DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 419 — DMEA NO. 1776 X

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [x] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. 1 : Royalty material

17963 RSD

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E419, Docket DMEA-1776X (asbestos), dated October 20, 1952, with

William W. Sorsen and William C. Williams
and their assignee
Sorsen Asbestos Corporation
770 Sunset Drive
Globe, Arizona

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Salt River Asbestos Deposits located in Gila County, Arizona, during the period May 8, 1959, through June 3, 1962.

A certification of discovery or development was issued on November 27, 1953, and, in accordance with Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated November 17, 1953, indicated accepted costs under the exploration contract amounting to $21,750.00 with the Government's contribution on a 90 percent basis being $19,575.00.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through May 7, 1959, to be $12,009.47. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$600.48
Total Royalty Paid	600.48
Balance of Royalty Due	$ -0-

As of June 3, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$600.48
Total Royalty Paid	600.48
Balance of Royalty Due	$ -0-

July 2, 1962

E. J. Talbert, OME Auditor

Idm-E419 Sorsen Asbestos Corporation, Assignee DMEA-1776X

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator or its successor in interest shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of four unpatented mining claims (Salt River Nos. 1, 2, 3, and 4) located in the San Carlos Indian Reservation in sec. 25, T. 5 N., R. 17 E., Gila & Salt River Meridian. At the time the contract was executed, the Operator-partnership was in possession of the claims by virtue of a 5-year lease effective June 10, 1952, granted by the San Carlos Apache Tribal Council. An Owner's Consent to Lien was not executed and the contract contains the so-called "abandonment" provision.

After the lease was transferred to the Operator-corporation, the Government consented on July 31, 1953, to assignment of the exploration project contract without releasing the Operator-partnership from any of the provisions of the contract.

Exploration work under the contract was completed on July 31, 1953. Production during the exploration period for several months thereafter and in April 1955 resulted in the milling by and sale to Phillips Asbestos Mines, Globe, Arizona, of 45,725 lbs. of asbestos, on which proceeds of $12,009.47 were subject to royalty. These sales are covered by a prior Report of Royalty Review dated May 21, 1959.

Inspections of the property and inquiries have disclosed that, except for a limited amount of exploration work by the Operator during the early part of 1955 and a small amount of high-grading by a trespasser during April 1955, the property has remained inactive since December 1955. The files also indicate that the Operator's lease was surrendered during 1958.

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

(1) The files indicate that the property has remained inactive during the period covered by this review; and
(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Johnson	5/26	[illegible]
2. ~~Mr. Selfridge~~		
3. Mr. Houk	5/27	LGH
4. Code VVO	5/27	
5.		
FROM: E. D. Talbert	5/26	

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

MAY 25 1959
O.M.E

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract IBM-Mn19, Docket MMRA 1776X (Asbestos) dated October 20, 1952 with

Sorsen Asbestos Corporation, Assignee
Sorsen and Williams
P.O. Box 1451
Globe, Arizona

for the purpose of determining the amount of royalties due the United States Government on the sale of Asbestos produced from the Salt River Claims Nos. 1 thru 4, located in Gila County, Arizona for the period October 20, 1952 thru May 7, 1959.

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

My review established the total sales of Asbestos for the period to be $12,009.47. (See Schedule No. 1, attached.) Royalty due the United States Government at the contract rate of 5% is $600.48. The royalty paid and the balance due are as follows:

Total Royalty due	$600.48
Total Royalty paid	600.48
Balance of Royalty due	$ 0.00

May 21, 1959

Donald T. Finch
Donald T. Finch
OME, Auditor

BORDEN ASBESTOS CORPORATION, ASSIGNEE

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

CONTRACT IDM-#419 **DOCKET NO. DMSA 1776X**

The exploration work under the contract was completed July 31, 1953. A Report of Review in lieu of a Final Audit dated November 17, 1953 indicates accepted costs of $21,750.00 with Government participation on a 90% basis being $19,575.00. A Certificate of Discovery or Development was issued on November 27, 1953. According to the terms of the contract, royalty is due on all minerals mined or produced from the land described in Article No. 2 for a maximum period of ten years from the date of the contract. Semi-annual inspection reports from examining engineers, United States Bureau of Mines, indicates the property has been inactive since the spring of 1955.

My review included a tabulation and recomputation of all liquidation settlement sheets in the files of the Executive Officer, GSE Field Team, Region III for the period October 20, 1952 thru May 7, 1959. Royalties paid were reconciled with the GSE Finance Office, Denver, Colorado. All semi-annual inspection reports applicable to the project were examined.

