorded at the Gila County courthouse in Globe as Extension Nos. 1 to 10, in Book of Mines 49, pages 160, 161, 166, and 167.



DMEA 2975

Fig 1. Location Map, Asbestos Deposits, Gila County, Arizona

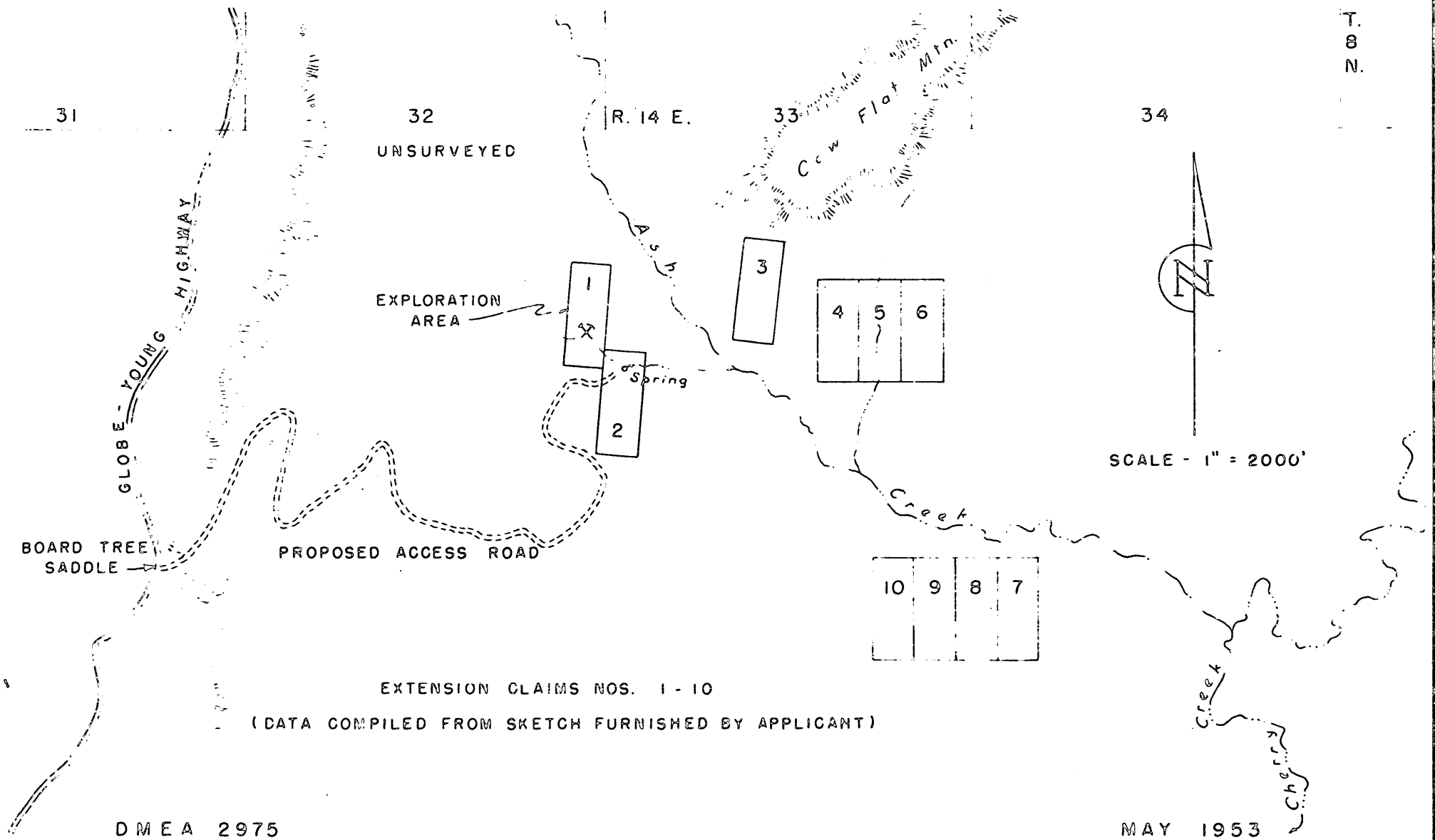


FIGURE 2. - SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. CLAIMS
GILA COUNTY, ARIZONA

HISTORY AND PRODUCTION

Claims in this area probably were located previous to 1940. The locality is so difficult of access that little work has been done. A prior owner is said to have packed out about 2 tons of mill rock. The present partnership has done only assessment work.

DESCRIPTION OF THE DEPOSITS

Bustamante took the examiners to prospects on several of the claims. On claim No. 5, a deposit had been opened on a cliff face by 2 adits, each about 25 feet long. The ore horizon, essentially horizontal, was 5 feet above a concordant diabase sill. In a 5- to 6-inch band of poorly serpentinized material, asbestos fiber veins totaled 1 to 3 inches. The individual fibers were short, due to numerous partings, and were of harsh quality with poor tensile strength. The deposit was limited to about 60 to 75 feet of outcrop length. On No. 3 claim there were a couple of shallow pits that showed ½ inch of fiber. At another place on the point of a hill, a 12-inch serpentine band contained a total of 1 to 1½ inches of short, soft fiber. This deposit is very limited in extent, due to topography and a discordant diabase sill that cut off the ore zone.

The most interesting deposit is on claim No. 1 along the east-west face of a hill, where 3 cuts and a partially exposed outcrop suggest a continuous mineralized length of 100 feet. A 12- to 15-inch serpentine zone, 2 to 3 feet above a concordant diabase sill,

contains asbestos up to a total length of nearly 2 inches in places. Some of this fiber is of No. 2 length. Because of the strong serpentine mineralization, a possibility exists that increased quantities of fiber may be present in the deposit.

The general strike of the limestone bedding at the exposed outcrop is east-west, with a dip of 5° to the south (figure 3). About 30 feet eastward from the east cut, the outcrop swings northward along the hill slope, but the favorable horizon is covered with considerable overburden. Along this hillside and also back of the cuts, the formations steepen to about 16°.

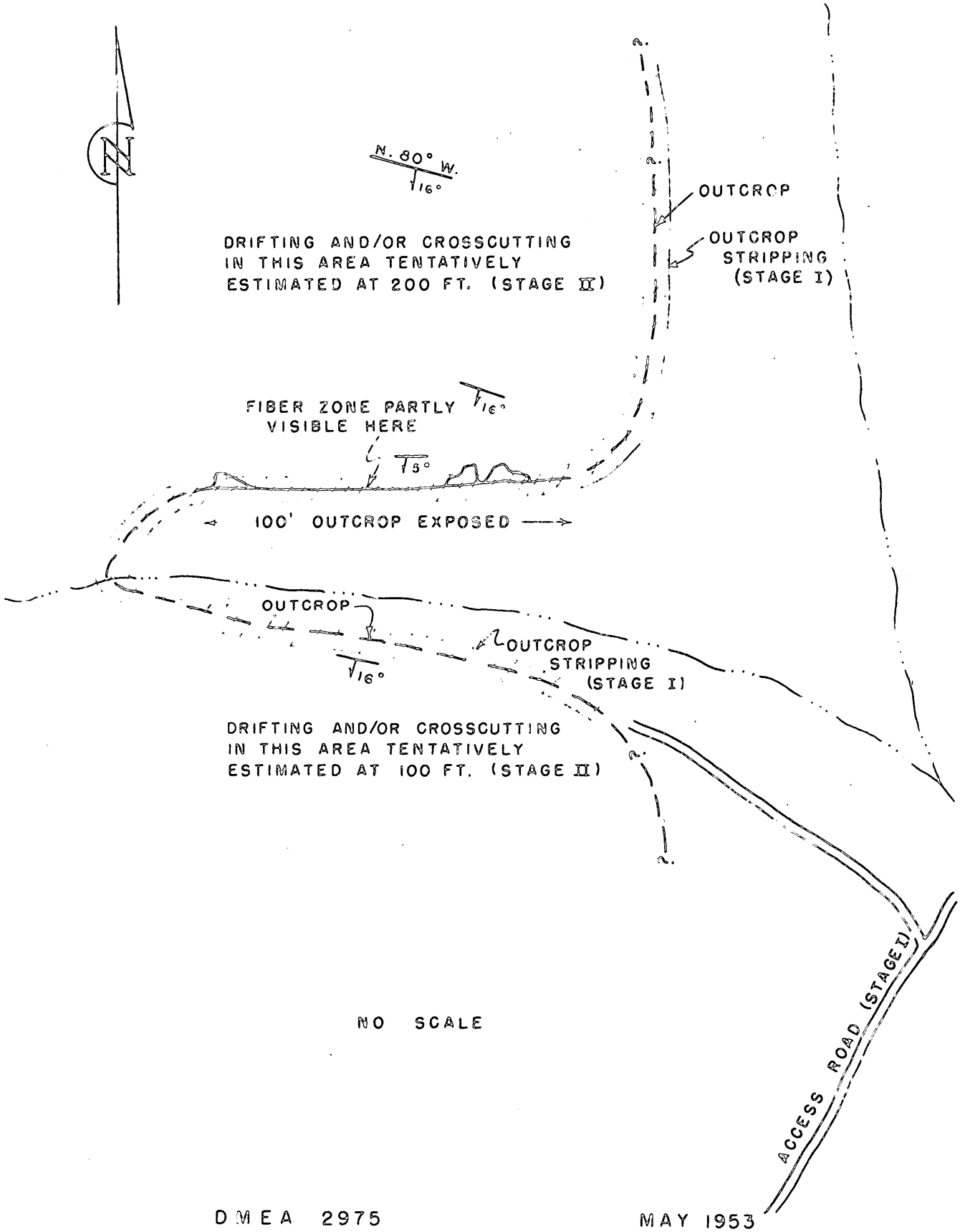
Across the gulch to the south of the prospected outcrop, the favorable beds are present, but have not been prospected.

The limestone unit that contains this mineralization is about 15 feet below the base of the Algal member of the Mescal formation, a favorable position in this part of the district.

It is the opinion of the examiners that a modest exploration program is justified on this deposit.

PROPOSED EXPLORATION

The original proposal was to construct an access road to the claims, bulldoze and expose outcrops, and drift a total of 750 feet at favorable, but unspecified locations. Examination of the property indicated to the examiners that only one area justified a less extensive exploration project. John Bustamante, one of the partners,



DMEA 2975 MAY 1953

FIGURE 3.- SKETCH MAP OF PROPOSED WORK ON EXTENSION NO. 1 CLAIM

BORE TREE SADDLE ASBESTOS CO. GILA COUNTY, ARIZONA

who was present throughout the investigation and discussions of the relative potentials of the various deposits, suggested that work be confined to the one deposit that showed the best indications.

The following is his verbal, modified proposal:

(1) Construction of a pilot road to Extension No. 1 claim, estimated at 7 days of bulldozer work at $150 per day, plus 7 days for one jackhammer operator to drill and blast rock ledges as required at $15 per day.

(2) 7 days bulldozer work in conjunction with 2 jackhammer operators to drill, blast, and strip the outcrop at $200 per day.

If the exposures justify underground exploration, allow 300 feet of drifting and/or crosscutting at $27.50 per feet.

Thus the allowable total project will be as follows:

7 days dozer work on road @ $150/day	$1,050
7 days jackhammer operator @ $15/day	105
7 days outcrop stripping, including dozer work, 2 jackhammer operators, etc., @ $200/day	1,400
300 feet drifting @ $27.50/feet	8,250
Total project cost	$10,805

DISCUSSION OF PROPOSAL

The cost estimate of the original proposal, totaling $24,825, is appended to this report merely for the record. Except for the rental basis, the estimated costs are considered reasonable, considering the remoteness of the project and the difficulty of access. Lieutenants stated to the writer that they miscalculated the drifting cost, and that he considered $27.50 per foot for drifting as an equitable figure.

In such rough terrain, the unit bid of $150 per day for dozer work certainly is reasonable. The usual rate with a D-8 cat is $185 per 10-hour day, fully maintained. The company is absorbing the moving in and out charge. The jackhammer operator will be necessary to drill and blast rock ledges, road toe, etc. Stripping of the outcrop will necessitate drilling and blasting along the entire outcrop in order to adequately expose the fiber zone a few feet back of the surface.

Conclusions

In the estimation of the examiners, exploration of the deposits, other than on extension No. 1 claim, is not justified. The deposit on the No. 5 claim, although the exposures contained considerable fiber, consisted of short, harsh asbestos and would not be expected to improve in quality at depth. The other deposits were either poorly mineralized or definitely restricted in size.

On claim No. 1, the 3 cuts indicate fair mineralization for a width of 80 feet and further work probably will extend this dimension laterally. An indication of the depth of the deposit into the hill may be gained by stripping the outcrop northward along the hillside. If fair mineralization persists for some distance northward along this face, exploration westward by drifting would appear feasible, as this is the general strike direction. Stripping of the outcrop on the south side of the gulch might indicate that some exploration is justified down dip.

An access road into this area will not only benefit the applicant, but may be conducive to intensified prospecting in this area of difficult access.

This exploration should be set up in 2 stages: Stage I to consist of construction of the access road to the property, and stripping and benching the outcrops. If the resultant showings at the completion of this work are not favorable, the project can be terminated. If further exploration appears justified, Stage II will consist of underground work.

RECOMMENDATIONS

Such a small amount of work has been done on the claim No. 1 deposit that it can be classed only as a "raw prospect". However, it appears worthy of an exploration project for the following reasons:

1. It is thought the fiber will be of strategic quality;

2. The known length of the asbestos-bearing serpentine zone is 100 feet; it may be longer. If the deposit continues into the hill for 100 feet or more, the potential could be significant.

3. The position of the deposit is in a stratigraphic horizon from which commercial production of asbestos has been made elsewhere in the Sierra Ancha district.

It is suggested that the unit bids, as given verbally by Bustamante, the company representative, be accepted for the various classes of work, as follows:

Stage I

Access road construction

An allowable maximum of 7 days dozer work @ $150/day---$1,050
with an accompanying jackhammer operator @ $15/day----- 105

Stripping and benching the outcrop

An allowable maximum of 7 days dozer work in conjunction with 2 jackhammer operators to drill and blast the outcrop for a total of $200/day----------1,400

Total for stage I ----------$2,555

Stage II

Underground exploration

An allowable maximum of 300 feet of drifting and/or crosscutting @ $27.50/foot----------$8,250

Total project cost ----------$10,805

The location of the drifting will be dependent upon the showings encountered by the outcrop stripping and benching. It might be found advisable to place some of the drifting on the segment of the deposit that lies south of the gulch (as indicated in figure 3), but at present this is an unknown factor. In any case, justification for stage II and the location of the underground work should be determined by the Government representatives.

It is suggested that 30 days be allowed to start work and one year be allowed for completion. The latter figure may seem unreasonably long for such a small footage, but severe weather conditions can be expected during the winter months.

In summary, it is recommended that an exploration loan be given to the Bore Trac Saddle Asbestos Co. to explore its extension claim No. 1 deposit, for a total project cost of $10,805.

APPENDIX

[illegible]-2973, [illegible]

GILA COUNTY, ARIZONA

ORIGINAL APPLICATION FOR EXPLORATION

May 1953

Bare Tree Saddle Asbestos Company Cost Estimate

Basis:

Two Mi. access road from county road to mine
7 days work by bulldozer to expose face
750 ft. of drifting and crosscutting to show extent of underground ore body

Time Estimate:

Due to weather conditions during winter
Minimum time set at 18 Mo. and
Maximum time set at 24 Mo.

Bulldozer work:

6 days on road at $ 150.00 per day	$ 900.00	
7 days at stripping $ 150.00 per day	$ 1050.00	
	$ 1950.00	
Total for Bulldozer		$ 1950.00

Mine development

Rental of Equipment

105 cu.ft. compressor	$ 150.00 per mo.	$ 3600.00
Jack hammer	42.25	1014.00
Air hose	7.05	169.20
		4783.20
Rental basis pr ft. advance		$ 6.37

Labor:

1 foreman Mechanic	$ 15.00
1 Miner	15.00
1 Mucker	13.00
	$ 43.00

This Includs S/S Industrial Insurance Etc.

Labor on advance of three ft. per day $ 14.33

Supplies:

16 gal Gasoline per shift at 35 cents per gal	$ 5.60
2 Qts. oil per shift at 40 cents per Qt.	.80
	6.40

This Includs delivery to mine

Fuel per ft. advance $ 2.13

Explosives:

Dynamite, 30 lbs. at 23 cents a lb.	$ 6.90
Caps 14 @ 2½ cents each	.35
Fuse 90 ft. @ .013 per ft.	1.17
	$ 8.32

Cost per ft. @ 4 ft. rounds per ft. $ 2.08

Pipe and Track

Rails, ties, spike, and fishplates	$ 1.60
2 inch air line	.58
1 inch water line	.34
Sleeves, valves, Etc.	$ .26
Above to remain on the property with 40 % to be charged to project	$ 2.78

Cost to project at 40% $ 1.11

Drill Steel and Bits

Steel breakage estimated 1-4 ft.
steel per 3 rounds or 9 ft. advance

Steel $ 6.00 / 9 ft. 0.66

4 Timken bits per rounds,
this include sharping

4 X .60 / 3 ft. 0.80

$ 1.46 Total Per ft. $ 1.46

Mine's

Machine oil	$ 0.12
Carbide	0.15
resharping of picks and mails	0.10
Bars, leading sticks, jim crows, wrenches, and Etc.	0.40
	0.77

Per ft. $0.77

Repairs:

Normal repairs on machinery including breakage and replacement per ft. $ 0.80

Timber:

25 sets estimated at a cost of $ 6.00 per set

$ 6.00 X 25 / 750 ft. per ft. $ 0.20

Supervision and Engineering	per ft.	$ 1.25
	Total cost per ft.	$ 30.50

Summary:

Bulldozer work		$ 1930.00
Rental of equipment	per ft.	6.37
Labor	" "	14.33
Supplies	" "	2.13
Explosives	" "	2.08
Pipe and track	" "	1.11
Drill steel and bits	" "	1.46
Mine's	" "	0.77
Repairs	" "	0.80
Timber	" "	0.20
Supervision and Engineering	"	1.25
		$ 30.50

Total cost for drifting $ 22,875.00

B T S Asbestos Co.	$	2,287.50
D M P A		20,587.50

Total for Dozer work

B T S asbestos co.	$	195.00
D M P A		1,755.00

Total for Project

B T S asbestos co.	$	2,482.50
D M P A		22,825.50
		24,825.00

Total for project $24,825.00

C
O
P
Y

Bare Tree Saddle Mine
Globe, Arizona

Mr. W. H. King
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. King:

Enclosed you will find a loan application and cost estimate for the Bare Tree Saddle Mine.

This work consists of 13 days Bulldozer work to build a road from the Globe-Young road to the Mine, and to bulldoze along the face of the outcrop to show definetly, the strike and pitch of the outcrop.

After the Bulldozing is completed. It is then proposed to run 750 feet of drift and crosscut to find out the extent of the ore body.

Due to Weather conditions in the winter, Maximum time has been set at 24 months from the starting time.