The review was made in lieu of an on-site audit of the producers' accounts for the following reasons:

(a) All reported sales of production were adequately supported by copies of liquidation settlement sheets from the purchaser.

(b) The examining engineer is of the opinion all sales of production are accounted for.

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

Schedule No. 1

SOUTH ASBESTOS CORPORATION, ASSIGNEE

CONTRACT IBM-B419 DOCKET NO. BMA 1776X

SUMMARY OF PRODUCTION, SALES AND ROYALTIES
FOR THE PERIOD OCTOBER 30, 1958 THRU MAY 7, 1959

All Sales of Asbestos to Phillips Asbestos Mines

6104	pounds Grade No. 1	$ 4,578.00
11340	pounds Grade No. 2	5,129.40
9719	pounds Grade No. 3	1,829.97
16847	pounds Grade No. 4	1,673.81
1715	pounds Grade No. 5 (Filler)	139.00
	Total Sales	$13,350.18

Allowable Deductions

Milling and Handling charges	1,340.71	
Net value subject to royalty		$12,009.47
Total Royalty due (at 5%)	$ 600.48	
Total Royalty paid	600.48	
Balance of Royalty due		$ 0.00

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Sorsen Asbestos Corporation

Address P.O. Box 1431, Globe, Arizona

Salt River Claims 1 thru 4, Gila County, Arizona

Exploration Contract No. Idm-E 419

Docket No. DMEA 1776X

Property has been inactive since April 1955.
Operator's lease agreement with the owner, San Carlos Indian Reservation, lapsed during early 1958.

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?		
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?		
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?		
7. Does the Operator buy from or sell to other Operators?		
8. Comment on any item 2(b) to 6, if answer is No.		

Date May 12, 1958

T M Romslo
Mining Engineer
T. M. Romslo

FILE COPY
SURNAME:

Gabrielson
Houk
Chambers
Baker
Collins
Martin
Hedges
Lartigue
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

600

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

To: Lorum Asbestos Corporation - Assignee
P. O. Box 1431
Globe, Arizona
William W. Lorum and William C. Williams, Assignor
P. O. Box 1431
Globe, Arizona

Pursuant to the provisions of Exploration Project Contract No. I2m-2419, dated October 20, 1952, (Docket No. DMA-1776), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

> As the result of underground exploration, several thousand pounds of asbestos were produced and sufficient work was completed under this contract to indicate reserves of strategic asbestos.

THE UNITED STATES OF AMERICA

By O O Mitchell
Administrator, Defense Minerals
Exploration Administration

Dated: NOV 27 1953

JTRobertson:gad 11/23/53

Copy to: Mr. Irving Gambal, RFC, GSA
Mr. Thayer, 5216 GSA Bldg.
Mr. Hedges, 4604
Admr. R. File
Docket File

Field Team, Region IV
Operating Committee
Mr. Chambers
Mr. Johnson
Finance Office
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Sorsen Asbestos Company
(formerly Sorsen & Williams)
Box 1431
Globe, Arizona

pertaining to Exploration Project Contract No. Idm-E419, Docket No. DMEA 1776X, and assignment of contract, covering a project for exploration of Asbestos, located in Gila County, Arizona, commonly known as Salt River Mine, for the months of January 1953 to July 1953.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of costs claimed with the contract and pertinent schedules, consultation 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 reason:

The contract provides 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		$21,750.00
Exceptions:		
By DMEA Finance Officer	None	
Herewith (See attached)		
(note)	None	None
Total Accepted Cost		$21,750.00

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 Nineteen Thousand Five Hundred Seventy-Five and no/100 Dollars

-$19,575.00-

is considered valid and proper.

Dated: November 17, 1953

T. H. Breiling, Auditor

SORGEN ASBESTOS COMPANY

Contract Idm-E419-Docket DMEA 177ox

Finance Officer withheld $500.00 from July MF-104 pending receipt of Operator s Final Report. This report has been received, and as there were no discrepancies, the $500.00 withheld is reinstated.

T. H. Brading, Auditor

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

224 New Customhouse
Denver 2, Colorado

August 6, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team,
Region IV

Subject: Docket No. DMEA 1776X, Contract No. Idm-E419, Sorsen & Williams

Enclosed are the original and two copies of the Assignment of Contract Idm-E419 from Sorsen and Williams to the Sorsen Asbestos Corporation.