Cost of the bulldozer work is estimated at $ 1,950.00 with $1,755.00 to be paid by D.M.P.A. and $ 195.00 by the Bare Tree Saddle Co.

Cost of the underground work is estimated at $ 22,875.00 with $ 20,587.00 Paid by the D.M.P.A., and $ 2,287.50 by the Bare Tree Saddle Co.

Total is, $ 22,342.50 to be paid by D.M.P.A., $ 2,482.50 by the Bare Tree Saddle Company. For a total of $ 24,825.00

Thank you

J. V. Bustamante

Fred Fritz

☒ Audited

☐ Certified

WO[illegible] ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12-9-54
Incl. Voucher for February 1954

☐ Actual Cost

☒ Agreed Unit Costs

Name Bore Tree Saddle Abestos Co.

Docket No. 2975

State Arizona

Commodity Asbestos

Idm-E No. 571

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	250 ft	$6875 00	188.5 ft	$5183 75	5183 75
Raising	100 ft	1375 00	30 ft	$412 50	412 50
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		$1400 00		$1400 00	$1400 00
Underground Excavation					
Roads and Trails		$1155 00		$1155 00	$1155 00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$10805 00		$8151 25	$8151 25

Prepared by _____

71626

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Bore Tree Saddle Asbestos Co.
Box 1724
Globe, Arizona

pertaining to Exploration Project Contract No. Idm-E571, Docket No. DMEA 2975, including Amendment No. 1, for the months of August 1953 to February 1954 inclusive, and subsequent Termination Agreement dated May 12, 1954, covering a project for the exploration of Asbestos on property located in Gila County, Arizona on the Tonto National Forest 57 miles north of Globe.

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, conference with the Executive Officer of the Field Team in charge of the project, 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 following reasons:

All costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor:		$8151.25
Exceptions:		
By DMEA Finance Officer	None	
Herewith	None	None
Total Accepted Cost		$8151.25

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Seven Thousand Three Hundred Thirty-six and 12/100ths Dollars

- $7336.12 -

is considered 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.

Date: June 24, 1954

Donald T. Finch

Donald T. Finch, Auditor

VISION COPY

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 12th day of May, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Bore Tree Saddle Asbestos Company, a partnership consisting of: John V. Bustamante, Jr., Fred Fritz, William Nunez, and Steve Wusich, hereinafter called the "Operator", parties to that certain Exploration Project Contract Idm-E571, Docket No. DMEA 2975, dated July 20, 1953, that the said contract shall be and is hereby terminated as of March 1, 1954.

Any work prosecuted or costs incurred by the Operator after March 1, 1954 shall be for the sole account of the Operator.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

BORE TREE SADDLE ASBESTOS COMPANY

By John V. Bustamante Jr
John V. Bustamante, Jr., Partner

By Fred Fritz
Fred Fritz, Partner

By William Nunez
William Nunez, Partner

By Steve Wusich
Steve Wusich, Partner

UNITED STATES OF AMERICA

By W H King
W.H. King
Executive Officer
DMEA Field Team
Region IV

No. 1

AMENDMENT OF CONTRACT: No. Idm-E571

Contract Docket No. DMEA 2975, dated July 20, 1953, between the United States of America and the Bore Tree Saddle Asbestos Company, a partnership consisting of: John V. Bustamante, Jr.
Fred Fritz
William Nunez
Steve Wusich

is hereby amended as follows, effective as of the date of said contract:

> Referring to EXHIBIT "A" attached to Exploration Project Contract Form MF-200(a) (February 1952), caption "Description of the Work", subheading "Stage II" following the words "/or crosscutting", add "or raising"; further referring to said EXHIBIT "A", caption "Estimated Costs of the Project", subheading "Stage II", delete the following:
> "300 feet of drifting and/or crosscutting at
> $27.50 per foot.....$8,250.00"
> and in lieu thereof substitute the following:
> "250 feet of drifting and/or crosscutting at
> $27.50 per foot.....$6,875.00
> 100 feet of raising at $13.75 per foot.....$1,375.00"

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated JAN 11 1954

BORE TREE SADDLE ASBESTOS COMPANY

By John V. Bustamante Jr.
John V. Bustamante, Partner

By Fred Fritz
Fred Fritz, Partner

By William Nunez
William Nunez, Partner

By Steve Wusich
Steve Wusich, Partner

UNITED STATES OF AMERICA

By W. H. King
W.H. King, Executive Officer
DMEA Field Team, Region IV

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2975

COMMODITY Asbestos

Idm-E571

Div. Cofer

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 27 1953

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 20th day of July, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Bore Tree Saddle Asbestos Co., a partnership consisting of:
John V. Bustamante, Jr.)
Fred Fritz) Box 1724
William Nunez) Globe, Arizona
Steve Wusich)
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Arizona, County of Gila, described as follows:[3] Two unpatented claims, the Extension No. 1 and Extension No. 2, recorded in the County Recorder's Office in Globe, Arizona, in Book of Mines 49, Pages 160 and 161.

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

(*b*) ~~That the Operator is a partnership and the Operator's Corporate Limit attached~~
The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] asbestos

in or upon the described land; and shall bring the project to completion within a period of one year from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay ninety (90) percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $9,724.50, which is ninety (90) percent of $10,805.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or 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 voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

John V. Gustamante Jr.
Fred Fith
(Operator)
William Nunez.
By Alex Trussell

THE UNITED STATES OF AMERICA

By W. H. King
Executive Officer
DMEA Field Team, Region IV

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ 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.

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXHIBIT A

Description of the Work

The proposed work is divided into two stages.

STAGE I

The proposed work consists of the following:

1. Construction of an access road from the Globe-Young Highway at the Board Tree Saddle loading corral to the Extension No. 1 claim as shown on Figure 2, which is attached and made a part of Exhibit A.

2. Stripping and benching so as to expose the mineralized zone approximately 15 feet below the base of the Algal member of the Mescal formation for a distance of approximately 375 feet. This work is to be done with a bulldozer, and supplemented by jackhammer drilling and blasting where necessary to completely expose the mineralized zone. The location of this work is shown in Figure 3 which is attached and made a part of Exhibit A.

3. If in the opinion of the DMEA representative the results of Stage I indicate that additional work is warranted Stage II will be authorized.

STAGE II

With prior written approval of the DMEA representatives 300 feet of drifting and/or crosscutting will be done at locations acceptable to the DMEA representatives.

Estimated Costs of the Project

STAGE I

1/ Access road construction, including bulldozing, drilling, blasting, and any and all other costs incurred in completing the access road from Board Tree Saddle corral to Extension No. 1 claim -	$1,155.00
1/ Stripping and benching the mineralized zone approximately 375 feet -	1,400.00
Total Stage I	$2,555.00
Government's participation at 90%	$2,299.50

STAGE II

300 feet of drifting and/or crosscutting at $27.50 per foot -	$8,250.00
Total Stage II	$8,250.00
Government's participation at 90%	$7,425.00
Total Cost Stage I and Stage II	$10,805.00
Government's participation, Stage I and Stage II at 90%	$ 9,724.50

1/ The entire work constitutes the unit of work.

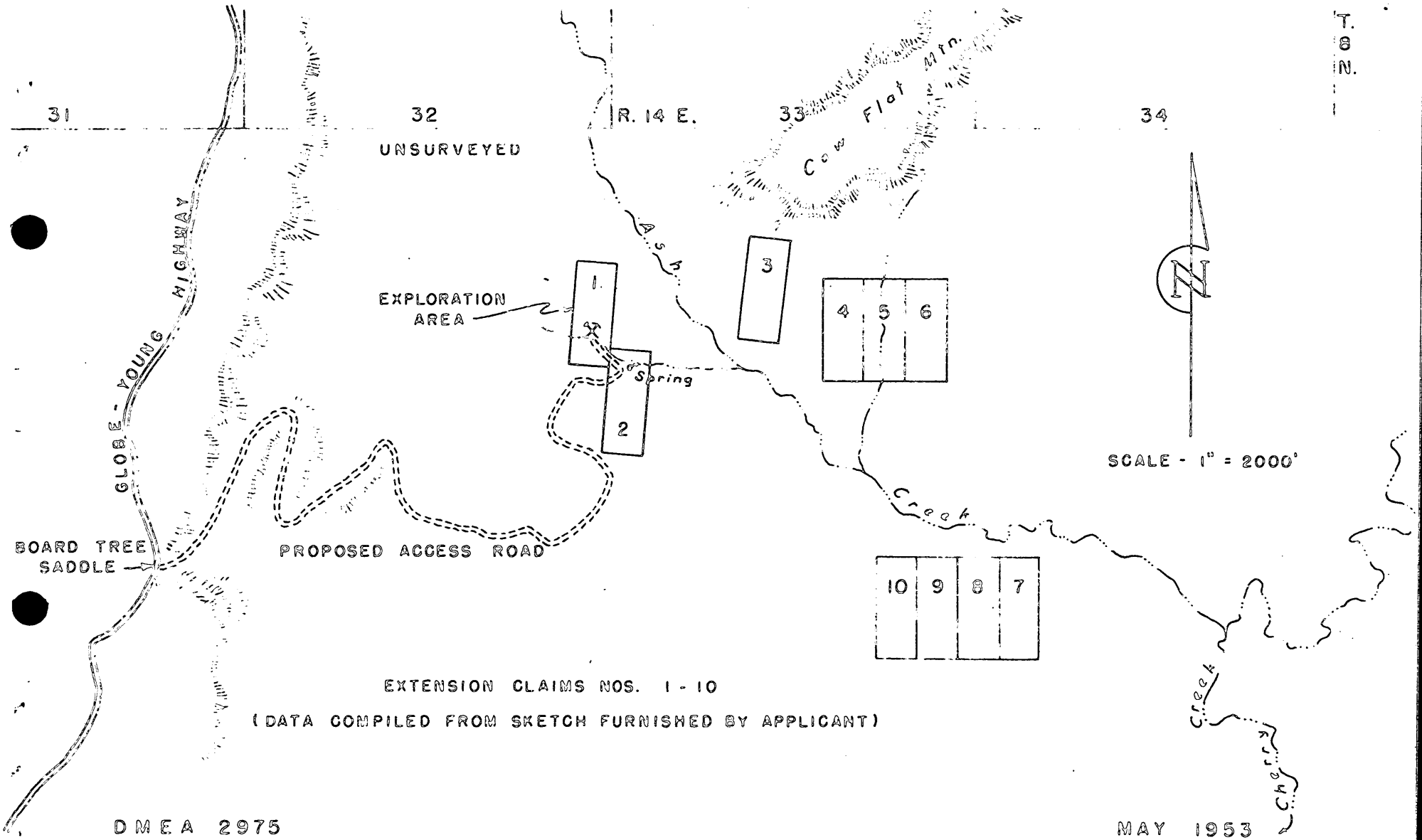
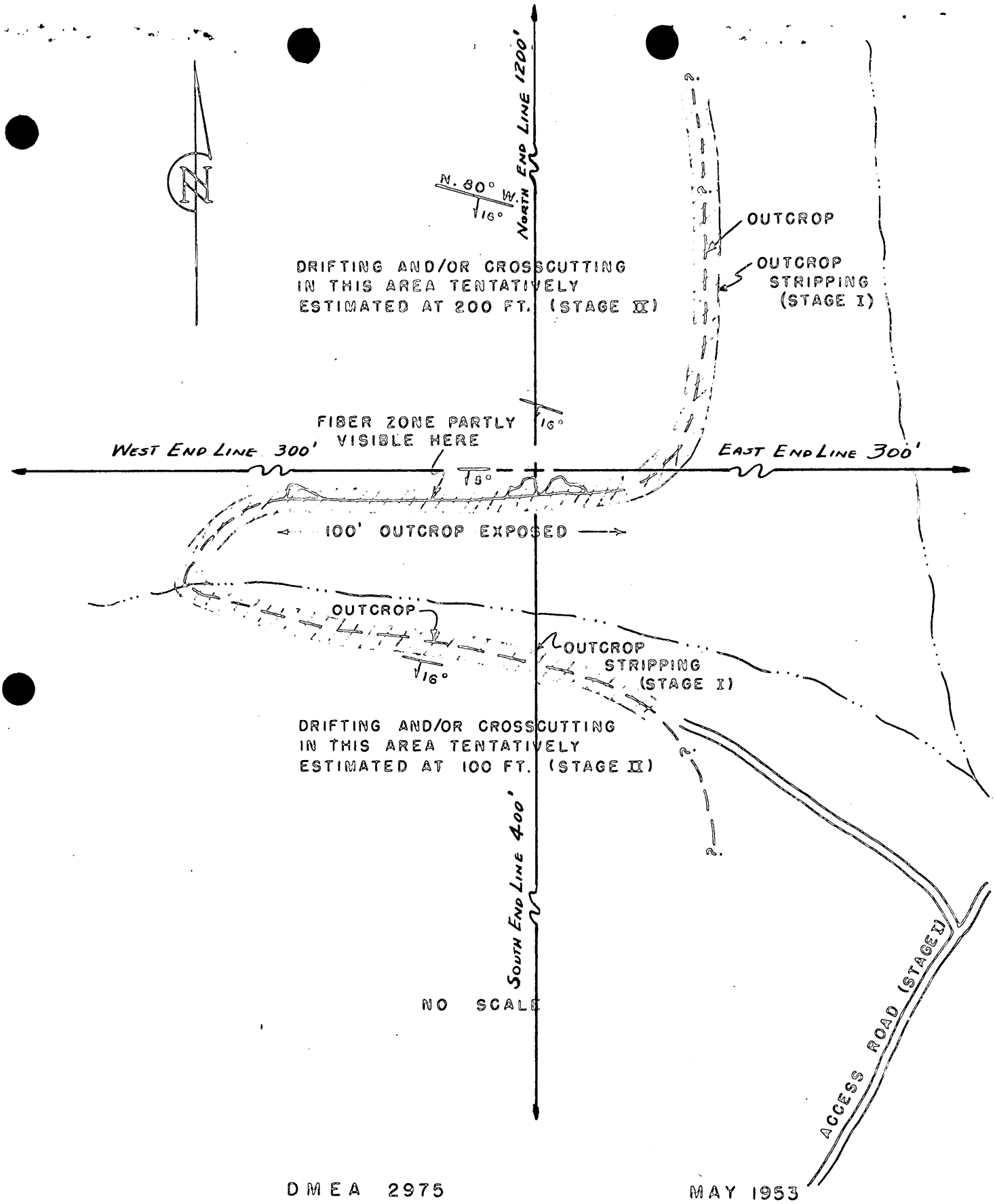


FIGURE 2. - SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. CLAIMS
GILA COUNTY, ARIZONA



DMEA 2975 MAY 1953

FIGURE 3.- SKETCH MAP OF PROPOSED WORK ON EXTENSION NO. 1 CLAIM

BORE TREE SADDLE ASBESTOS CO. GILA COUNTY, ARIZONA

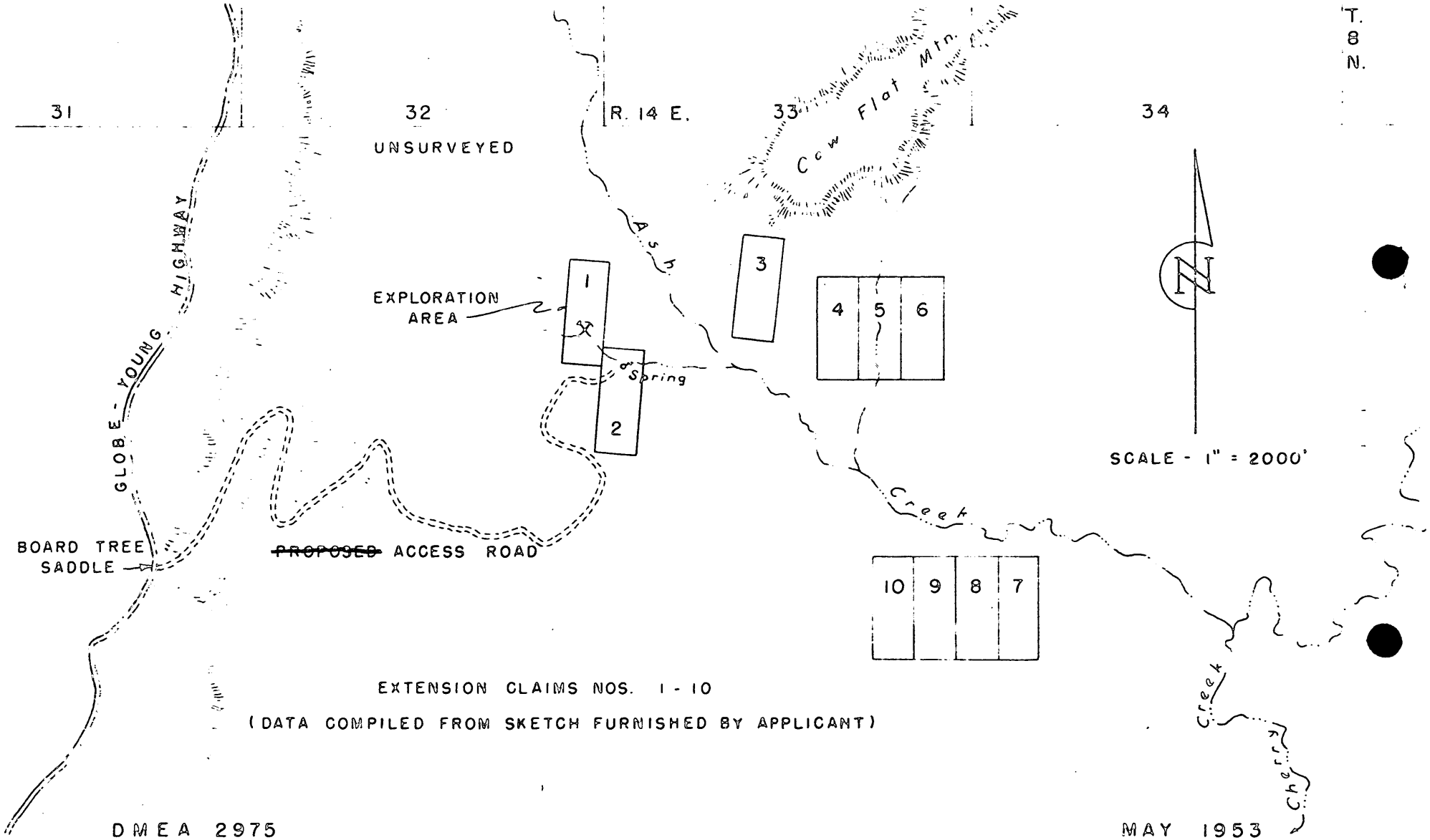


FIGURE 2. - SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. CLAIMS
GILA COUNTY, ARIZONA

"The most interesting deposit is on claim No. 1 along the east-west face of a hill, where 3 cuts and a partially exposed outcrop suggest a continuous mineralized length of 100 feet. A 12- to 15-inch serpentine zone, 2 to 3 feet above a concordant diabase sill, contains asbestos up to a total length of nearly 2 inches in places. Some of this fiber is of No. 2 length. Because of the strong serpentine mineralization, a possibility exists that increased quantities of fiber may be present in the deposit.

"The general strike of the limestone bedding at the exposed outcrop is east-west, with a dip of 5° to the south (figure 3). About 30 feet eastward from the east cut, the outcrop swings northward along the hill slope, but the favorable horizon is covered with considerable overburden. Along this hillside and also back of the cuts, the formations steepen to about 16°.

"Across the gulch to the south of the prospected outcrop, the favorable beds are present, but have not been prospected.

"The limestone unit that contains this mineralization is about 15 feet below the base of the Algal member of the Naco formation, a favorable position in this part of the district."

When the outcrop area was stripped (see figure 3), weathered asbestos fiber was exposed in a 15-inch serpentine band in the limestone about 2 feet above the diabase sill. The total fiber

2/ Stewart, L. A., "DMEA-2075, Bare Tree Saddle Asbestos Company, Gila County, Ariz." U. S. Bureau of Mines, DMEA Report, May 1953.

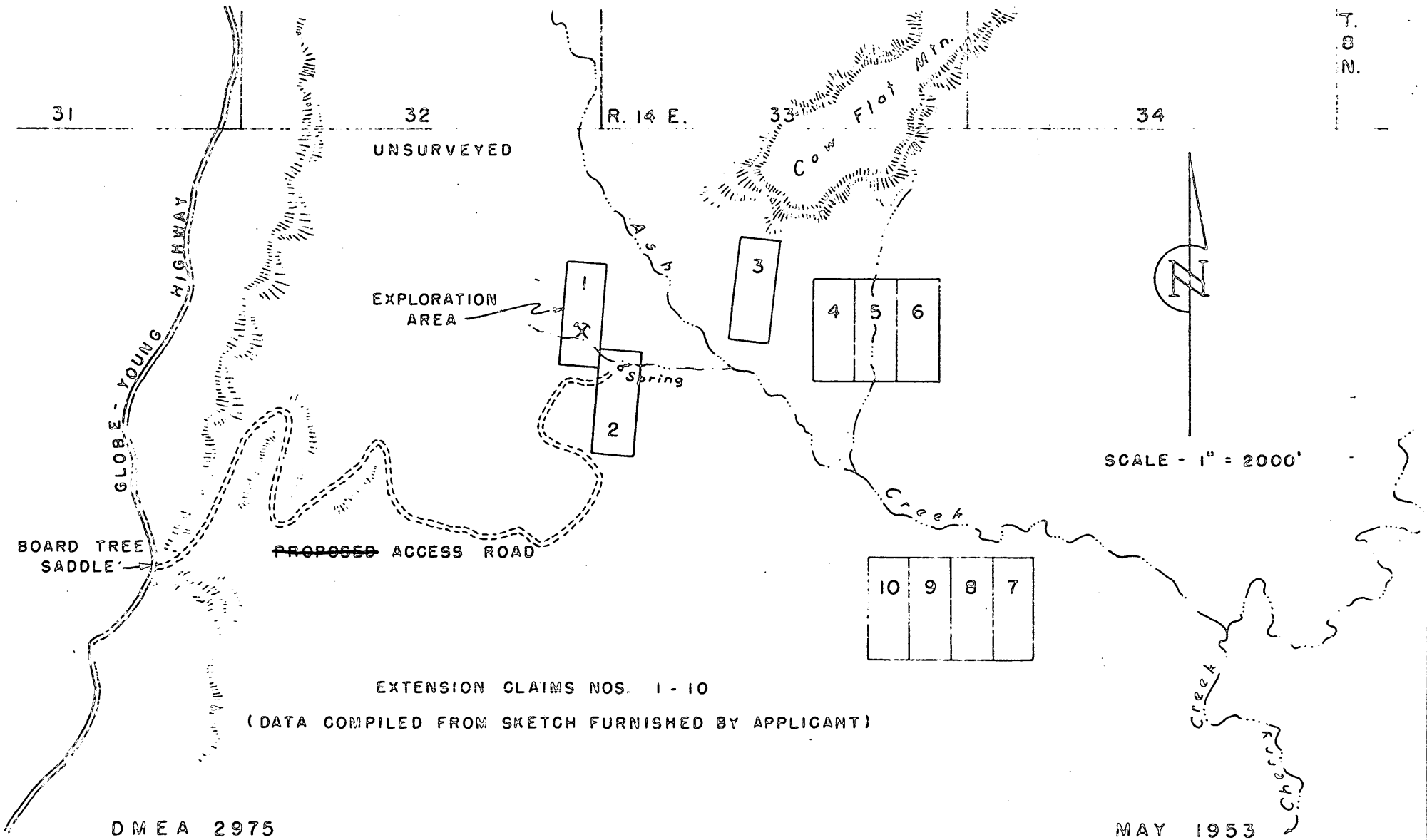


FIGURE 2. - SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. CLAIMS

GILA COUNTY, ARIZONA

September 28, 1954

Memorandum

To: Administrator

From: Lawrence G. Houk

Subject: Concurrence on Termination Agreement by Region IV, under their delegation of authority, and project summary report.

1. Docket No. DMEA-2975 - Asbestos
Contract No. Idm-E571
Bore Tree Saddle Asbestos Claims
Gila County, Arizona

Operator: Bore Tree Saddle Asbestos Co. (A Partnership)
Box 1724
Globe, Arizona

Operator's property rights: Owner

2. Contract dated July 20, 1953

Work authorized:

Stage I:

Access road construction, including bulldozing, etc., completing the access road from corral to Extension No. 1 claim	$1,155.00
Stripping and benching the mineralized zone approx. 375 ft.	1,400.00
	$2,555.00

Stage II:

300 ft. of drifting and/or cross-cutting @ $27.50 per ft.	$8,250.00
Total cost of Stage I and Stage II	$10,805.00
Government participation @ 90%	$ 9,724.50

Amendments:

Amendment No. 1 - January 11, 1954 to provide more penetrations of the ore zone within the total estimated cost of the contract.

Work completed:

Access road 1.7 miles	$1,155.00
Bulldozing & Benching 375 ft.	1,400.00
Drifting and crosscutting 188½ ft. @ $27.50	5,183.75
Raising 30 ft. @ $13.75	412.50
Total cost of project	$8,151.25
Government participation @ 90%	$7,336.12

Work began on August 30, 1953, and completed February, 1954. Termination by mutual consent, effective March 1, 1954, dated May 12, 1954.
Field Team Final Report received July 6, 1954
Operator's Final Report received April 9, 1954.
No reserves of strategic grade asbestos can be estimated.

3. Audit - certificate issued June 24, 1954.

Accepted cost	$8,151.25
Government participation @ 90%	$7,336.12

4. Certification of discovery - none recommended.

5. Comments: 75 tons of badly weathered semi-harsh fiber along outcrop only about 1/3 would be recovered in mining.

Operation - carried out in an efficient manner. Difficulty experienced in obtaining and holding good men because of isolated location. Heavy snows hampered travel to and from property.

Engineering - The location of the exploration openings should have followed the undulations of the ore horizon, given more information on the deposit.

Geological premise - A 15" serpentine band was exposed during the stripping phase and 2" of fiber size #2.

Geological criteria upon which work was based - Strategic asbestos concentrations occurred down dip.

Criteria developed during project - None, but sufficient work was performed to indicate that a significant deposit does not exist adjacent to the area explored.

Future possibilities - No additional exploration justified according to the Field Team, however, a block of potential ore was not explored (100-120) east of present adit along a north trending discordancy.

Recommendations:

The Nonmetallic Minerals Division concurs with the Field Team that no certification of discovery or development be issued. The Geological Survey and the Bureau of Mines concur.

LGHouk:gad 9/28/54

Copy to: Admr. R. File
Mr. Houk

600

OCT 6 1954

Bore Tree Saddle Asbestos Co.
Box 1724
Globe, Arizona

Re: Docket No. DMEA-2975 - Asbestos
Extension Asbestos Claims
Gila County, Arizona
Contract No. Idm-E571

Gentlemen:

We are pleased to advise you that your performance of exploration work under the subject contract has been acceptable to the Government, and the account relating thereto has been closed. The final audit of the Contract Administration and Audit Division shows:

Total claimed for units of work performed	$8,151.25
Total Government contribution at 90 percent	$7,336.12

Your attention is called to the provision of the contract which requires you to keep and preserve your records and accounts of this transaction for a period of three years for possible future reference.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property for royalty on any production made after the date of this letter.

The Government thanks you for your interest and participation in the exploration program of the Defense Minerals Exploration Administration.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 9/30/54
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Bowles, 3516 Mr. Kiilsgaard, 5227 Mr. Houk
Field Team, Region IV

IN REPLY REFER TO:

G-MD-CEM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

July 8, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2975 (asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Bore Tree Saddle Asbestos Company.
Name of property: Extension No. 1 claim.
Location of property: Gila County, Arizona.
Date of Field Team Report: So many dates are given that it's difficult to determine! (April-June, 1954).
Authorship of Field Team Report: U. S. Geological Survey and U. S. Bureau of Mines.
Field Team's recommendation:

Final report

1. Project terminated by agreement before completion.

2. No significant discovery so no certification.

Comments: Reserves negligible.
ACTION RECOMMENDED: Follow Field Team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

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

R.S.B.

224 New Customhouse
Denver 2, Colorado

June 30, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA-2975 (Asbestos), Contract No. Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona.
FINAL PAYMENT

Reference is made to our memorandum of March 18, 1954 whereby we transmitted the final MF-104, Operator's Monthly Progress Report and Voucher for the month of February 1954, and instructed you to withhold the amount of $250.00 from reimbursement to the Operator pending receipt of the Operator's final report and release of the report of review by the Contract Administration and Audit Division.

We now recommend that final payment to the Operator be made in conformance with the report of review by the Contract Administration and Audit Division, dated June 24, 1954, which was released to this office June 25, 1954.

Basis for Final Payment

Total accepted cost	$8,151.25
Government participation at 90%	7,336.12
Total prior payments	7,086.13
	$249.99

W. H. King
W. H. King

JWT:cwm

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

249.99

7/1/54 DMA 55-1

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

COPY

224 New Customhouse
Denver 2, Colorado

June 30, 1954.

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket DMEA-2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Enclosed are the following final reports pertaining to work completed under the subject contract:

1. Original and one copy of the Operator's final report.

2. Original and three copies of the final geologic report by the U. S. Geological Survey.

3. Original and three copies of the final engineering report by the U. S. Bureau of Mines.

The contract was terminated by agreement after commencement but before completion of the work by agreement of May 12, 1954, effective March 1, 1954. The project work completed consisted of one and seven tenths miles of road construction; 375 feet of stripping; 188.5 feet of drifting and 30 feet of raises at a total accepted cost of $8, 151.25, in which the Government participated to the extent of 90% or an amount of $7,336.12. Final payment to the Operator was processed by this office June 30, 1954 in conformance with the final report of review by the Contract Administration and Audit Division, dated June 24, 1954.

The exploration work did not result in a significant discovery or commercial grade asbestos ore; therefore, no certification of such is recommended.

/s/ W. H. King

/s/ E. N. Harshmann for
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

7-9-54
(date)

April 15, 1954

Memorandum

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

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

Subject : Final Engineering Report, DMEA Contract Idr-6371, Docket DMEA-2975, Dove Tree Saddle Asbestos Co.'s Extension Asbestos Claims, Sierra Ancha Mining District, Gila County, Ariz.

Enclosed are original and 8 copies of the final engineering report on work done under DMEA Exploration Project Contract No. Idr-6371.

Walter R. Storms

Walter R. Storms

cc W. H. King (8)
J. N. Fadok
DMEA-2975
RF

WRStorms:fr]

Reviewed by
DMEA OPERATING COMMITTEE

7-9-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

Final Engineering Report

DMEA-2975, Contract Idm-8571

More Tree Saddle Asbestos Company

Extension Asbestos Claims

Gila County, Arizona

Walter R. Storms, Supervising Mining Engineer
and
William R. Hardwick, Mining Engineer
U. S. Bureau of Mines

April 1954

Reviewed by
DMEA OPERATING COMMITTEE

7-9-54
(date)

RFC-2975, CONTRACT No-6571
DARK TREE SADDLE ASBESTOS COMPANY
LATHROPE ASBESTOS CLAIMS
SIERRA ANCHA MINING DISTRICT
GILA COUNTY, ARIZONA

CONTENTS

Final engineering report — PAGE

Summary, conclusions and recommendations — 1
Introduction — 2
Description of deposit — 3
Ore reserves — 6
Description of work completed — 6
Expenditures — 7
Efficiency of operations — 7
Equipment and supplies — 7

ILLUSTRATIONS

FIGURE — Following page

1 Location map — 3
2 Map showing claims — 3
3 Plan of mine workings — 4
4 Sections on mine workings — 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The Gere Tree Saddle Asbestos Co., a partnership composed of John V. Bustamante, Jr., Fred Fritz, William Nunes, and Steve Wunich, P. O. Box 1724, Globe, Ariz., applied to the Defense Minerals Exploration Administration early in 1953 under the Defense Production Act of 1950, as amended, for Governmental assistance in exploring its asbestos deposit in the Sierra Ancha Mining District of Gila County, Ariz. The application was docketed as DMEA-2975. It requested that a 2-mile access road be built to the deposit, that the outcrop be stripped to expose the ore zone, and that the ore zone be explored by 750 feet of drifting.

In May 1953 the property was visited by DMEA field examiners 1/ who recommended that exploratory assistance be granted the applicant. On July 20, 1953, Exploration Project Contract No. Ida-2371 was signed. It provided for construction of an access road, stripping and benching along the outcrop, and 300 feet of drifting and/or crosscutting if the stripping exposed a favorable-appearing ore zone. The total cost was to be $10,805.00, the Government's share to be 90 percent, or $9,724.50.

Work on the access road was started on August 30, 1953 and completed in September for a length of 1.7 miles. The outcrop along the ore zone also was stripped and benched for approximately 375 feet during September. As this stripping exposed weathered asbestos fiber in a 15-inch serpentine band, the DMEA representatives

1/ Stewart, L. A. & Ageton, R. W., U. S. Bureau of Mines; Shride, A. F., Houser, Fred, & Noel, James, U. S. Geological Survey.

recommended that 300 feet of drifting be done on this zone. This drifting was started in October 1953. As the drift advanced horizontally, it was found that the ore zone dipped upward at about 12 degrees. In order that this zone could be inspected, the contract was amended to allow 100 feet of raising in lieu of 50 feet of drifting, thus cutting the drifting to 250 feet. Two short raises were driven, the last one from near the drift face, the drift being 123.5 feet long. The raise near the drift face was driven 20 feet, then 65 feet of drifting was done from its top along the ore zone. This work was completed in February for a total footage of 188.5 feet of drifting and 30 feet of raising. As the upper drift encountered diabase and as the fiber that had been found was poor, the operator and the DMEA examiners agreed that the project should be terminated. Of the $10,805.00 provided in the contract, only $8,151.25 was spent. The Government's share of this expenditure was $7,336.125.

Results of this project seem to indicate that further exploration work is not justified.

INTRODUCTION

The Bare Tree Saddle Asbestos Co. applied early in 1953 to the Defense Minerals Exploration Administration for assistance in exploring its asbestos deposit in Gila County, Ariz. The DMEA examiners, who visited the property in May 1953, recommended that exploratory assistance be granted, so Exploration Project Contract

No. IDA-1571 was signed in July 1953. The contract provided that an access road was to be constructed to the deposit, the ore zone was to be stripped, and 300 feet of drifting were to be done if a favorable zone was uncovered.

The Bare Tree Saddle claims are situated in the Sierra Ancha Mining District of Gila County, Ariz. along Ash Creek on the steep west slope of Cherry Creek Canyon, approximately in secs. 4 and 5, T. 7 N., R. 14 E., unsurveyed (see figures 1 and 2). They may be reached by automobile by traveling 57 miles northerly from Globe on the Globe-Young-Holbrook road to a stock corral, then easterly for 1.7 miles over a very steep, crooked truck trail to the exploration site near the bottom of Ash Creek.

The claims are in the Tonto National Forest about 13 miles south of Young, at an approximate altitude of from 4,600 to 4,800 feet, or about 1,300 feet below the canyon rim (see figure 2).

The property consists of 10 unpatented claims (figure 2), but only two, the Extension No. 1 and Extension No. 2, are mentioned in the contract. All project work was done on Extension No. 1.

DESCRIPTION OF DEPOSIT

In his original report,[2] L. A. Stewart of the Bureau of Mines describes the asbestos deposit on the Extension No. 1 claim as follows:

2/ Stewart, L. A., "IDMA-2875, Bare Tree Saddle Asbestos Company, Gila County, Ariz." U. S. Bureau of Mines, IDMA Report, May 1953.

content, where exposed, was about 2 inches with some no. 2 grade. A drift then was started on the limestone-diabase contact, but as the drift was driven horizontally and the ore zone dipped about 12 degrees upward, the drift soon left the contact. At 56 feet from the adit portal this contact was in the drift back.

The drift was advanced some 65 feet, then a 10-foot raise was driven above the drift at the 80-foot point. At 7.7 feet above the back of the drift the raise cut the limestone-diabase contact. Asbestos fiber, which was exposed, was semi-soft, of good tensile strength, and occurred in 3 to 5 separate bands. The maximum fiber length was 5/16 inch.

At about 117 feet in the drift, another raise was driven up 20 feet above the adit back. The limestone-diabase contact was cut 15 feet above the drift back and the ore zone at 16.5 feet. Asbestos fiber was exposed in this zone in 5 separate veinlets in the serpentine band which was 1.0 to 1.5 feet wide. Total fiber was less than 1 inch with maximum length of fiber of 0.25 inch. The limestone beds had a strike of approximately N. 80° W. and a dip of 13° to the southwest.