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

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

Enclosures

Division Copy

ASSIGNMENT OF CONTRACT
ASSIGNEES' ACCEPTANCE
GOVERNMENT'S CONSENT

WHEREAS, William W. Sorsen and William C. Williams, partners (hereinafter called the "Operator"), entered into an Exploration Project Contract dated October 20, 1952, Contract No. Idm-E419, Docket No. DMEA-1776X, with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"); and

WHEREAS, the Secretary of the Interior heretofore approved an asbestos ore or fiber mining lease dated June 10, 1952, between the San Carlos Apache Tribal Council as lessor and the operator as lessee covering mining claims, the subject of the aforesaid Exploration Project Contract, known as Salt River Nos. 1, 2, 3, and 4, in Sec. 25 Twp. 5 N., R. 17 E., G. & SR Meridian, containing 80 acres more or less, and the said lease with the approval of the Bureau of Indian Affairs, Department of the Interior, was duly transferred to the Sorsen Asbestos Corporation (hereinafter called the "Assignee"); and

WHEREAS, the Assignee is a corporation duly organized and existing under and by virtue of the laws of the State of ARIZONA, having an office at Globe, Arizona.

NOW THEREFORE, the Operator in consideration of the sum of One Dollar ($1.00) lawful money of the United States and other good and valuable consideration received from the Assignee, does hereby assign, transfer, and convey to the Assignee all its right, title, and interest in and to the aforesaid Exploration Project Contract including any and all property purchased for, and the right to use any and all property devoted to the exploration work under this Exploration Project Contract, and hereby consents to any and all future amendments to the said contract; Provided, however, That the Government shall pay to the Operator all monies which may be or become due and payable to the Operator before the first day of the second month following the month in which this Assignment is accepted in writing by the Assignee; and upon payment thereof, the Operator agrees to release and hereby releases the Government from any and all claims, past, present, or future arising out of the said Exploration Project Contract.

This Assignment is subject (1) to the written consent of the Government; (2) to written acceptance by the Assignee; and (3) assumption by the Assignee of the terms, provisions, and conditions of said Exploration Project Contract binding upon the Operator.

Dated July 31, 1953.

William W. Sorsen
(Partner)

William C. Williams
(Partner)

The Assignee, this 31st day of July, 1953, hereby accepts the above Assignment, and assumes and agrees to be bound by the terms, provisions, and conditions of said Exploration Project Contract that are binding on the Operator.

SORSEN ASBESTOS CORPORATION

By William W. Sorsen
President

On this 31st day of July, 1953, before me Robert T. McDole, the undersigned officer, personally appeared William W. Sorsen, who acknowledged himself to be the President of the Sorsen Asbestos Corporation, and that he as President, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

Robert T. McDole
Notary Public

My Commission Expires Sept. 30, 1955

The Government this 31st day of July, 1953, without releasing the Operator from any of the terms, provisions, and conditions of the said Exploration Project Contract, hereby consents to the above Assignment.

THE UNITED STATES OF AMERICA

By Frank E. Johnson

ACTING Administrator, Defense
Minerals Exploration
Administration

Chandler

5—154 e

(Must be executed in quadruplicate)

Mining Lease-

ASSIGNMENT OF TRIBAL INDIAN LANDS LEASE

BUREAU OF INDIAN AFFAIRS
RECEIVED
DEC 1 1952
16254
Washington, D. C.

Whereas the Secretary of the Interior has heretofore approved Asbestos ore or fiber mining lease, dated June 10, 1952, entered into by and between William W. Sorsen and William C. Williams, lessees, and San Carlos Apache Tribal Council, lessor, covering the following-described land in the San Carlos Reservation, State of Arizona;

Mining claims known as Salt River Nos. 1, 2, 3 and 4 of Section 25, township 5 North, range 17 East, G. & S R Meridian, containing 80 acres, more or less.

Now, therefore, for and in consideration of One and No/100---------- (s 1.00) dollars, the receipt of which is hereby acknowledged, the said William W. Sorsen and William C. Williams, the lessees in the above-described lease, hereby bargains, sells, transfers, assigns, and conveys their right, title, and interest of the lessee in and to said lease, subject to the approval of the Secretary of the Interior, to SORSEN ASBESTOS CORPORATION

In witness whereof the said lessees have hereunto set their hand and seal this 24th day of September, 1952

C—7008

William W. Sorsen

William C. Williams

ACKNOWLEDGMENT OF INDIVIDUAL

STATE OF ARIZONA
COUNTY OF GILA } ss:

Be it remembered that on this day came before me, the undersigned Notary Public within and for the State and county aforesaid, duly commissioned and acting as such, WILLIAM E. SORSEN & WILLIAM C. WILLIAMS to me personally well known, and stated that they executed the foregoing and annexed instrument for the consideration and purposes therein mentioned and set forth; and I do hereby so certify.