From the top of the 20-foot raise, the operator drove 65 feet of drift (see figures 3 and 4). At a point 5 feet northerly from the top of the raise, a discordant diabase contact was exposed. The diabase discordancy cut across the fiber zone, then remained concordant. The strike of the discordancy was about N. 70° W. In

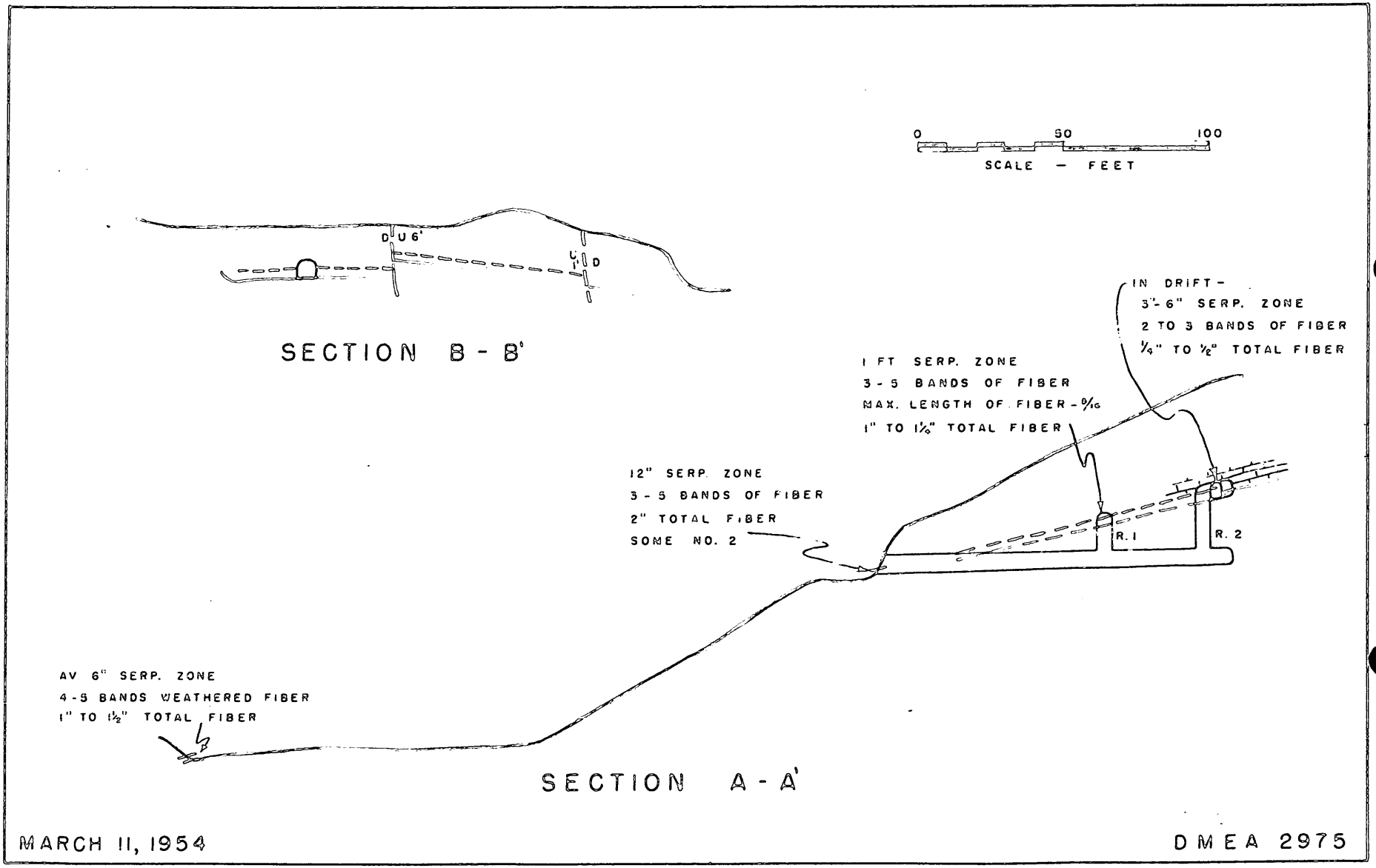


FIGURE 4. - SECTIONS OF MINE WORKINGS
BORE TREE SADDLE ASBESTOS COMPANY — GILA COUNTY, ARIZONA

order to continue the exploratory work, the operator then advanced the drift parallel to the diabase for another 60 feet. The left drift wall exposed 2 or 3 fiber bands containing minus 1/4 inch to plus 1/2 inch total fiber within a 3- to 6-inch serpentine zone. The right wall was diabase.

ORE RESERVES

No ore reserves of strategic grade can be estimated.

DESCRIPTION OF WORK COMPLETED

The operator bulldozed an access road for a distance of approximately 1.7 miles from the Globe-Young-Holbrook road to the exploration site on No. 1 claim at a cost of $1,155.00. Next, the outcrop was stripped and benched for approximately 375 feet at a cost of $1,400.00.

The operator then drove a total of 188.5 feet of drifts and 30 feet of raises under the contract terms. The original adit was advanced 123.5 feet. Raise No. 1 was driven upward for 10 feet at the 90-foot point from the back of this drift. Raise No. 2 was driven upward for 20 feet from the drift's 117-feet point, and 65 feet of drifts were driven from its top (see figure 3).

Total costs were $8,151.25 for the access road, stripping the outcrop, 188.5 feet of drifting at $37.50 per foot, and 30 feet of raising at $13.75 per foot.

The total reported advance under terms of the contract was as follows:

Month	Road	Stripping	Drifts	Raises
Aug. - Sept. 1953	1.7 miles	-	-	-
Sept. - Oct.	-	375 ft.		
Nov.	-	-	56.5 ft.	-
Dec.	-	-	67	10 ft.
Jan. 1954	-	-	-	18
Feb.	-	-	65	2
Totals	1.7 miles	375 ft.	188.5 ft.	30 ft.

EXPENDITURES

Total expenditures were $8,151.25 for about 1.7 miles of access road, 375 feet of stripping and benching along the outcrop, 188.5 feet of drifting, and 30 feet of raising.

Total approved by contract	$10,804.00
Total cost of project	8,151.25
Government's share of cost	7,335.125
Government's share unexpended	2,283.375

EFFICIENCY OF OPERATIONS

Operations under terms of the contract were carried out in an efficient manner. However, some difficulty was experienced in obtaining and holding miners as the project site was in a very isolated section. Heavy snow during the winter months also hampered the work as it made the road inaccessible at times.

EQUIPMENT AND SUPPLIES

As the contract was on the short form, or unit cost basis, there was no Government participation in the cost of supplies or equipment.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

June 22, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2975, Contract Idm-8571, Bare Tree Saddle Asbestos Company, Extension No. 1 Claim, Gila County, Arizona

Enclosed are 9 copies of the final geologic report by Messrs. F. M. Houser and Leonid Bryner of the U. S. Geological Survey covering the above docket.

Messrs. Houser and Bryner conclude that although minor amounts of marginal and submarginal asbestos ore were discovered by the exploration program, it is almost certain that production of ore, if any, will be insignificant. They therefore recommend that no Certification of Discovery be issued. I concur in this recommendation.

E. M. Hawkins
for A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
7-9-54
(date)

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Box 4126 University Station
Tucson, Arizona

June 18, 1954

MEMORANDUM

To: A. N. Koschmann

From: J. H. Faick

Subject: Completion geologic report
Contract Ida-1571 (DMT 2975)
Bore Tree Saddle Asbestos Co., Extension No. 1 Claim
Gila County, Arizona

Enclosed are the original and 8 copies of the subject report.

Because the recoverable reserves of marginal and submarginal asbestos resulting from the exploration under this contract are very small and because it is unlikely that any attempt will be made to mine this deposit, it has been recommended that no certification be made.

I concur with this recommendation.

J. H. Faick

JHF:mb

cc. Koschmann (8)
Storms

Reviewed by
DMEA OPERATING COMMITTEE
7-9-54
(date)

DONE TREE SADDLE ASBESTOS CO.
EXTENSION NO. 1 CLAIM
GILA COUNTY, ARIZONA

(ASBESTOS)

DMEA 2975

COMPLETION REPORT
GEOLOGY

by
F. N. Houser and Leonid Bryner
Geologists, U.S.Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

7-9-54
(date)

BORE TREE SADDLE ASBESTOS CO.
EXTENSION NO. 1 CLAIM
GILA COUNTY, ARIZONA

(ASBESTOS)

DMEA 2975

CONTENTS

	Page
Introduction	1
Geology	1
Result of explorations	2
Reserves	4
Conclusions	5

ILLUSTRATIONS

Figure 1 Sketch map and cross-sections of Bore Tree Saddle Asbestos Co. workings on Extension #1 Claim, Gila County, Arizona — Follows page 1

INTRODUCTION

Final examination of the work done under Contract Idm-2571, Bore Tree Saddle Asbestos Company's Extension No. 1 claim, Gila County, Arizona (DMEA Docket 2975) was made on May 11, 1954.

The exploration was done in two stages. Stage 1 consisted of an access road and stripping of the outcrop; Stage 2 consisted of drifting and raising to explore further the asbestos exposed during Stage 1. The exploratory work was satisfactorily completed; the mine work completed is shown on figure 1.

GEOLOGY

The asbestos-bearing serpentine zone of the Extension No.1 claim parallels the bedding of the lower Mescal limestones of Pre-Cambrian age, which strike generally N. 80° W. and dip 12° to 18° S. in the vicinity of the workings (fig. 1). The limestone is underlain by a concordant diabase sill in the general area of the workings. The fiber zone is 1 to 3 feet above the sill and 15 feet below the base of the middle (algal) member of the Mescal. The favorable limestone beds are also present to the south in the hill across the gulch from the workings (see fig. 3, U.S.B.M. Final engineering report by Storms and Hardwick, April 1954).

The diabase intruded the limestone discordantly about 125 feet east of the workings (fig. 1). This discordancy trends N. 20° W. and truncates the asbestos-bearing beds to the east. About 50 feet west of this discordancy, a north-northwest trending high-angle fault displaces the asbestos zone down on the west. The fault is well exposed only in the bulldozer cut, 25 feet east of the portal of the exploration adit (fig. 1). Here the throw is 6 feet.

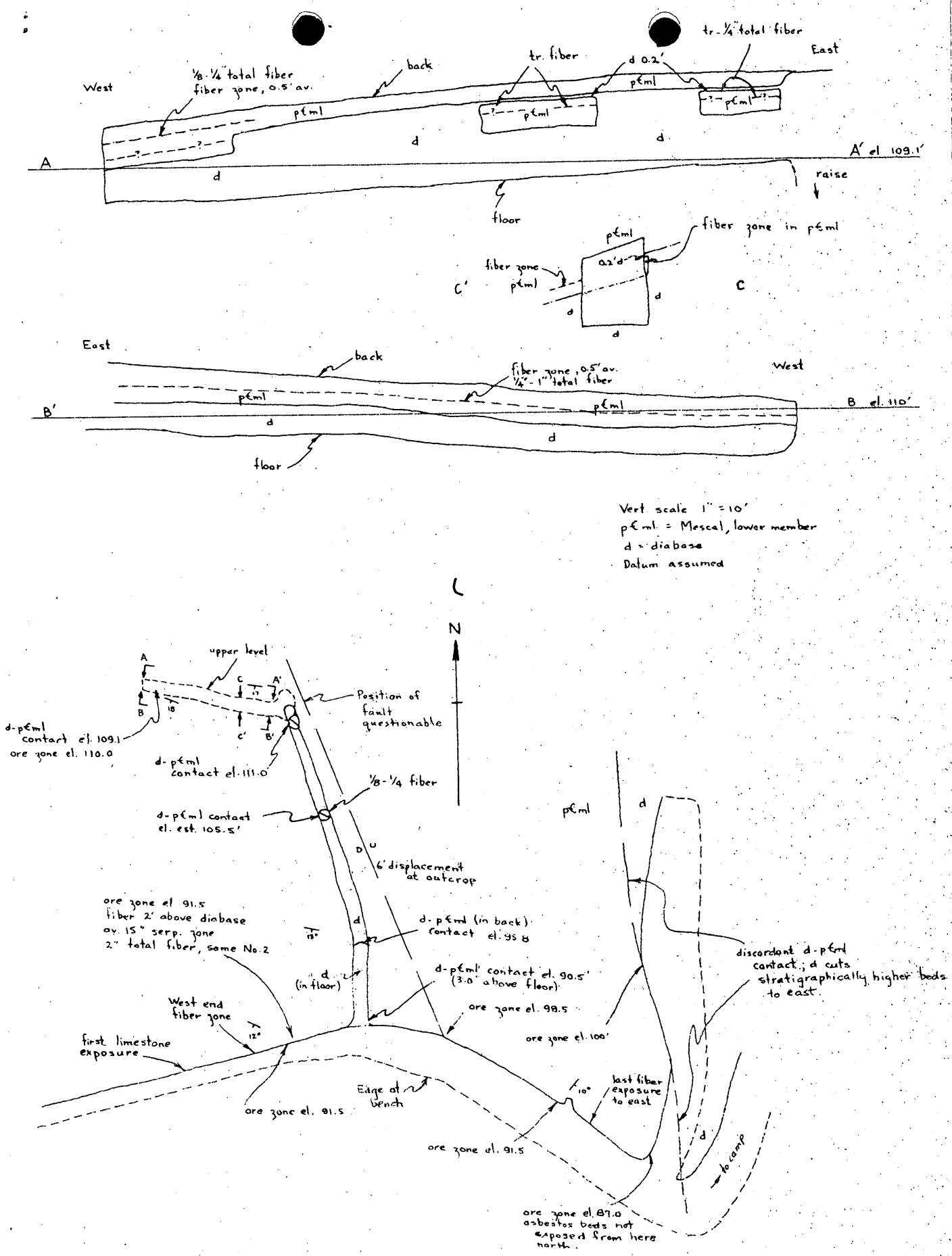


Fig. 1 Sketch map & cross-sections of Bore Tree Saddle Asbestos Co. workings on Extension #1 claim, Gila County, Arizona.

DMEA 2975 Scale 1" = 50' May 11, 1954

Result of exploration

The outcrop stripping of Stage I exposed an average total of 1½ inches of soft fiber in a zone of serpentinized limestone 12 to 15 inches in thickness. The exposed fiber extends from a point 35 feet west of the adit portal to a point about 100 feet east of the portal where it begins to thin. Up to 1½ inches total weathered fiber was exposed in a serpentinized limestone zone 4 to 8 inches thick on the hill opposite the portal. This fiber is exposed for only a few feet along the outcrop.

The limestone north of the portal dips more steeply southward than had been supposed at the time of the original examination. The adit was started west of the 6-foot fault and directed so as to avoid the fractured limestone of the fault. Therefore, the 125-foot adit penetrated stratigraphically lower units as extended northward. The diabase-limestone contact is in the back of the adit 30 feet from the portal and the remainder of the adit is in the diabase sill that underlies the asbestos-bearing limestones.

A 10-foot raise 80 feet from the portal and a 15-foot raise 118 feet from the portal of the adit were driven to expose the fiber zone.

The operator intended to drive northward from the head of the second raise to expose the ore zone. Within a few feet, however, this work intersected a N. 81° W. trending discordancy in the diabase-limestone contact which cuts out the asbestos-bearing limestones to the north. The operator then drifted about 55 feet N.81° W. in the limestone parallel with and adjacent to the discordant contact.

The first 20 feet of the adit exposed a serpentine zone 12 to 15 inches in thickness and containing veins of asbestos totaling 1½ inches. The zone in the raise 80 feet from the portal included asbestos veins totaling one-eighth to one-quarter inch.

The limestone exposed in the drift at the head of the second raise is moderately serpentinized, and contains 1/4 to 1 inch total semi-harsh fiber (no fiber over 1/4 inch in length) in a zone ranging from 4 to 9 inches in thickness along the south wall of the drift. The same zone is exposed sporadically along the north wall in limestone blocks on the south of and adjacent to the discordancy (fig. 1, X-Sect. A-A' and C-C'). Here the zone consists of serpentinized limestone and a few traces of very short fiber. Another zone is exposed for 10 to 12 feet along the west end of the north wall above the main zone (fig. 1, X-sect. A-A') where it is about 6 inches thick and contains 1/8 to 1/4 inch total semi-harsh fiber. Traces up to 1/4 inch of total fiber are exposed in the blocks of limestone at the top of the discordancy on the eastern half of the north wall (fig. 1, X-sect. A-A'). This fiber may represent the upper part of the fiber zone exposed on the south wall.

The exploration completed appears adequate for a reliable consideration of the potentialities of the deposit. The outcrop is well exposed by stripping. Sufficient mine work has been accomplished on the south along the adit line by means of raising and to the north and west by drifting to preclude the need of further work in those directions. The only direction that has not been covered by this exploration is to the east between the present adit and the north-trending discordancy 100 to 120 feet east of the adit.

It is doubtful, however, that drifting to the east from the second raise, although geologically more promising than to the west, would have exposed asbestos in quantity and that it would have made any appreciable change in the estimated potential of the property. Because of the likelihood of heavy ground in the vicinity of the north-northwest-trending fault (fig. 1) the operator apparently preferred to drift to the east. Then too, exploration to the east might have required additional raising. Asbestos is probably more plentiful adjacent to the discordant diabase that terminates and hides the ore-bearing beds on the outcrop 120 feet east of the exploratory workings. But judging from the scarcity of asbestos in the two raises much of the limestone block east of the fault probably is not extensively mineralized. If the discordancy defined in the west-northwest-trending drift continues east across the fault, it would limit the east block to a maximum north-south dimension of 120 feet; the block averages about 100 feet east-west. Optimistically then, the asbestos that might be discovered in such a block probably would not exceed 100 tons of all grades of fiber. The lack, therefore, of a drift to the east from the adit is not critical in an evaluation of potential for the property.

Reserves

This exploration has partly delineated a deposit of marginal or submarginal asbestos. The part of the deposit that might conceivably be mined parallels the outcrop exposed by bulldozing east and west from the adit and includes a maximum of 75 tons of asbestos of all grades. More probably the reserves are on the order of 30 to 40 tons. It is estimated that not more than one-third of the

optimistically estimated reserves of 75 tons would be recovered because of the badly weathered and semi-harsh character of the fiber and because of the considerable area of pillars that would be left in the mining operations.

Conclusions

Although additional drifting to the east of the adit could have been done, the exploration as completed is adequate. Recoverable reserves of asbestos resulting from exploration under this contract are very small. It is very unlikely that anyone will attempt to mine asbestos from this deposit. Therefore it is recommended that no certification of discovery be made.

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

COPY

224 New Customhouse
Denver 2, Colorado

June 30, 1954.

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket DMEA-2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Enclosed are the following final reports pertaining to work completed under the subject contract:

1. Original and one copy of the Operator's final report.

2. Original and three copies of the final geologic report by the U. S. Geological Survey.

3. Original and three copies of the final engineering report by the U. S. Bureau of Mines.

The contract was terminated by agreement after commencement but before completion of the work by agreement of May 12, 1954, effective March 1, 1954. The project work completed consisted of one and seven tenths miles of road construction; 375 feet of stripping; 188.5 feet of drifting and 30 feet of raises at a total accepted cost of $8, 151.25, in which the Government participated to the extent of 90% or an amount of $7,336.12. Final payment to the Operator was processed by this office June 30, 1954 in conformance with the final report of review by the Contract Administration and Audit Division, dated June 24, 1954.

The exploration work did not result in a significant discovery or commercial grade asbestos ore; therefore, no certification of such is recommended.

/s/ W. H. King

/s/ E. N. Harshmann for
A. H. Koschmann

Enclosures

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

224 New Customhouse
Denver 2, Colorado

June 30, 1954.

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket DMEA-2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Enclosed are the following final reports pertaining to work completed under the subject contract:

1. Original and one copy of the Operator's final report.

2. Original and three copies of the final geologic report by the U. S. Geological Survey.

3. Original and three copies of the final engineering report by the U. S. Bureau of Mines.

The contract was terminated by agreement after commencement but before completion of the work by agreement of May 12, 1954, effective March 1, 1954. The project work completed consisted of one and seven tenths miles of road construction; 375 feet of stripping; 188.5 feet of drifting and 30 feet of raises at a total accepted cost of $8,151.25, in which the Government participated to the extent of 90% or an amount of $7,336.12. Final payment to the Operator was processed by this office June 30, 1954 in conformance with the final report of review by the Contract Administration and Audit Division, dated June 24, 1954.