Witness my hand and seal on this 24th day of September, 192[illegible]

Robert E. McGehee
ROBERT E. McGHEE
Notary Public

My commission expires Sept. 30, 1955.

ACKNOWLEDGMENT OF CORPORATION

STATE OF
COUNTY OF } ss:

On this day of , A. D. 192 , before me, a within and for the State and county aforesaid, personally appeared and to me personally known, who, being by me duly sworn, did each say that is the president and is the secretary of a corporation, and that the seal affixed to the foregoing and annexed instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and said and duly acknowledged that they each had in their said

6—7008

the lease above described, hereby consents to the assignment and transfer of said lease as above made to Sorsen Asbestos Corporation

Dated at El Paso, Texas, this 10th day of November, 1952

AMERICAN EMPLOYERS' INSURANCE COMPANY

By R. N. Parsons

R. N. Parsons, Attorney in Fact

DEPARTMENT OF THE INTERIOR,

Bureau of Indian Affairs, Phoenix Area Office

~~Washington, D. C.~~ ~~Phoenix, Arizona~~

APPROVED: per authority contained in Commissioner Myer's letter March 14, 1953.

Ralph M. Gelvin

~~Assistant Secretary of the Interior~~

Area Director ~~Date: April 22, 1953~~

NOTE.—If bond accompanying the original lease is to remain in full force and effect, it must be specifically so stated in the consent of the surety company.

The consent of the surety company need only be executed on the *original copy* of the assignment.

GOVERNMENT PRINTING OFFICE 6—7098

official capacities executed the foregoing instrument as the act and deed of the said company for the consideration and purposes therein mentioned and set forth; and I do hereby so certify.

Witness my hand and seal on this ..... day of ....., 192

My commission expires .....

ACCEPTANCE BY ASSIGNEE

The assignee in the above and foregoing assignment, made subject to the approval of the Secretary of the Interior, hereby accepts such assignment and agrees to fulfill all the obligations, conditions, and stipulations in said-described indenture of lease, when assigned, and the rules and regulations of the Secretary of the Interior, so far as applicable thereto, and to furnish proper bond guaranteeing a faithful compliance with said lease and this agreement.

In witness whereof the said assignee has hereunto set his hand and seal this 24th day of September, 1932

SORSEN ASBESTOS CORPORATION

By: William W. Sorsen

WILLIAM W. SORSEN, President.

CONSENT OF SURETY

The American Employers' Insurance Company, Boston, Massachusetts surety for William W. Sorsen and William C. Williams on the bond accompanying

6—7098

MF-200 (Rev.)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

Defense Minerals Administration
RECEIVED
OCT 27 1952

No. DMEA 1776X

COMMODITY Asbestos

IDM-E 419

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 20th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] William W. Sorsen and William C. Williams; a partnership, Box 1431, Globe, Arizona

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]

Salt River No. 1 recorded in Book 49, page 279, Gila County Court House
Salt River No. 2 " " " 49, " 280, " " " "
Salt River No. 3 " " " 49, " 280, " " " "
Salt River No. 4 " " " 49, " 280, " " " "

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 to no encumbrance, except that the property is subject to a mortgage or trust deed executed by the Operator to secure the payment of the indebtedness described~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, ~~under a lease which is in full force and effect and that the property is subject to no encumbrance, except that the property is subject to a mortgage or trust deed executed by the Operator to secure the payment of the indebtedness described~~.

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 sixty (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 twelve (12) months 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 $19,575.00, which is 90 percent of $21,750.00 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.

William W. Larsen
(Operator)

By William C. Williams

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 project is divided into two Stages. Stage I consists of constructing 800 feet of truck trail; benching and trenching to expose the outcrop of the asbestos veins, 1,100 linear feet at an estimated 2.25 cu. yds. per linear foot, maximum cubic yardage allowable 2,475. The operator agrees to lay out a base line above each area and will make cross sections of the original surface. The operator will prepare sections at the end of each pay period from which yardage can be calculated.

Stage II is dependent upon the findings of Stage I. If sufficient mineralization or other geologic evidence is discovered as a result of Stage I, Stage II will be authorized. Stage II will consist of driving adits into the hill. The location, direction, and length of the adits will be determined after part or all of Stage I is completed and must be acceptable to the DMEA representative. A total of 646 feet of drifting is authorized.

The location of the benching and stripping, and the tentative location of three adits is shown on the attached map which is made a part of this Exhibit.

Costs of the Work

Stage I

800 feet of truck trail 1/	$ 320.75
2475 cu. yds. of excavation at $1.35, includes all engineering	3,341.25
Total cost of Stage I	$3,662.00
Government's participation at 90%	$3,295.80

Stage II

646 feet of drifting at $28.00 per foot, includes timbering where necessary	$18,088.00
Government's participation at 90%	$16,279.20
Total amount of Stage I and Stage II	$21,750.00
Government's participation in Stage I and Stage II at 90%	$19,575.00

1/ The entire work constitutes the unit of work.

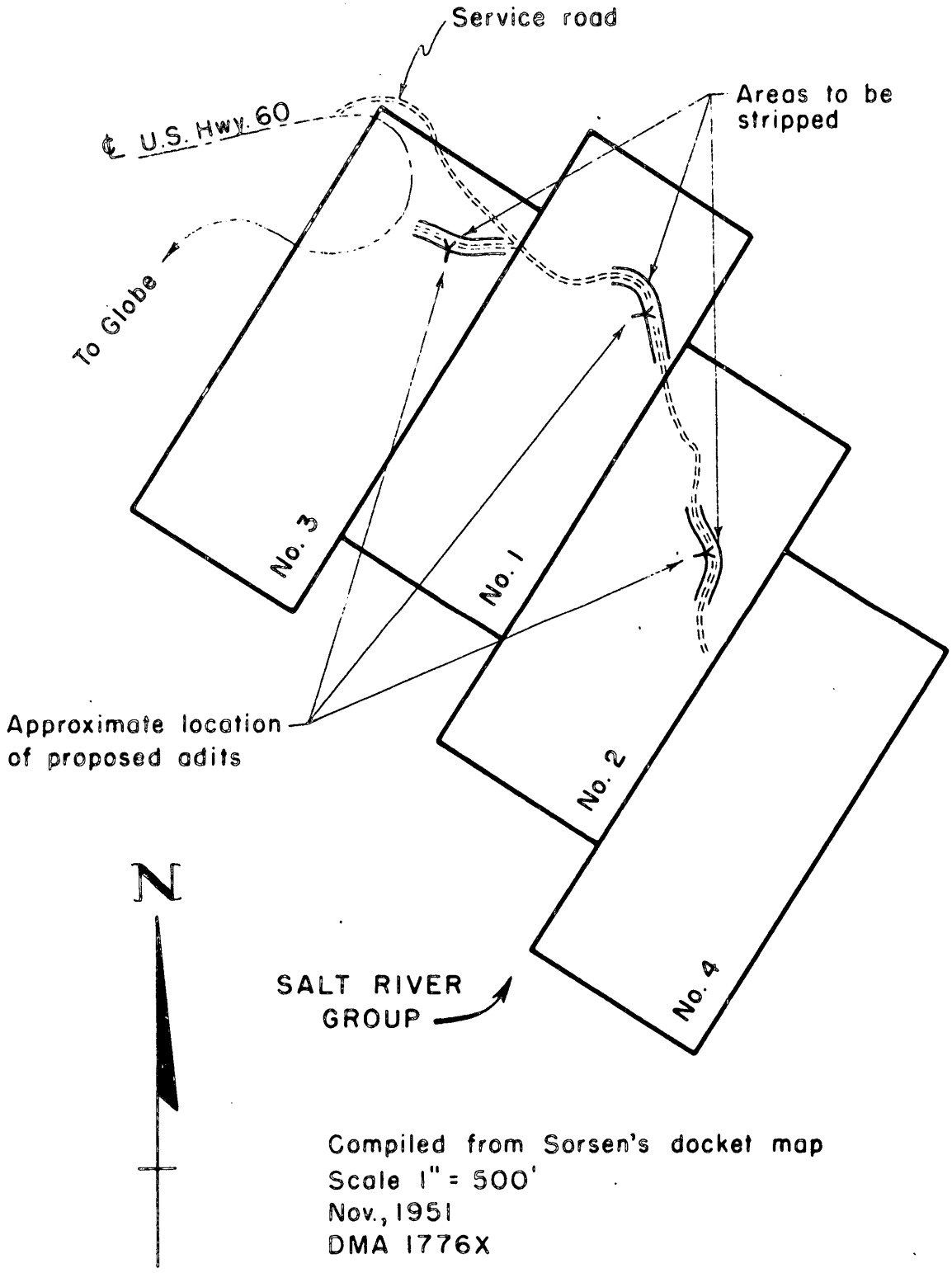


FIG. 2 - SORSEN-WILLIAMS MINING CO.
PROPOSED EXPLORATION

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1776X

Date received 7-3-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

FILL IN THIS BLOCK

Date of application June 25, 1951

Estimated cost $15,000

Mineral or metal Chrysotile Asbestos

Percentage of Government participation 90%

Location of mine Gila County, Arizona

Sec. 25, T5N, R17E, G. & S. R. B. L. & M.