The exploration work did not result in a significant discovery of commercial grade asbestos ore; therefore, no certification of such is recommended.

W H King
W. H. King

E. N. Hauschman
per A. H. Koschmann

Enclosures

April 9, 1954

Memorandum

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

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

Subject : Operator's Final Report, DMEA Contract Idm-1571, Docket DMEA-2975, Bare Tree Saddle Asbestos Co., Gila County, Ariz.

Enclosed are original and 4 copies of the Operator's Final Report for work done under Exploration Project Contract No. Idm-1571. This report seems adequate.

Walter R. Storms

Walter R. Storms

cc W. H. King (4)
A. F. Shride
DMEA-2975
MF

WRStorms:Frj

P.O.Box 1724
Globe, Arizona, Apr.

Mr. Walter R. Storms, Chief
Mining Methods Branch
Mining Division, Region IV
Box 4097, Tucson, Arizona

Final Report
Bore Tree Saddle Asbestos
Contract No.Idm-8571
Docket D.M.A.2975

Dear Mr. Storms:

In response to your request for final report, I am more than pleased to furnish you with one.

On our first stage, as contract read, we built the road as mapped to our No. 1 claim; then we stripped with dozer the amount of footage to open up ore vein, as required by contract.

Stage No 2 we started with drift where the engineers and ourselves agreed upon as a starting point. We went 20', then our ore vein went on a 12 to 13 deg pitch. We kept on with the drift. At 80' we put a 10' raise to contact ore again.

We still kept on to 123½'. At this point we put an 18' raise to contact our ore body again; also we put our manway and a shute. Then from the last raise we started to follow the ore vein, which showed about 18" to 24" in thickness. We had only gone 9½' when the diabase cut us out completely.

We then decided to crosscut in a northwesterly direction, following diabase on our right and ore vein at our left.

Our ore kept on getting to where finally at 56' it just about ran out. The ground overhead bot bad and big cracks appeared.

The engineers and ourselves, by mutual agreement, decided there was no use in spending any more money on the project, as I have already reported.

The ore we have uncovered runs from No. 2, 3, 4 and smaller grade, although it is of high and Chrysotile grade.

We regret that our luck in exploring a large enough body of ore to where it would have been a success, failed, but I hope that in the future our luck will change.

Thanking you for your excellent cooperation, and this extends to all members of the Bureau of Mines, I remain

Yours very truly,

BORE TREE SADDLE ASBESTOS COMPANY

By John V. Bustamante Jr.

JOHN V. BUSTAMANTE, Jr.

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

22[illegible] New Customhouse
Denver 2, Colorado

May 20, 1954

Memorandum

To: C. O. Mittenderf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona

Enclosed are the original and two copies of "Termination of Exploration Project Contract by Agreement After Commencement But Before Completion of the Work" which has been prepared and executed in conformance with authorization contained in a teletype from the Chairman of the Operating Committee dated May 12, 1954.

Copies of the termination agreement have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

Houk: K-2971
Room 4637

Interior
Defense Minerals Exploration
Administration
14X4401(01) Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund to the
Office of the Sec.)

MAY 12 1954

TELETYPE

To: W. H. King, Executive Officer, DMEA Field Team, Region IV, Bureau Of Mines, 224 New Customhouse Building, Denver 2, Colorado

Subject: Docket No. DMEA-2975, Contract No. I6m-K571, Bore Tree Saddle Asbestos Company, Gila County, Arizona.

Authorization granted to terminate by agreement if no certification is recommended.

George C. Selfridge

George C. Selfridge
Chairman, Operating Committee, DMEA

LGHouk:gad 5/11/54
Copy to: Admr. R. File
Docket File
Operating Committee
Dr. Bowles, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Confirmation to Region IV

SENT
MAY 12 1954
Clerical Service Section

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

Administrative Audit Difference Statement

Date: March 24, 1954
Payee's Reference: Progress Report

February, 1954

Bore Tree Saddle Asbestos Co.,
Box 1724
Globe, Arizona
Idm-E571

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

90% of the Amount Claimed $ 1633.50

Difference $ 250.00

Amount Approved $ 1383.50

The reason for the difference was due to:

$250.00 is being withheld pending receipt of Operator's Final Report and release of the Report of Review by the Contract Administration and Audit Division.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

March 18, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona. Operator's Monthly Progress Report for the period February 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

As this project may be terminated by mutual agreement an amount of $250.00 is to be withheld from the payment due the Operator pending receipt of Operator's Final Report and release of the Report of Review by the Contract Administration and Audit Division.

Remarks:

Date of Report	March 11, 1954.
Date Received in Field Office	March 15, 1954.
Date Received in Region Office	March 17, 1954.

W H King

W. H. King

Enclosures
RDB:cwm

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

March 15, 1954

Memorandum

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

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

Subject : February 1954 Progress Report, Contract Idm-E571, Docket DMEA-2975, Bare Tree Saddle Asbestos Co., Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineers' report;

(2) Operator's narrative report with map;

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

Also enclosed are 2 extra copies of our engineers' report.

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid. However, as the operator has requested termination of the contract by mutual agreement, I suggest that the customary amount be withheld until the project is legally terminated and the operator's final report received.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2975
DF

WRStorms:frj

Memorandum

March 11, 1954

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

From : Robert W. Ageton, and W. R. Hardwick, Mining Engineers, Tucson, Arizona.

Subject : Monthly Progress Report, February 1954, Contract Idm-E571, , Docket DMEA-2975, Bare Tree Saddle Asbestos Company (Asbestos), Gila County, Ariz.

In accordance with your request, the subject property was visited on March 3, 1954 by R. W. Ageton and W. R. Hardwick, mining engineers, Bureau of Mines. During the month of February 1954, the No. 2 raise was advanced 2.0 feet, and the operator drove 65 feet of drift in this upper level. Total units of work performed to date are 188,5 feet of drifting and 30 feet of raising. Since the operator has requested termination of the contract, this may be the final progress report.

At a point 5.0 feet from the top of the No. 2 raise, a discordant diabase contact was exposed (figure 4). The diabase discordantly cut through the fiber horizon, then remained concordant. The apparent strike of this discordancy is N. 70° W. (figure 3).

In order to further explore the deposit, the operator advanced the exploration drift parallel to the strike of the discordant diabase. The left wall of the drift exposed 2 to 3 fiber bands containing minus $\frac{1}{4}$ inch to plus $\frac{1}{2}$ inch total fiber within a 3- to 6-inch serpentine zone. The right wall exposed diabase at the elevation of the fiber horizon.

The ground in the upper level is badly fractured and quite blocky. Some fractures may persist to the surface, which is approximately 35 feet above the floor of the drift. Therefore, it would not be feasible to mine this deposit because of the anticipated high stoping cost.

CC W. H. King (Orig. & 6)
DMEA-2975
DF

RWAgeton & WRHardwick:frj

After examination of the February advance, the operator consulted with his foreman-miner and concluded that further exploration was not warranted. DMEA field examiners agree with that conclusion and will recommend that contract Idm-8571 be terminated before completion.

Since 2.0 feet of raising and 65 feet of drifting have been performed in accordance with the terms of the contract, it is recommended that the Government's share of the cost be paid. However, the customary amount should be withheld until the project has been terminated and the operator's final report has been received.

Robert W. Ageton, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

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

Box 1724, Globe, Arizona
March 11, 1954

Mr. W. R. Storms
U. S. Bureau of Mines
P. O. Box 4097
University Station
Tucson 5
Arizona

Dear Sir:

Following is a narrative report of work accomplished in month of February, 1954.

We had to have 2' of raise more for chute and manway. We started to continue our drift straight north from raise on ore body, but we had gone only 9' when the dyebase cut us off altogether. Then we crosscut to a northwest direction.

We kept on until the engineers checked on the first days of March. Altogether we crosscut 56'. At this point ore body or vein came to an end.

Yours truly,

jvb

BORE TREE SADDLE ASBESTOS CO.,
By John V. Bustamante Jr.
JOHN V. BUSTAMANTE, Jr.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of February, 1954 Docket No. DMEA 2975 Contract No. Idm E 571

Operator's Name Bore Tree Saddle Asbestos Co. Minerals Asbestos

Address Box 1724 Globe, Arizona

Contract Amount, $ 10,805.00 Government Participation: 90 % Amount, $ 9,724.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing & Benching		1,400.00	1,400.00			
Crosscutting	1,540.00		1,540.00			
Drifting	247.50	3,396.25	3,643.75			
Access Road		1,155.00	1,155.00			
(2) Labor and Supervision:						
~~Labor~~ Raising	27.50	385.00	412.50			
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	1,815.00	6,336.25	8,151.25	1,815.00	6,336.25	8,815.25

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

Date 3/11/54 *Payee BORE TREE SADDLE ASBESTOS CO.

Per John V. Bralsmanda Title Partner

*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:

$ 1383.50

Signature [illegible]
(Authorized Certifying Officer)

Date 3/19/54 Vou. No. DMA 54-93
(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. DMA E-571 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 3/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. S. Kung Title Executive Officer Date MAR 19 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1954 Docket No. DMEA 2975 Contract No. Idm-E571

Operator's Name BORE TREE SADDLE ASBESTOS COMPANY Minerals

Address Box 1724, Globe, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting & Crosscutting	Ft.	1,787.50	65 Ft.	5,183.75	188½ Ft.	27.50	250	27.50
Crosscutting								
Raising	Ft.	27.50	2 Ft.	412.50	30 Ft.	13.75	100	13.75
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Job			1,400.00	Job		Job	1,400.00
Trenching								
Test Pits								
Roads and Trails	Job			1,155.00	Job		Job	1,155.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1,815.00	67 Ft.	8,151.25				10,805.00

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 3/11/54 Operator BORE TREE SADDLE ASBESTOS CO.

Per John V. Bostaman Jr. Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

February 23, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona. Operator's Monthly Progress Report for the period January 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	February 17, 1954.
Date Received in Field Office	February 19, 1954.
Date Received in Region Office	February 23, 1954.

W. H. King

Enclosures

RDB:cwm

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

February 19, 1954

Memorandum

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

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

Subject : January 1954 Progress Report, Contract Idm-E571, Docket DMEA-2975, Bore Tree Saddle Asbestos Co., Gila County, Ariz

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

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

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

As all work is in accordance with the terms of the contract and Amendment No. 1, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2975
DF

WRStorms:frj

February 19, 1954

Memorandum

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

From : Robert W. Ageton, Mining Engineer, Tucson, Ariz.

Subject : Monthly Progress Report, January 1954, Contract Idm-E571, Docket DMEA-2975, Bore Tree Saddle Asbestos Company (Asbestos) Gila County, Ariz.

In accordance with your request, the subject property was visited on February 2, 1954. During the month of January 1954, an 18-foot raise was driven. Total units of work performed to date are 123.5 feet of drifting and 28 feet of raising.

At a point 6 feet from the face of the adit the operator drove an 18-foot raise above the back of the drift exposing the limestone-diabase contact at 15.0 feet and the ore horizon at 16.5 feet. Asbestos fiber is exposed in 5 veinlets in a serpentine zone, 1 to 1.5 feet wide. Total fiber content is minus 1 inch, with the maximum width of fiber being one-fourth inch. As determined from the limited exposure at the top of the raise, the limestone beds strike N. 80° W. and dip 13°-30° SW.

Severe snowstorms hampered exploration during the month of January. More favorable weather is predicted for February and it is anticipated that the operater will be able to advance the upper drift in the ore zone.

Since 18 feet of raising has been performed according to the terms of the contract, it is recommended that the Government's share of the costs be paid.

Robert W. Ageton, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMEA-2975
DF

WRStorms:frj

Globe, Arizona, Box 1724
February 17, 1954

Mr. W. R. Storms
U. S. Bureau of Mines
P.O.Box 4097
University Station
Tucson 5, Arizona

Contract #I D M E571
Docket #DMEA ~~3791~~

Dear Sir:

Following is a narrative report on work done in month of January, 1954.

As we had already gone 123½' with our drift, we then put up a raise 18' above drift to contact ore vein. We are now continuing a drift above the raise.

Respectfully,

BORE TREE SADDLE ASBESTOS CO.,
By John V. Bustamonte Jr
JOHN V. BUSTAMONTE, Jr.

MF-104 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1954 Docket No. DMEA Contract No. I-M-8571
Operator's Name Bold Ford Gabbs Asbestos Co. Minerals Asbestos
Address Box 1724 Globe, Arizona
Contract Amount, $ 10,600.00 Government Participation: 90 % Amount, $ 9,724.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing & Benching		1,400.00	1,400.00			
Crosscutting						
Drifting		3,399.25	3,399.25			
Access road		1,155.00	1,155.00			
~~(2) Labor and Supervision:~~						
~~Labor~~ Benching	247.50	137.50	385.00	247.50	137.50	385.00
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	247.50	6,088.75	6,336.25	247.50	6,088.75	6,336.25

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

Date 2-17-54 *Payee Bold Ford Gabbs Asbestos Co.

Per John V. Bustamante Jr. Title Partner

*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:

$ 222.75

Signature [illegible]
(Authorized Certifying Officer)

Date 2/26/54 Vou. No. DMA 54-83

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E571 in accordance with the terms of the contract.

Signature Robert H. Agate WAF Title Mining Engineer Date 2/19/54

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

Signature W. H. Kung Title Executive Officer Date FEB 23 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 4 Docket No. DMEA 2978 Contract No. ICM-B-671

Operator's Name BORN FREE SADDLE ASBESTOS CO. Minerals Asbestos

Address Box 1724, Globe, 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	Ft.			$3,390.26	123½	27.50	250	$27.50
Crosscutting		.50		385.00				
Raising	Ft.	247.50	18 Ft.	384.80	28 ft.	13.75 Ft.	100	13.75
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Job			$1,400.00	Job		Job	$1400.00
Trenching								
Test Pits								
Roads and Trails	Job			$1,155.00	Job		Job	$1155.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		.50		25				
TOTAL COSTS		$247.50	18 Ft.	$6,336.05				$10,805.00

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 2/17/54 Operator BORN FREE SADDLE ASBESTOS CO.

Per John V. Bustamante Jr. Title partner

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

January 15, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona. Operator's Monthly Progress Report for the period December 1953.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	January 8, 1954.
Date Received in Field Office	January 12, 1954.
Date Received in Region Office	January 14, 1954.

W. H. King

Enclosures

RDB:cwm

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

January 12, 1954

Memorandum

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

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

Subject : December 1953 Progress Report, Contract Idm-E571, Docket DMEA-2975, Bare Tree Saddle Asbestos Co., Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report;

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

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

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

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2975
DF

WRStorms:frj

January 11, 1954

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

From: Robert W. Ageton, Mining Engineer, Tucson, Ariz.

Subject: Monthly Progress Report, December 1953, Contract Idm-8571, Docket DMEA-2975, Bare Tree Saddle Asbestos Company (Asbestos), Gila County, Ariz.

In accordance with your request, the subject property was visited on January 6, 1954. Drift advance for the month of December 1953 amounted to 67 feet, and as provided for by an amendment to the contract, the operator drove a 10-feet exploration raise.

Drifting during the month of December continued in diabase for 67 feet. Approximately 80 feet from the portal a raise was driven 10 feet above the back of the adit. At 7.7 feet above the back of the adit the raise cut the limestone-diabase contact. Fiber exposed in the raise was semi-soft, of good tensile strength, and occurred in 3 to 5 bands. The maximum length of fiber exposed was 5/16 inch in length.

At a point 6 feet from the present face of the adit the operator will raise to the fiber horizon, and then drift in the ore zone in the same direction the lower level was advancing. Sufficient ground is over the area at this point to permit the operator to drift in the ore horizon.

Since 67 feet of drifting and 10 feet of raise have been performed according to the terms of the contract, it is recommended that the Government's share of the costs be paid.

Robert W. Ageton

Robert W. Ageton, Mining Division
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMEA-2975
DF

RWAgeton:frj

Box 1724
Globe, Arizona, January 11, 1954

Mr. W. R. Storms
U S Bureau of Mines
P.O.Box 4097
University Station
Tucson 5, Arizona

Re: Contract No. IDM E571
Docket No. DMEA 2975

Dear Sir:

Following is a narrative report for work being done on Stage No. 2.

In the month of December, 1953, we drifted 67'; all this is still in diabase formation. We then measured 80' from entrance of drift; then we put a raise at 10', we contacted ore body. Now we are putting in a raise 6' from end of drift on a 60° to contact ore body again.

Yours truly,

BORE TREE SADDLE ASBESTOS COMPANY

By John V. Bustamante Jr.

Box 1724
Globe, Arizona, January 11, 1954

Mr. W. R. Storms
U S Bureau of Mines
P.O.Box 4097
University Station
Tucson 5, Arizona

Re: Contract No. IDM 8571
Docket No. DMEA 2975

Dear Sir:

Following is a narrative report for work being done on Stage No. 2.

In the month of December, 1953, we drifted 67'; all this is still in diabase formation. We then measured 80' from entrance of drift; then we put a raise at 10', we contacted ore body. Now we are putting in a raise 6' from end of drift on a 60° to contact ore body again.

Yours truly,

EOME TRUE GARDNER ASBESTOS COMPANY

By _____

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December 1953, 195____ Docket No. DMEA 2975 Contract No. DM 5571
Operator's Name BOSS TREE SADDLE ASBESTOS CO. Minerals
Address
Contract Amount, $ Government Participation: ____% Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing & Benching	—	1,400.00	1,400.00			
Crosscutting						
Drifting	1842.50	1,553.75	3,396.25			
Access Road		1,155.00	1,155.00			
(2) Labor and Supervision:						
~~Extra~~ Raising	137.50		137.50			
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):						
			6088.75			
TOTALS	1,980.00	4,108.75	6,088.75	1,980.00	4,108.75	6,088.75

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

Date 1-8-54 *Payee BOSS TREE SADDLE ASBESTOS CO.

Per [signature] Title Partner

*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:

$1782.00

Signature [signature]
(Authorized Certifying Officer)

Date 1/20/54 Voucher No. Ama 54-72
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E57 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date 1/12/54

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

Signature W H Ring Title Executive Officer Date JAN 15 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 2975 Contract No. LSM-5571
Operator's Name BONE TREE SADDLE ASBESTOS CO. Minerals
Address

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting & Crosscutting	Ft.	1842.50	67 Ft.	3396.25	123½	27.50	250	27.50
Crosscutting								
Raising	Ft.	137.50	10 Ft.	137.50	10	13.75	100	13.75
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Job			1400.00	Job		Job	1400.00
Trenching								
Test Pits								
Roads and Trails	Job			1155.00	Job		Job	1155.00
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1980.00	77 Ft.	6088.75				$10,303.00

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 1-8-54 Operator BONE TREE SADDLE ASBESTOS CO.

Per [signature] Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

January 18, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-2975 - Asbestos
Bore Tree Saddle Asbestos Co.
Gila County, Arizona
Contract No. Idm-E571

The Nonmetallic Minerals Division concurs in Amendment No. 1 as written and executed in the field to provide more penetrations of the ore zone within the total estimated cost of the contract.