Date of filing MF-100

DMA Docket Number, if available 1776X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Sorsen & Williams Mining Co (Name of company) By [signature] (Signature of authorized official)

June 25, 1951 (Date) Partner (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Sorsen & Williams Mining Co.
Box 1431
Globe, Arizona

MF-103

Gentlemen;

We herewith submit additional data to add to the information set forth in our application on form MF-100, this to comply with the requirements of form MF-103.

1. to 6. inclusive- answered.

7. Our lease has been approved by the San Carlos Reservation Tribal Council, and is now being processed. The Reservation Superintendant, Mr. Dodge, has assured us that we may obtain a subordination agreement. Would your office send us forms MF 202? The Subordination Agreement and copies of our lease will be forwarded to your office as soon as they have been completed.

8. The company is newly formed and therefor can show no operating financial statement.

9. We will invest $1500 in the exploration program, or 10% of the amount applied for.

10. (a) None
(b) Salt River Group of mining claims numbers 1, 2, 3, and 4, Gila County, Arizona in Sec. 25, T5N, R17E, G. & S. R. B. L. & M.

11. to 19. inclusive- answered.

20. Chrysotile asbestos.

21. The exploration funds will be used to drive three adits to a total distance of 1000 feet. The length of individual adits will depend on what is found during the exploration.

22. Answered.

23. Exploration costs based on 8 feet of advance per project shift, or 125 shifts to drive 1000 feet.

(a) Labor	2 muckers	$8.00	
	2 miners	$10.00	$4,500
(b) Super.	One foreman	$300/mo.	1,800
	Taxes, ins, C. A. D. etc. for a & b		1,150
	Engineering & bookkeeping		1,000
(c) Repair and Maintenance			1,200
(d) None			
(e) 2 mine cars			400
	2000 feet mine rail		400
	Air & water pipe, water pump		400

23. (f) None

(g)	Compressor- 135 Cu. Ft.	$900
	Jackhammers, steel, hose, etc.	300
	Light plant 3-KW	150
	Pickup truck-3/4 ton	400
(h)	Reconditioning steel and bits, replace.	300
	Blasting Supplies	800
(i)	Power- gas & oil for compressor, light plant, water pump & pickup	1,600
	Water-Pumping from Salt River	200
Total		$15,000

24. The project will begin about two weeks after funds have been made available, and 6 months to complete, barring unforseen contingencies. Approximately $4,000 would be spent the first month, and approximately $2,222 per month for the succeeding 5 months.

The equipment mentioned in 23 (g) will be available for rental to the program by Sept 1951.

The exploration program has a potential production capacity of from 90 to 120 tons of mill rock which would have a gross value of from $9,000 to 12,000. The same effort, if devoted to mining would produce three or four times this amount. All mill rock will be sorted and cobbed by labor exclusive of this project.

We are anxious to expedite this project in any way within our capacity. Should additional data be required we will be happy to supply it.

An alternate plan of exploration, or changes in the time schedule or scope of this program may be suggested by your field men, and in that event we would also be glad to cooperate.

Sincerely yours, Wm H Sorsen

Sorsen-Williams Mining Co.
Box 1431
Globe, Arizona

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA 1776X

Date received 7-3-51

Sorsen & Williams Mining Co
Box 1, Globe, Arizona

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production .....

   If not in production or operation, estimated date when production will begin .....
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address	Official Title (If officer is also director indicate by "D")	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year	Estimated Net Worth Outside of Interest in Applicant	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common	Preferred	Amount	Net Cash Surrender Value After Loans
Sorsen-Williams Mining Co. A parnership (a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
William W. Sorsen Box 1431, Globe, Ariz.	Mine Supt.	None	$12,000				None
William C. Williams Box 1431, Globe, Ariz.	Mill Supt.	None	$9,000				None
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues: None

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production: None

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by an available report on the geology and ore reserves.

Sorsen & Williams Mining Co.
Box 1431
Globe, Arizona

June 23, 1951

U. S. Dept. of the Interior
Defense Minerals Administration
Washington 25, D. C.

Gentlemen:

We have formed a partnership for the purpose of mining and milling asbestos, on the basis of each individuals ability and experience to efficiently and economically cope with the problems involved in asbestos production. Mr. Sorsen is a Registered Mining Engineer with many years of experience in surface and underground mining and Mr. Williams has thirty years of experience in machine design, operation and maintenance. We believe that this combination of experience is essential to the ultimate success of our project.