LGHouk:gad 1/18/54

Copy to: Admr. R. File
Docket File
Mr. Houk

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

224 New Customhouse
Denver 2, Colorado

January 11, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Co., Gila County, Arizona

Enclosed are the original and two copies of Amendment No. 1 to Contract Idm-E571 which has been executed to authorize 100 feet of raising at $13.75 per foot in lieu of 50 feet of drifting at $27.50 per foot. Also enclosed are three sets of data relevant to the amendment.

Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

December 23, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: Amendment request of 12/14/53, DMEA Docket 2975, Contract Idm-E571, Bore Tree Saddle Mining Company (asbestos), Gila County, Arizona

Enclosed are 9 copies of a memorandum report by A. F. Shride of the U. S. Geological Survey covering a request for amendment of the above docket.

E. M. Hauchman
for A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

MINING DIVISION
REGION IV

December 15, 1953

Memorandum

To : W.N. King, Chief, Mining Division, Region IV, Denver, Colo.

From : Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Ariz.

Subject : Proposed Amendment, Contract Idm-E571, Docket DMEA-2975, Bore Tree Saddle Asbestos Co., Gila County, Ariz.

Enclosed are the following:

(1) Original and four copies (lacks one copy) of a request for an amendment to Contract Idm-E571 from the Bore Tree Saddle Asbestos Co. to allow for raising;
(2) Original and five copies of the Bureau of Mines engineer's recommendations.

This prospect raising is needed to test the ore zone above the back of the present drift, and is recommended by A.E. Shride of the Geological Survey and R.W. Ageton of the Bureau of Mines. I concur with their recommendations.

Walter R. Storms

Walter R. Storms

cc: WNKing (5)
AEShride

MINING DIVISION
REGION IV

December 15, 1953

Memorandum

To : Walter R. Stevens, Chief, Mining Method Branch, Mining Division, Region IV, Tucson, Ariz.

From : R.W. Ageton, Mining Engineer, Tucson, Ariz

Subject : Proposed Amendment to the contract, Contract Ida-1571, Docket MMA-2875, Bore Tree Saddle Asbestos Company, (Asbestos), Gila County, Ariz.

Since additional drifting may be warranted in the direction originally planned, a small amount of prospect raising will be required to test the ore horizon above the back of the drift. The examiners believe that an equitable cost for raising to test the ore horizon would be $13.75, or one-half the contracted drifting rate. The amount of raising required would not exceed 100 feet. If an amendment could provide for raising and permit the application of the footage not used to be applied for drifting, the examiners believe that such an amendment would facilitate exploration of the deposit as it is now interpreted.

It is recommended that an amendment be considered which would allow a total of 100 feet of prospect raising at a unit cost of $13.75, and provide that excess footage could be applied to drifting and/or crosscutting at the contracted unit cost of $27.50. The amendment would not increase the contracted cost of the project; it would merely apply a portion of the contracted funds to raising.

Robert W. Ageton
Mining Engineer, Mining Methods Branch,
Mining Division, Region IV

cc: WHKing
APShride

Box 1724 Globe, Arizona, 12-14-53

Mr. W. R. Storms
U.S.Bureau of Mines
P.O.Box 4097
Tucson 5, Arizona

Re: Contract No.IDME 571
Docket No.DMEA 2975

Dear Sir:

We would like to apply for an amendment to our contract to use some of our drifting footage for putting a raise, or raises, at fifty (50') foot intervals.

Of course we would like to have about 100' of raises all told but in case we don't use this amount of footage, we would like to use the balance of said footage for our drifting as called for by the contract.

This amendment is required because our ore vein dips from 12° to 13°, and raising is necessary.

The U.S.Bureau of Mines Engineers from Tucson have agreed; also they have checked our mining operations.

The cost of this raising, as near as I can estimate on a total basis, will frun from $13.75 per foot to $15.00 per foot.

I would very much appreciate it if you can take prompt action on this amendment.

Respectfully yours,

BORE TREE SADDLE ASBESTOS COMPANY

By John V. Bustamente Jr
JOHN V. BUSTAMENTE, JR.

U. S. BUREAU OF MINES
MINERAL DIVISION
DEC 15 1953
TUCSON, ARIZONA

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 4126, University Station
Tucson 5, Arizona

December 17, 1953

Memorandum

To: A. H. Koschmann AHK by EWH

From: A. F. Shride

Subject: Amendment request of 12-14-53, Contract Idm-8571 (DMSA-2975), Bore Tree Saddle Mining Company (Asbestos), Gila County, Arizona.

The limestone beds of this asbestos occurrence dip more steeply to the south than was anticipated from adjacent outcrops. Therefore the exploration adit, which bears N. 21° W. and was started on the asbestos horizon, passes beneath the horizon. The adit would not effectively explore the horizon if turned to parallel the strike of the fiber zone; therefore the requested raising is the only logical way of testing the horizon.

If presently known attitudes persist the asbestos horizon can be expected to rise 20 feet vertically per hundred feet of adit length. Raises should be driven approximately every 50 feet. An additional raise or two may be necessary if the asbestos content of the zone varies erratically. Assuming an adit length of 175 feet approximately 75 feet of raising would be required under the proposed amendment.

It is recommended that a maximum of 100 feet of raising be allowed. The cost of this raising is to be deducted from the amount originally allowed for drifting. If extra raises are not needed the cost of such raises would be applied to drifting. If the asbestos deposit persists as far as is hoped, raising at the expense of drifting could cut the drifting that might be needed down to a point approaching ineffectiveness. Therefore raising must be kept to the minimum necessary.

At some future time it may be necessary to consider an amendment to add funds for drifting, if this project is to be adequately carried to completion. This possibility should not deter favorable consideration of the present request. If the requested amendment is not granted, the adit now being driven will no longer be effective exploration.

I should emphasize that the future plan of exploration cannot be entirely predicted and further modifications may be required.

A. F. Shride

A. F. Shride
Geologist

AFShride:mvt
Copies to Koschmann (5)
Storms
Shride

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

221 New Customhouse
Denver 2, Colorado

January 1, 1954

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 2975 (Asbestos) Contract Idm-571, Lore Free Saddle Asbestos Company, Gila County, Arizona - Operator's Monthly Progress Report for the period November, 1953

Enclosed are two copies of the Operator's Monthly Progress Report Form F-10k and 10kA, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to Docket DMA 2975, Contract Idm-571, Lore Free Saddle Asbestos Company, for the period November, 1953.

W. H. King
W. H. King

Enclosures

1k

Inspecting Engineer's Report
cc:
WHK:

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

224 New Customhouse
Denver 2, Colorado

December 21, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2975 (Asbestos), Contract Idm-E571, Bore Tree Saddle Asbestos Company, Gila County, Arizona - Operator's Monthly Progress Report for the period November 1953.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	December 5, 1953.
Date Received in Field Office	December 7, 1953.
Date Received in Region Office	December 14, 1953.

Held up in Region Office from December 14 to December 21 pending clarification as to whether drifting work was in process.

W H King
W. H. King

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

December 9,1953

Memorandum

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

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

Subject : November 1953 Progress Report, Contract Idm-E571, Docket MMEA-2975, Bare Tree Saddle Asbestos Co. (Asbestos), Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

(2) Operator's narrative report;

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

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

It should be noted that no progress report was submitted by the operator for the month of October. R. W. Agsten of the Bureau of Mines contacted the company's representative, John V. Bustamante, jr., in Globe early in November and was told that no work had been done in October because the company was unable to obtain miners. The company had been notified on October 13 that it could proceed with Stage II of the contract.

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

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
MMEA-2975
DF

WRStorms:frj

MINING DIVISION
REGION IV

December 9, 1953

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

From : Robert W. Ageton, Mining Engineer, Tucson, Arizona

Subject : Monthly Progress Report, November 1953, Contract Idm-8571, Docket BMEA-2975, Bare Tree Saddle Asbestos Company (Asbestos), Gila County, Ariz.

In accordance with your request the subject property was visited on December 1, 1953, the writer accompanying A. F. Shride, geologist, Geological Survey. Drift advance for the month of November amounted to 56½ feet.

Exploration drifting indicates that the limestone beds west of the main fault strike northwesterly and dip 12° to 13° southwest. The limestone-diabase contact (3 feet above the floor of the drift at the portal) is in the back of the drift at the present face. Therefore, it will be necessary to drift below the limestone-diabase contact in order to maintain the desired direction of drifting, and short raises will be required to test the ore horizon. Approximately 1½ inches total fiber within 3 to 5 serpentine bands has been exposed by the current work.

Stage I of the contract was completed on October 8, 1953, and Stage II was authorized by a memorandum dated October 13, 1953. Since the deposit is in a remote area of the Sierra Ancha Range, it was difficult to hire men. Therefore, operations were temporarily suspended until miners could be hired. The 2 men employed work well when isolated from a source of liquor, but according to the operator, several days were required to condition the miners for the job. At no time during this period did the operator have the intention to abandon the project.

Since the 56½ feet of drifting has been performed according to the terms of the contract, it is recommended that the Government's share of the cost be paid.

Robert W. Ageton, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
BMEA-2975
DF

RWAgeton:frj

Box 1724
Globe, Arizona
12-5-53

Mr. W. R. Storms
U.S.Bureau of Mines
P.O.Box 4097
University Station
Tucson 5, Arizona

Re: Contract No. IDM E571
Docket No. DMEA 2975

Dear Sir:

The following is a narrative report of work that has been done on Stage No.2.

We hired two men to drift into claim at poin which Mr.A.F.Shride and Mr.R.W.Ageton of the Geological Survey authorized.

We went in following ore vein leaving ore above, or overhead. We drifted about 20', then the ore vein dipped 12° to 13°. We kept on drifting until the end of November, 1953. We finished with 56½'.

We are still drifting in but I talked with Mr. Shride and Mr. Ageton and they recommend that I ask for an amendment on our contract, to stope up to our ore vein and check our ore body above at points favorable to engineers, or as to now at 75' from beginning of drift.

This, of course, would come under same footage in original contract.

Please take urgent consideration on the stoping process.

Also, we have abided by all laws covering contract.

Respectfully,

BORE TREE SADDLE ASBESTOS CO.,

By John V. Bustamante Jr.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 195 3 Docket No. DMEA 2975 Contract No. IDM B 571
Operator's Name Bore Tree Saddle Asbestos Co Minerals Asbestos
Address Box 1724, Globe, Ariz.
Contract Amount, $ 10,805.00 Government Participation: 90 % Amount, $ 9,724.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing & Benching		$1,400.00	$1,400.00			
Crosscutting						
Drifting	$1,553.75	—	1,553.75			
Access Road		$1155.00	1,155.00		1155.00	1155.00
(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	$1,553.75	$2,555.00	$4,108.75	1553.75	2555.00	4108.75

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

Date 12-5-53 *Payee BORE TREE SADDLE ASBESTOS CO.

Per John V. Bustamante Jr. Title Partner

*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:

$ 1398.38

Signature RRO
(Authorized Certifying Officer)

Date 12/22/53 Vou. No DMA-54-65

(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. dm-E571 in accordance with the terms of the contract.

Signature [illegible] WRS Title Mining Engineer Date 12/9/53

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

Signature W. H. Kung Title Executive Officer Date DEC 21 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 195 Docket No. DMEA Contract No. IDM [illegible]71
Operator's Name Bare Tree Saddle Asbestos Co. Minerals Asbestos
Address Box 1724, Globe, Ariz.

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	ft.	$1,553.75	56.5	$1,553.75	56.5	$27.50	100	$2,250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Job			$1,400.00	Job		Job	$1,400.00
Trenching								
Test Pits								
Roads and Trails	Job			$1,155.00	Job		Job	$1,155.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$1,553.75	56.5	$4,108.75				$10,505.00

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 12-5-53 Operator BARE TREE SADDLE ASBESTOS CO.

Per John V. Bustamante Jr. Title Partner

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

October 23, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104 - DMEA Docket 2975, Contract Idm-E571 (Asbestos), Bore Tree Saddle Asbestos Co., Gila County, Arizona.

Enclosed are two copies of the "Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report," and other supporting data for the period August - September 1953, pertaining to DMEA Docket 2975, Contract Idm-E571 (Asbestos), Bore Tree Saddle Asbestos Co., Gila County, Arizona.

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

Enclosures

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

224 New Customhouse
Denver 2, Colorado

October 15, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2975, Contract Idm-E571 (Asbestos), Bore Tree Saddle Asbestos Co., Gila County, Arizona-Operator's Monthly Progress Report, for the period August-September, 1953.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	October 9, 1953
Date Received in Field Office	October 12, 1953
Date Received in Region Office	October 15, 1953.

Work under Stage I of the contract has been completed and Stage II work will be authorized in writing as per contract.

John F. Shaw
For W. H. King

Enclosures

RDB:es
cc: Contract
Chron.
Storms
Sec. to the Oper. Comm. (2)

MINING DIVISION
REGION IV

October 13, 1953

Memorandum

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

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

Subject : August-September Progress Report, Contract Idm-E571, Docket DMEA-2975, Bore Tree Saddle Asbestos Co., Gila 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 two extra copies of our engineer's report.

Work of building the access road under Stage I of the contract started on August 30. Stage I was completed in September after the road had been finished and the outcrop stripped. A. F. Shride of the Geological Survey and R. W. Ageton of the Bureau of Mines now recommend work under Stage II.

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

Walter R. Storms

Walter R. Storms

CC W. H. King (Orig. & 6)
DMEA-2975
DF

WRStorms:frj

MINING DIVISION
REGION IV

October 13, 1953

Memorandum

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

From : Robert W. Ageton, Mining Engineer, Tucson, Arizona

Subject : August-September 1953 Progress report. Contract Idm-E571, Docket DMEA-2975, Bore Tree Saddle Asbestos Company (Asbestos), Gila County, Arizona.

In accordance with your request the subject property was visited on October 8, 1953, the writer accompanying A. F. Shride, Geologist, U. S. Geological Survey. Stage I authorized by the contract has been satisfactorily completed.

A. F. Shride and the writer agree that drifting into the deposit is justified. However, the terms of the contract require the DMEA representatives to give written approval to the operator before work may start under Stage II, and this has not been done. The operator was told by Shride that approval probably would come from the Regional Office in Denver, Colorado.

The bench cut exposes weathered fiber in a 15-inch serpentine band about 2 feet above the diabase (figure 4). The total fiber content is approximately 2 inches with some No. 2 grade fiber. If drifting exposes No. 1 and No. 2 grade fiber of marketable quality, then crosscutting may be justified.

Since the work has been performed according to the terms of the contract, it is recommended that the Government's share of the cost be paid.

Robert W. Ageton, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMEA-2975
DF

RWAgeton:frj

P.O. Box 1724
Globe, Arizona, 10/9/53

Mr. W. R. Storms
U. S. Bureau of Mines
P. O. Box 4097
University Station
Tucson 5, Arizona

Re: Contract No. Idm-E571
Docket No. DMEA-2975

Dear Sir:

The following is the narrative of the work done under above captioned contract:

We have completed road described in contract, from Globe-Young Highway to exploration area on Claim No. 1.

We stripped approximately 375', or more, as described in contract and "uncovered a vein of ore from 18" to 22" in width and about 125' long, running from east to west, from discovery point."

Respectfully submitted.

BORE TREE SADDLE ASBESTOS COMPANY

By/s/ John V. Bustamante Jr.

I certify that this a true copy of the original.

Walter R. Storms

Walter R. Storms

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of Aug.-Sept., 1953 Docket No. DMEA 2975 Contract No. DMEA-571
Operator's Name Minerals Asbestos
Address
Contract Amount, $10,805.00 Government Participation: ____% Amount, $2,724.50

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						
Bulldozing & Benching	1,400.00		1,400.00			
Crosscutting						
Drifting						
Access Road	1,155.00		1,155.00			
(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	2,555.00		2,555.00	2,555.00		2,555.00

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

Date 10/9/53 *Payee [illegible] Asbestos Company

Per John V. Bustamante Title Partner

*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:

$2299.50

Signature [illegible]
(Authorized Certifying Officer)

Date 10/20/53 Vou. No. DMEA 54-39

(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-E57 in accordance with the terms of the contract.

Signature [illegible] WHR Title Mining Engineer Date 10/13/53

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

Signature [illegible] for W.H. King Title Executive Officer Date OCT 15 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug.-Sept. 1953 Docket No. DMEA 297 Contract No. [illegible]571

Operator's Name

Address

Minerals Asbestos

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting & crosscutting		None					300	$27.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Job	$1,400.00		-	-	-	Job	$1,400.00
Trenching								
Test Pits								
Roads and Trails	Job	1,155.00	Job	-	-	-	Job	$1,155.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,555.00	Job					$10,805.00

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 10/9/53 Operator [illegible]

Per John V. Bustamante Jr. Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

September 8, 1953

Memorandum

To: Lawrence G. Houk, Director, Non-Metallic Minerals Division, DMEA

From: Oliver Bowles, Commodity Specialist, Construction and Chemical Materials Branch

Subject: DMEA Docket No. 2975, Bore Tree Saddle Asbestos Company, Gila County, Arizona

The two-stage program of exploration as outlined in the reports of the Geologist and Engineer appears to be consistent with existing conditions. Therefore, I concur in their recommendation.

Oliver Bowles, Commodity Specialist
Construction and Chemical Materials Branch

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

August 6, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2975 (asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Bore Tree Saddle Asbestos Co., Gila County, Arizona.
Name of property: Extension No. 1 claim.
Location of property: Tonto National Forest.
Date of field team report: June 19, 1953.
Authorship of field team report: A. F. Shride and L. A. Stewart.
Field team's recommendation:
Stage 1. Access road and stripping overburden.
Stage 2. 300' drifts or cross-cuts if (1) warrant it.
$10,805

Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
8/6/53
cc: Director's reading 4212
Branch " "
DMEA 3 ✓
Larrabee files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

September 8, 1953

Memorandum

To: Lawrence G. Houk, Director, Non-Metallic Minerals Division, DMEA

From: Oliver Bowles, Commodity Specialist, Construction and Chemical Materials Branch

Subject: DMEA Docket No. 2975, Bore Tree Saddle Asbestos Company, Gila County, Arizona

The two-stage program of exploration as outlined in the reports of the Geologist and Engineer appears to be consistent with existing conditions. Therefore, I concur in their recommendation.

Oliver Bowles, Commodity Specialist
Construction and Chemical Materials Branch

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

September 8, 1953

Memorandum

To: Lawrence G. Houk, Director, Non-Metallic Minerals Division, DMEA

From: Oliver Bowles, Commodity Specialist, Construction and Chemical Materials Branch

Subject: DMEA Docket No. 2975, Bore Tree Saddle Asbestos Company, Gila County, Arizona

The two-stage program of exploration as outlined in the reports of the Geologist and Engineer appears to be consistent with existing conditions. Therefore, I concur in their recommendation.