We examined numerous properties before selecting a group of four claims which are adjacent to a paved highway, and may be opened up by open pit methods. These two physical aspects make it possible to put this mine on a producing basis in a minimum time and with a reasonable capital investment. We have leased this property from the San Carlos Indian Reservation. One of their requirements is that the ore must be milled on the reservation. The Tribal Council has suggested that we include enough mill capacity to handle ores from adjacent properties, and thereby expedite their development.

The status of the property at present is that of a prospect. There are two twenty foot adits and ten open cuts, all of which have exposed fiber. The length of the outcrop is approximately 2000 feet. Talus material prevents continuous exposure over its entire length. Part of the exploration work could be accomplished by diamond drilling, but it has been shown that the nature of asbestos occurences in this district is such that no appraisal or tonnage estimate could be ascertained by this method, although it would locate the fiber horizons, and facilitate the geologic mapping of the property. The only successful method of prospecting or exploring for asbestos in this district has been by drifting and cross cutting.

The reason is obvious; the chrysotile occurs in serpentine which is comparable to a sill, and is either in contact with limestone above and below or in contact with limestone on one side and diabase on the other. The degree of separation in the bedding planes of the limestone, determines the quantity of fiber found, and may vary from ½ inch to six inches in a distance of six feet. We have approximately 700 feet of outcrop opened up by test pits and showing fibre. Willing experts in the district agree that we have an excellent quality of ore that should gross about $350 per ton of fibre. Cobbing practice locally produces mill rock that runs about 30 percent fibre in this type of banded serpentine ore.

We estimate that our open pit operation will produce 1000 tons of fiber. This estimate is based on an aggregate fiber thickness of 2 inches, and a maximum stripping depth of 30 feet. Our stripping ratio would then be fifty cubic yards per ton of fibre. The area to be stripped has been opened up in several locations on the outcrop but no effort to determine its sub surface continuity has been made as yet.

It will be necessary to build about 900 feet of road to reach the stripping site from the paved highway, and this can be accomplished in eight hours with a bulldozer. The ore can then be blocked out by a combination of diamond drilling and outcrop exposure by a continuous open cut. There is well defined parting between the serpentine and the overlying limestone, and the beds are horizontal. These physical conditions will simplify the stripping operation. The mining equipment necessary for this operation will consist of the following:

160 Cu. Ft. compressor
60 H.P. tractor with bulldozer.
Gasoline powered diamond drill, with accessories.
3- 45# jackhammers and accessories.
3/4 ton pickup truck.
Incidental hand tools.
3- wheelbarrows.

On the basis of our success with the open pit operation, we will construct a mill with a capacity of 5 tons of fiber per shift. Our design and mill flow sheet is not complete at this writing, but we estimate the cost of our mill will not exceed $35,000, at current prices.

We intend to push our underground exploration program while the open pit operation is in progress, so that sufficient ore is blocked out to sustain our production rate, after the open pit ore is exhausted. This will be accomplished by driving adits at favorable locations, to a depth which will

be determined by what is found. We estimate that 1000 feet of drifting at a cost of $10 per foot, will accomplish this.

The program we have outlined will represent an investment of approximately $75,000.

Following is a cost estimate based on local experience:

Average thickness of fiber	2"
Density of fiber in cubic feet per ton	15
Average stripping depth	15'
Stripping ratio in cu. yds. per ton of fiber	50
Stripping cost per cubic yard	$.60

Analysis of fiber:	#1	3% @	$1500/ton	$ 45.00
	#2	10% @	900/ton	90.00
	#3	30% @	450/ton	135.00
	#4	30% @	280/ton	84.00
	Other	27% @	50/ton	13.50

Total value of fiber per ton	$367.50
Stripping cost per ton of fiber	30.00
Mining and Sorting per ton of fiber	30.00
Milling cost per ton of fiber	40.00
Trucking	5.00
Maintenance and Engineering	5.00
10% gross royalty	36.75
20% contingencies	29.35
Total cost per ton of fiber	$176.10
Gross value of fiber per ton	$367.50
Less 20% contingencies	73.50
Gross income per ton of fiber	$294.00
Total cost per ton	176.10
Profit per ton of fiber	$117.90

We have submitted this overall picture to clarify our needs and enhance the feasibility of our project. We would like to apply for government aid in the exploration phase of this job; namely $15,000 to be used in a manner recommended by Bureau of Mines and USGS experts.