Oliver Bowles, Commodity Specialist
Construction and Chemical Materials Branch

IN REPLY REFER TO:

G-MD-GN

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

August 6, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2975 (asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Bare Tree Saddle Asbestos Co., Gila County, Arizona.
Name of property: Extension No. 1 claim.
Location of property: Tonto National Forest.
Date of field team report: June 19, 1953.
Authorship of field team report: A. F. Shride and L. A. Stewart.
Field team's recommendation:
Stage 1. Access road and stripping overburden.
Stage 2. 300' drifts or cross-cuts if (1) warrant it.
$10,805
Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
8/6/53
cc: Director's reading 4212
Branch " "
DMEA 3
Larrabee files

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

August 6, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2975 (asbestos)

To: L. O. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Bare Tree Saddle Asbestos Co., Gila County, Arizona.
Name of property: Extension No. 1 claim.
Location of property: Tonto National Forest.
Date of field team report: June 19, 1953.
Authorship of field team report: A. F. Shride and L. A. Stewart.
Field team's recommendation:
Stage 1. Access road and stripping overburden.
Stage 2. 300' drifts or cross-cuts if (1) warrant it.
$10,805

Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
8/6/53
cc: Director's reading 4212
Branch " "
DMEA 3
Larrabee files

August 5, 1953

Memorandum

To: Mr. C. O. Mittendorf

From: Lawrence G. Houk

Subject: Docket No. DMA-2975 - Asbestos, Bore Tree Saddle Asbestos Co., Contract No. Idm-E571.

The Nonmetallic Minerals Division concurs with the work outlined in this contract and the costs proposed by the field team with the following exceptions:

It should not require one year to complete this contract which consists of approximately 21 working days under Stage 1, and 300 feet of drifting under Stage II.

LGHouk:gad 8/5/53

Copy to: Admr. R. File
Docket File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

4 Time

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

Subject: Docket No. DMEA-2975 - Asbestos
Bore Tree Saddle Asbestos Co.
Gila County, Arizona
Contract No. Idm-E571

Dear Mr. King:

Reference is made to Contract No. Idm-E571, Docket No. DMEA-2975, processed and executed in Region IV under your delegation of authority.

Please include in all subsequent contracts on the short form Annex No. 2, and both Annex No. 1 and Annex No. 2 on the long form contracts. Copies of Annexes 1 and 2 are enclosed for attachment to future contracts.

We have not received the field team report which is necessary to evaluate the work proposal. Kindly expedite its transmittal.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures

This letter was written 4 Times and ~~[illegible]~~ was not sent as legal wrote

LGH

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

600

2nd time

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

Subject: Docket No. DMEA-2975 - Asbestos
Bore Tree Saddle Asbestos Co.
Gila County, Arizona
Contract No. Idm-E571

Dear Mr. King:

Reference is made to Contract No. Idm-E571, Docket No. DMEA-2975, processed and executed in Region IV under your delegation of authority.

Please include in all subsequent contracts on the short form Annex No. 2, and both Annex No. 1 and Annex No. 2 on the long form contracts. Copies of Annexes 1 and 2 are enclosed for attachment to future contracts.

We have not received the field team report which is necessary to evaluate the work proposal. Kindly expedite its transmittal.

Sincerely yours,

C. Mattendorf
Administrator

Enclosures

Sorry - on 2nd thought this should go thru Oper Comm - because I never do request Exec Officers to expedite reports such as this.

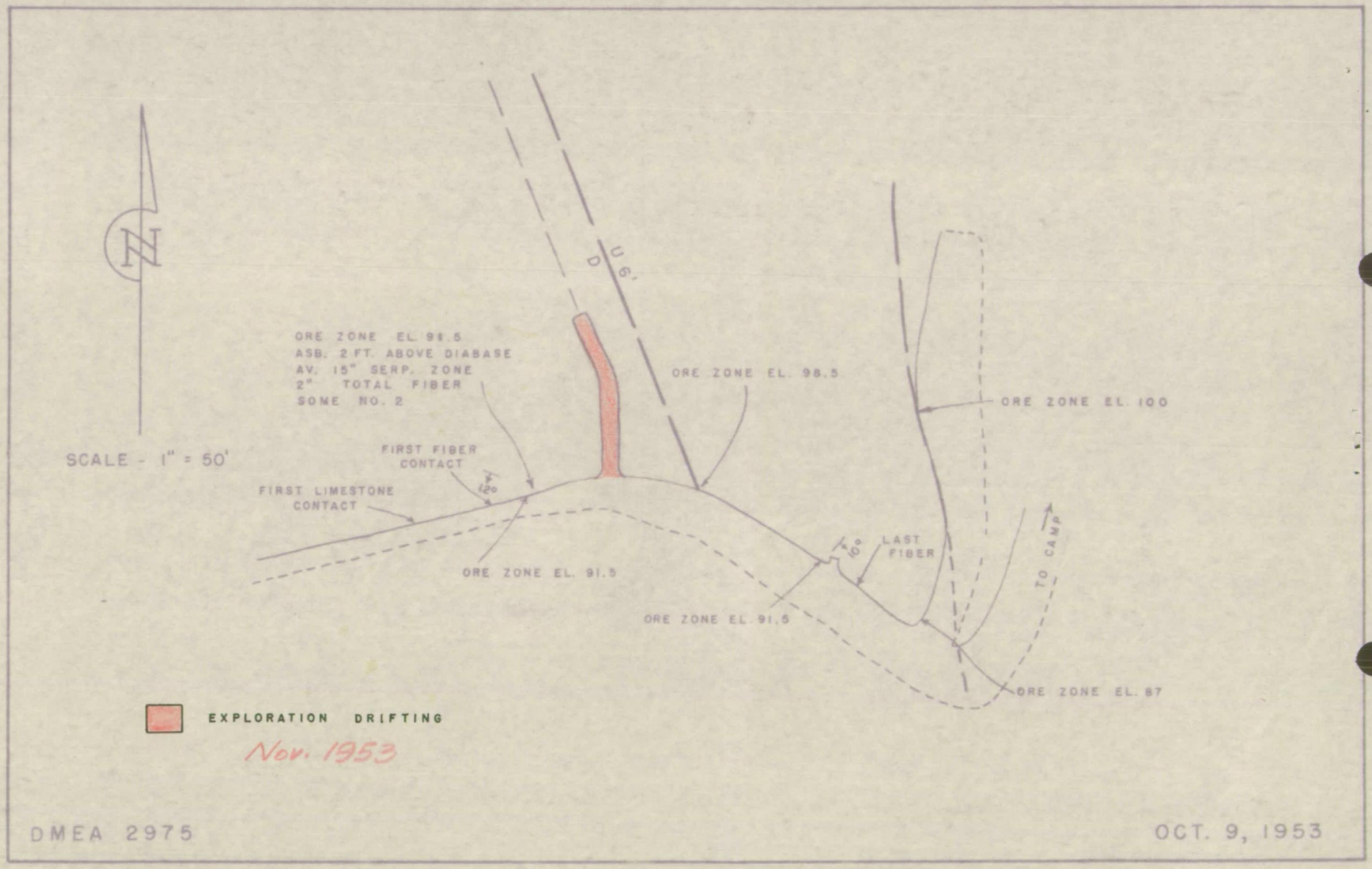


FIGURE 4 SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. DEPOSIT
GILA COUNTY, ARIZONA

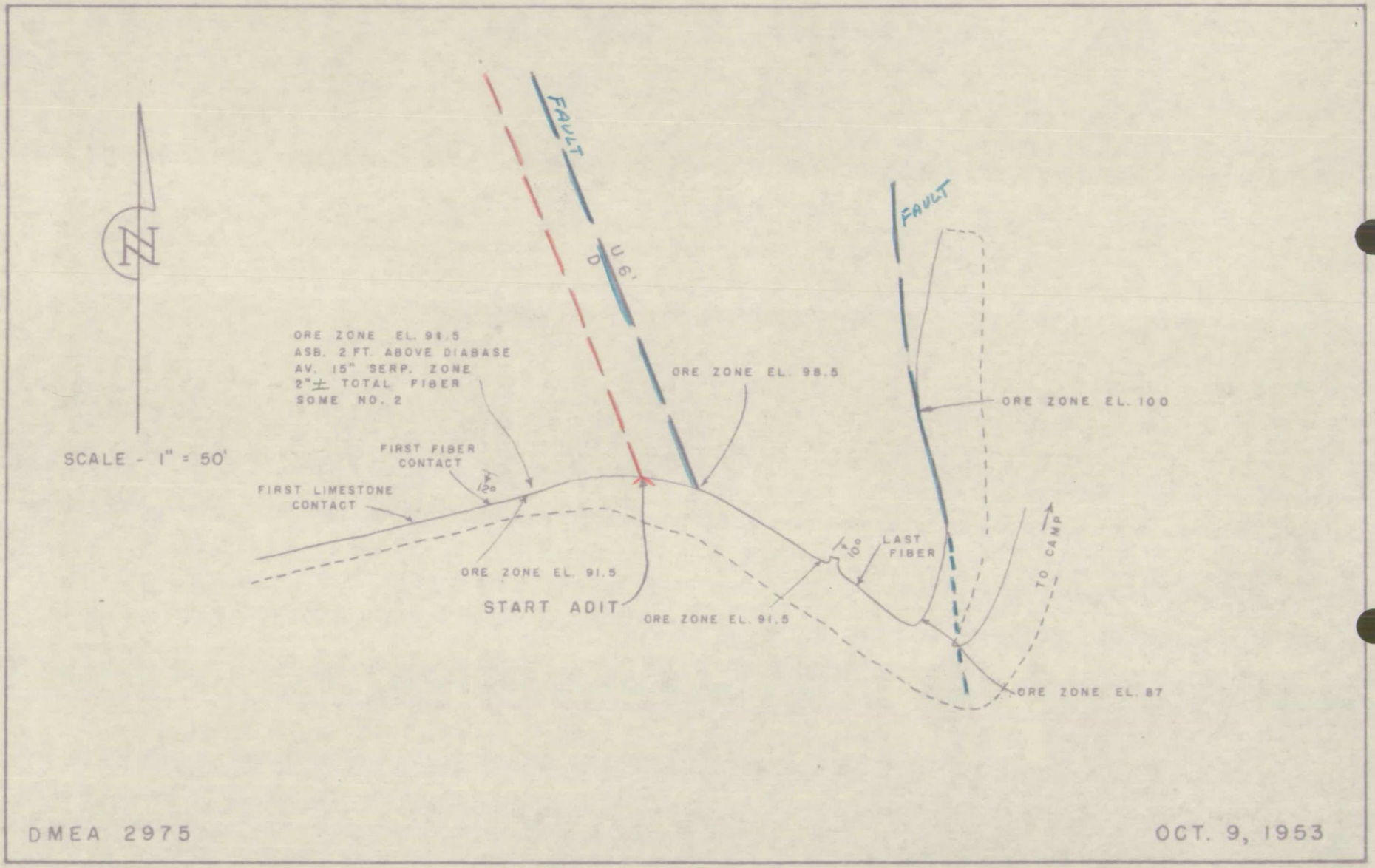


FIGURE 4 SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. DEPOSIT
GILA COUNTY, ARIZONA

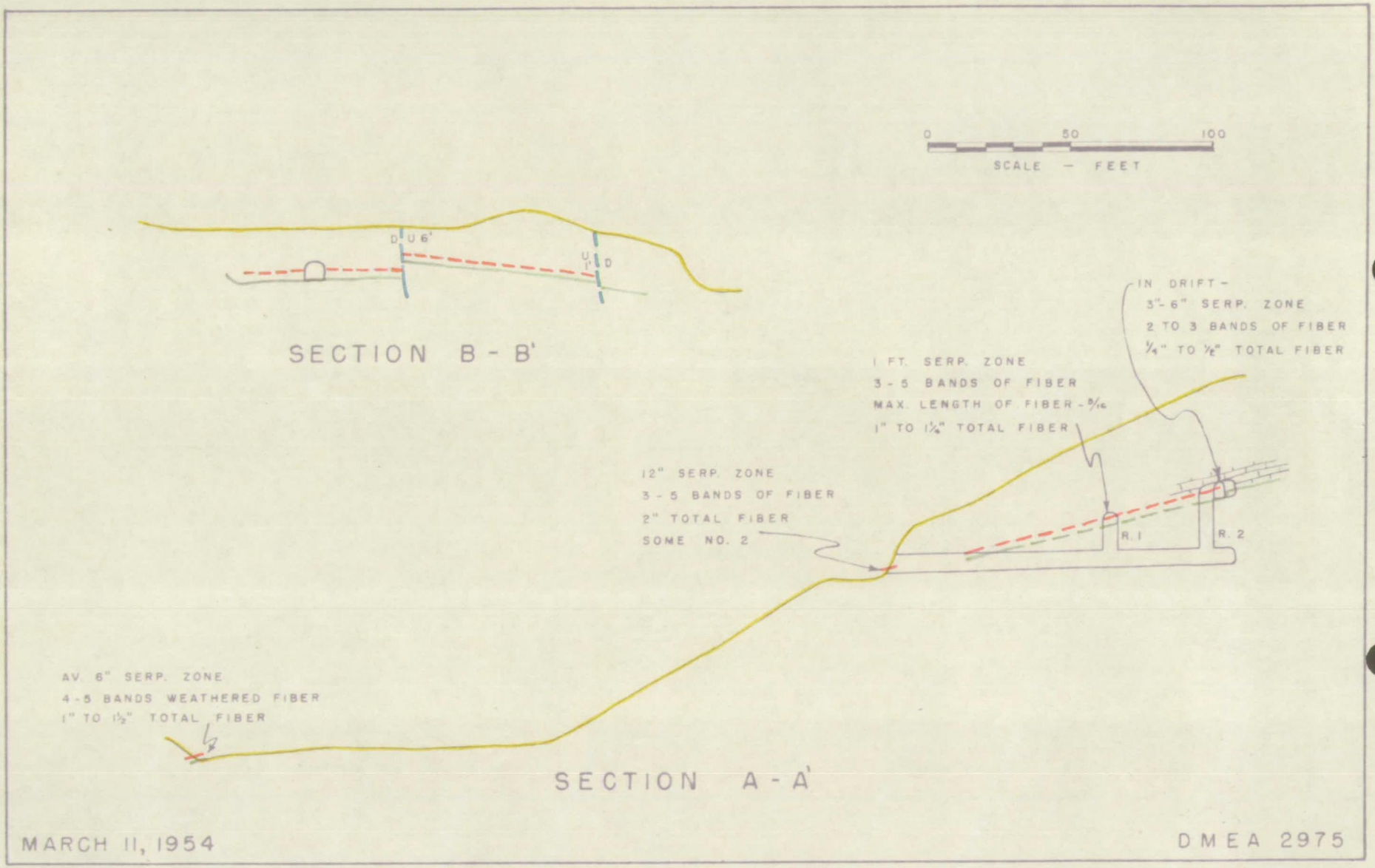


FIGURE 4. - SECTIONS OF MINE WORKINGS
BORE TREE SADDLE ASBESTOS COMPANY - GILA COUNTY, ARIZONA

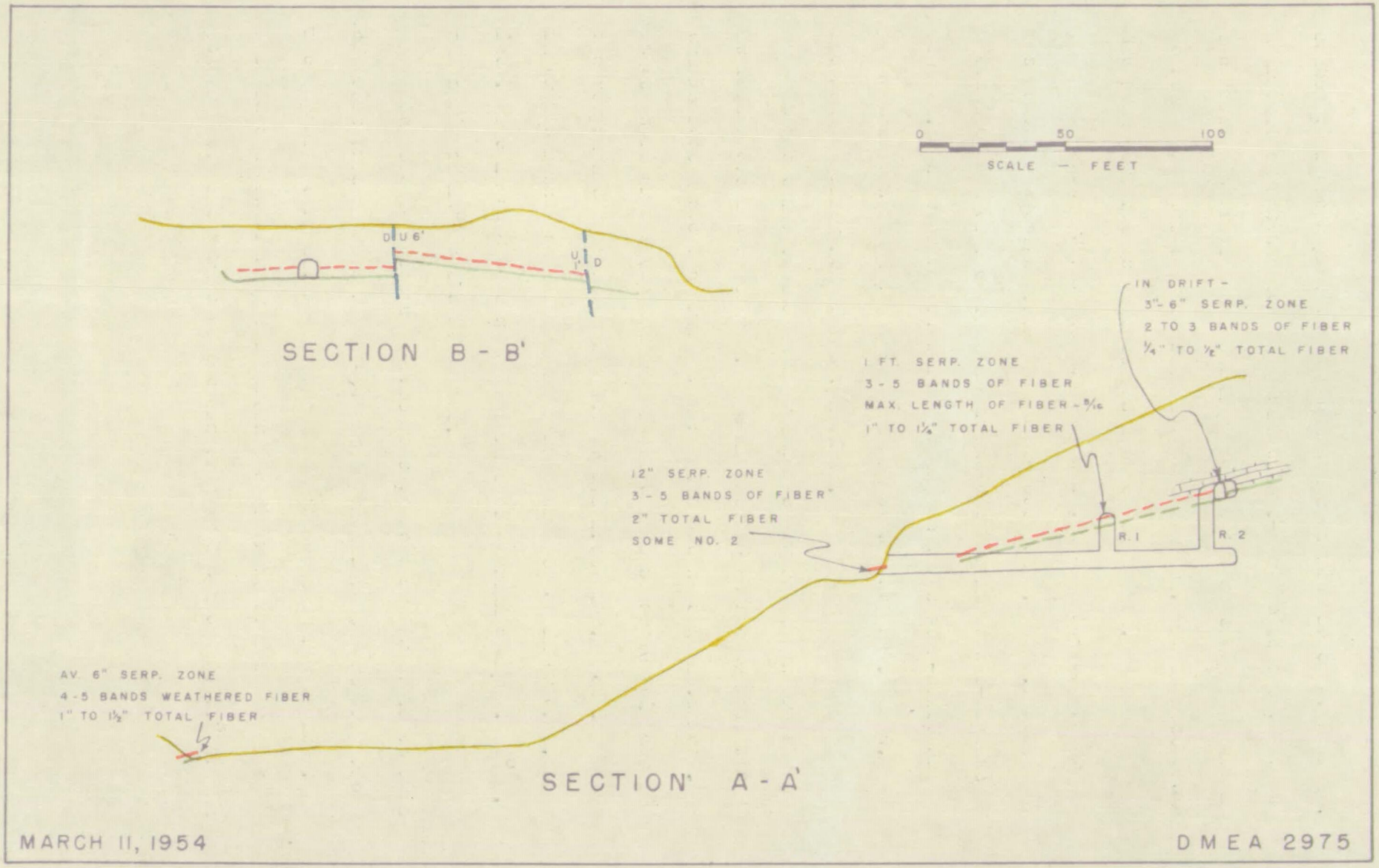
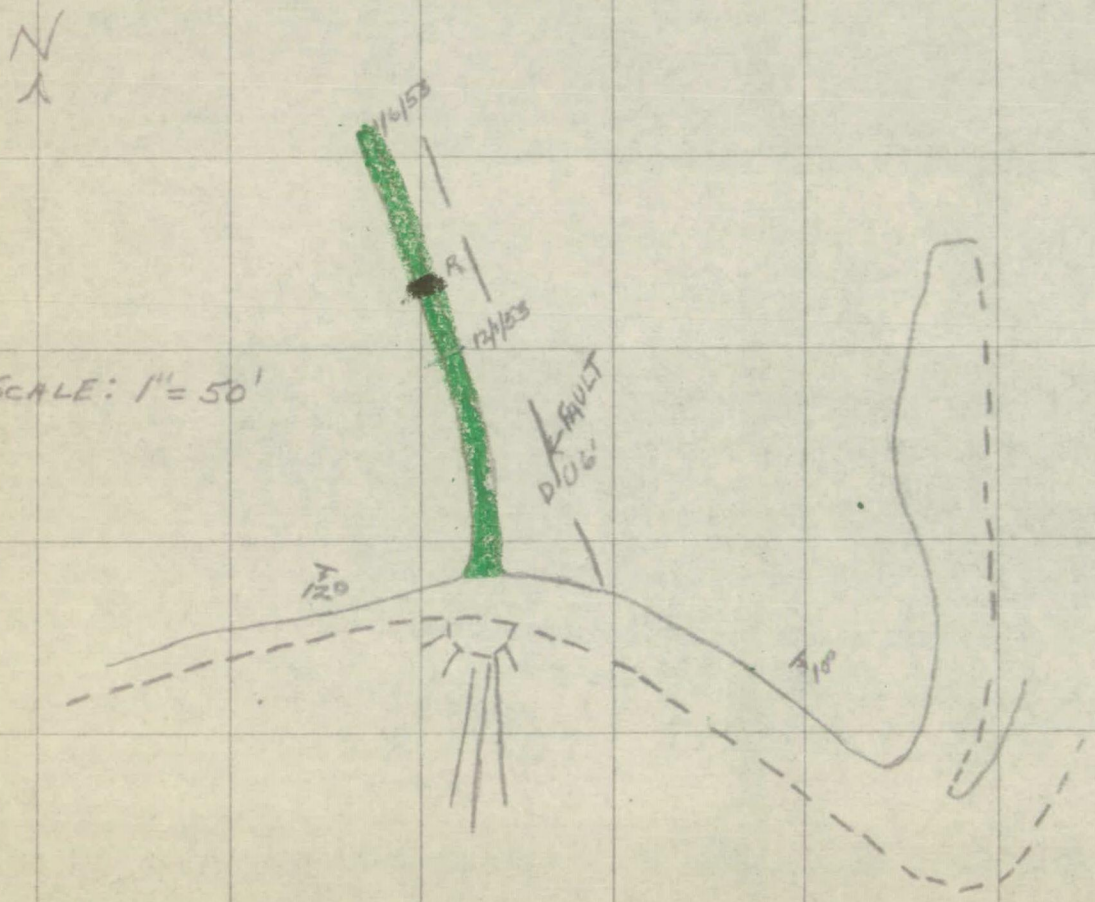


FIGURE 4. - SECTIONS OF MINE WORKINGS
BORE TREE SADDLE ASBESTOS COMPANY — GILA COUNTY, ARIZONA



EXPLORATION DRIFTING

EXPLORATION RAISING

DEC. 1953

DMEA 2975

SKETCH MAP OF BORE TREE SADDLE ASBESTOS CO. DEPOSIT
GILA COUNTY, ARIZ.

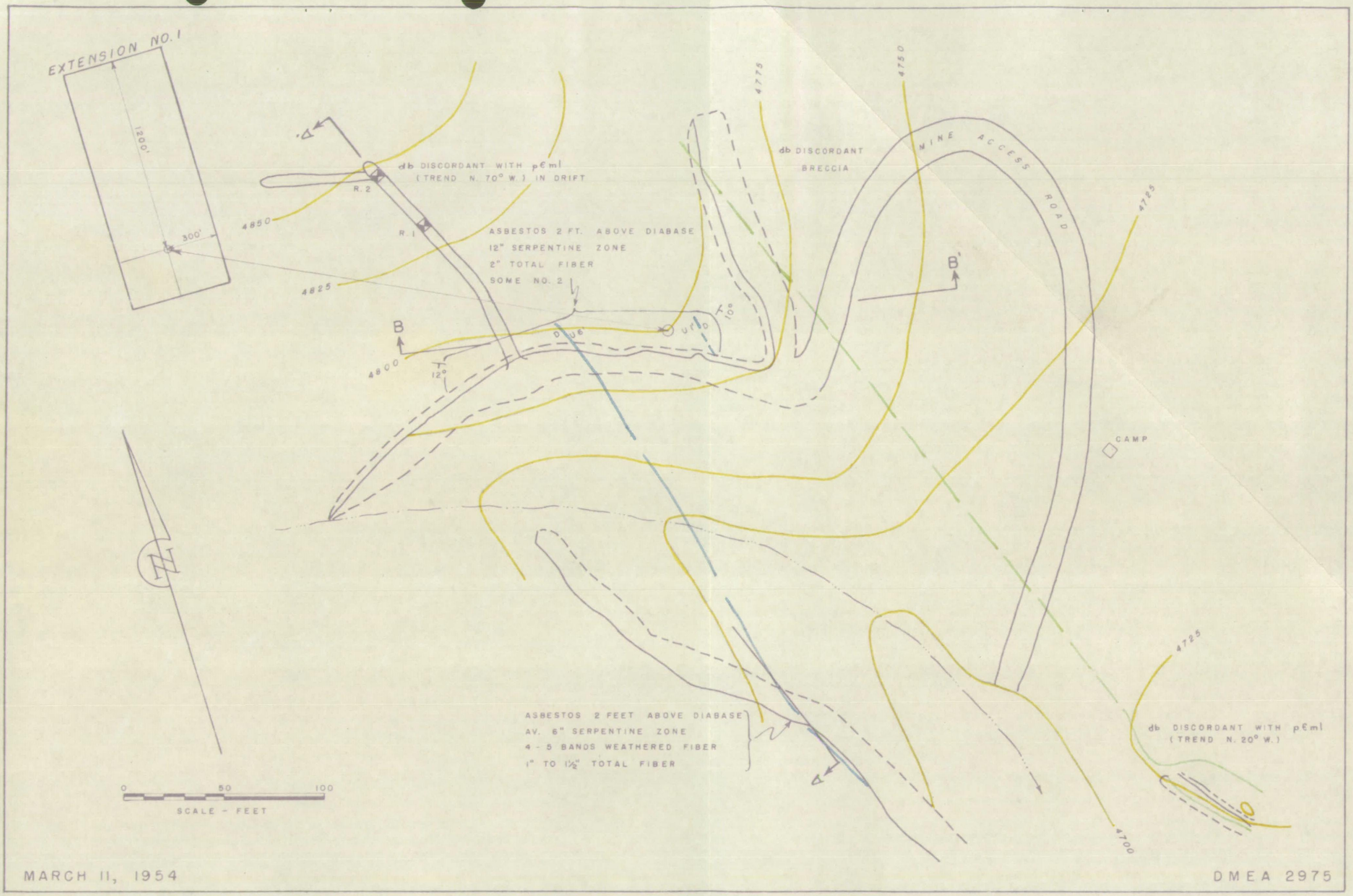


FIGURE 3. - PLAN OF MINE WORKINGS
BORE TREE SADDLE ASBESTOS COMPANY - GILA COUNTY, ARIZONA

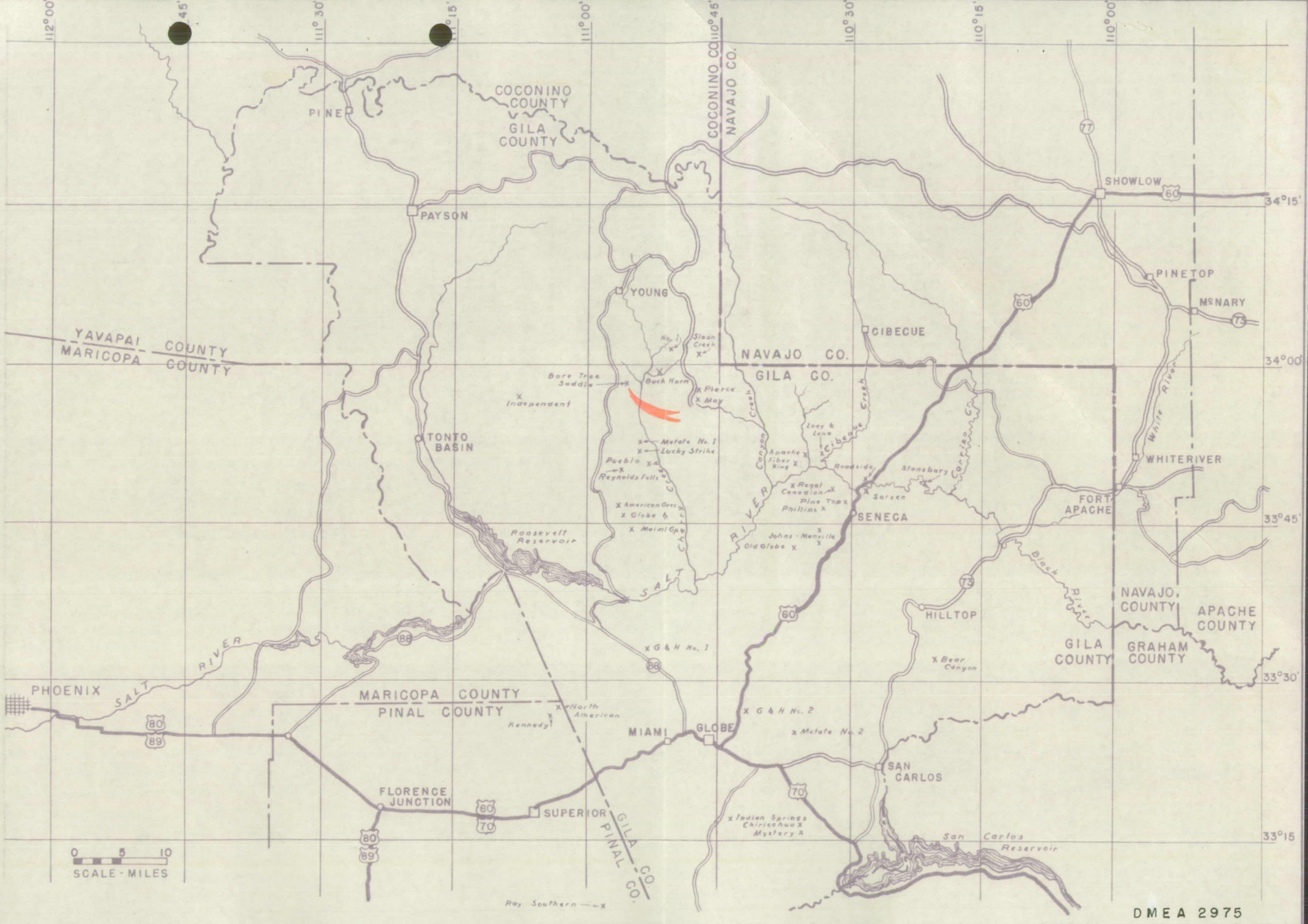


FIGURE I. - LOCATION MAP - ASBESTOS DEPOSITS - CENTRAL ARIZONA

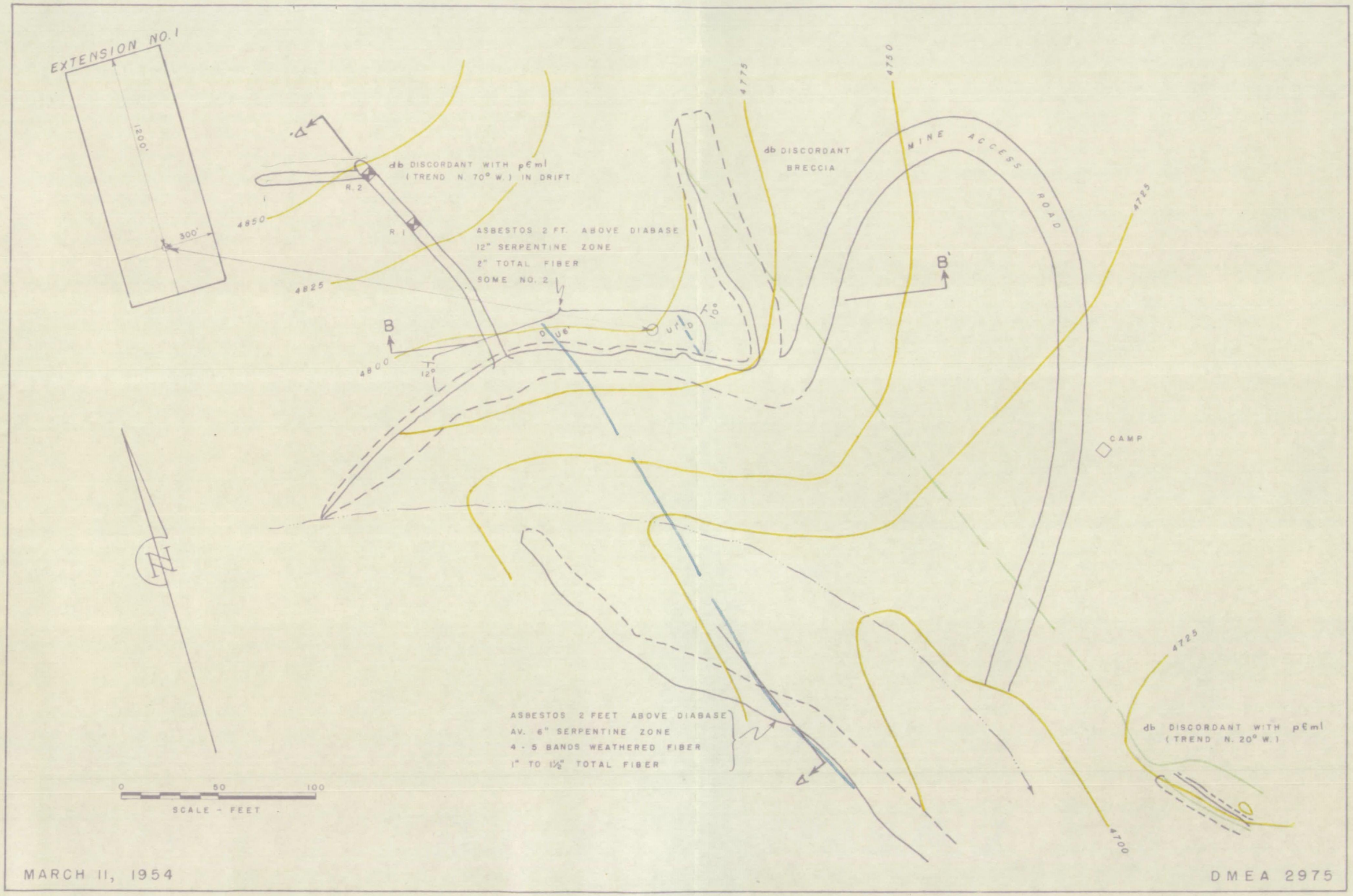


FIGURE 3. - PLAN OF MINE WORKINGS
BORE TREE SADDLE ASBESTOS COMPANY - GILA COUNTY, ARIZONA

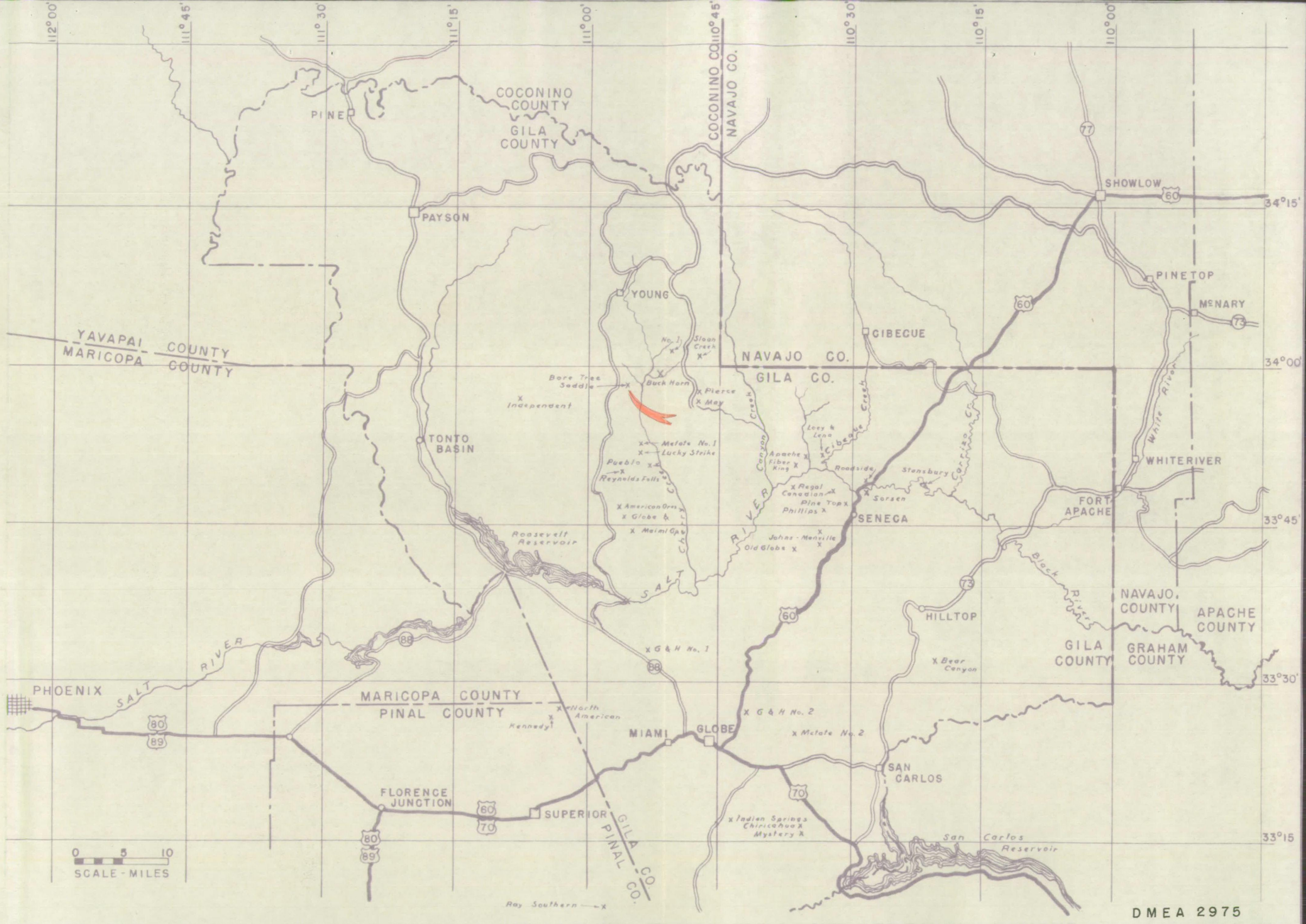


FIGURE I. - LOCATION MAP - ASBESTOS DEPOSITS - CENTRAL ARIZONA