We herewith submit an executed copy of form MF 100 and incidental information pertinent thereto. We do this in lieu of our inability to obtain form MF 103.

Sincerely yours,

Wm Borsen

Borsen & Williams Mining Co.

Sorsen & Williams Mining Co.
Box 1431
Globe, Arizona

GENERAL TECHNICAL DATA--Form MF 100

1. Materials produced
   (a) Chrysotile asbestos crudes and fiberized material.
   (b) Asbestos shorts and serpentine plaster sand.

2. Group of mining claims comprising 80 acres and known as Salt River Numbers 1, 2, 3, 4, a new property which will be developed by a combination of open pit and underground mining methods. A mill consisting of primary jaw crusher, primary and secondary rolls, rotary drier, primary and secondary fiberizers, crude screens and fiber screens. fiber flow to be transferred by chutes, conveyor belts and vacuum duct system.
   (a) None
   (b) None
   (c) None
   (d) Starting at discovery, outcrop of serpentine carrying several veins of asbestos fiber, surface openings were made at various points to determine continuity and quality of fiber, for a strike distance of more than 2000 feet.

3. (a) U. S. Highway 60 runs through the northwest corner of the property and is about 45 miles North of Globe, Ariz.
   (b) Salt River Canyon mining district.
   (c) Located in Sec. 25, T5N, R17E, G. & S. R. Meridian.
   (d) Gila County, Arizona

4. (a) No.
   (b) Lessee; leasing from the San Carlos Apache Indian Res.

5. None. From the time work is started, it is estimated that crudes can be shipped in 60 days, and fiberized material can be shipped in 90 days.

6. (a) Experience of operators:
   Wm. W. Sorsen, a registered mining engineer and graduate of Michigan College of Mining & Technology, has held responsible positions with mining and construction companies on some of the largest mine stripping operations in the U. S. His experience includes extensive work in rock excavation highway construction, and subsurface mining.
   Wm. C. Williams has thirty years of experience in machine design, operation and maintenance, most of this on heavy equipment such as is used in road building, logging and mining.

(b) Same as 5 (a)

7. History:
(a) See 2
(b) There are several well known asbestos properties which have produced continuously for years, among the most prominent are: The Phillips Asbestos Co., located approximately three miles southwest, the Regal Mine operated by the Arizona Chrysotile Asbestos Co. located approximately eight miles Southwest, the Emsco Asbestos Mine located just East of the Phillips property, and the Johns Manville property located about 10 miles southwest.

8. See form No. MF 100.

9. Ditto.

10. Ditto.

11. None

12.(a) Ore or mineral reserves:
The outcrop exposures mentioned in 2 (d) are the only development work that has been done. These indicate an ore body approximately 1500 feet in length. The bands of chrysotile occur in groups with fiber lengths varying from 0 to 1½ inches in length, and an estimated total fiber length which will average 2" plus. The bands of chrysotile are separated and enclosed by serpentine, which varies in thickness from 0 to 24 inches.

The horizon in which the veins are found, is located in the lower portion of the Mescal Limestone. Reconnaissance indicates that there are three fault zones which cause vertical displacement of the orebody. Overburden in these zones makes it difficult to study the actual fault contacts except in one location where it is exposed. There are two veins of asbestos, one of which is in the contact between the limestone and diabase wherein the diabase is above. The other occurrence is in a prominent serpentine zone enclosed by beds of limestone approximately 12 to 16 inches thick.
(b) 1-See map
2-See estimate of stripping ore tonnage in accompanying letter.

13. Access Roads:

Property is located 45 miles from supply and shipping point, and one mile from residence point, both on paved highway.

14. Water Supply:

Spring on property adequate for drinking water, and Salt River located 1000 feet from mill site available for all other needs.

15. Power:

All power needs will be generated on the property with diesel or gasoline powered generator.

16. Labor:

None. Estimate five men will be used in open pit operation. Underground mining operation will require about fifteen men.

17. Equipment and facilities:

None.

18. See letter.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable) Mill rock	3,000	33 1/3%	$122.50	$110.25	$58.70

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

Sorsen & Williams Mining Co.
(Name of company)

By [signature]
(Signature of authorized official)

June 25, 1951
(Date)

Partner
(Title)

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.

WASHINGTON 25, D. C.

OFFICIAL BUSINESS

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/5	Holt	500
	Driscoll	500
11/5	Talbert	800
	Lebsack	120
11/5	Johnson	110
11-6	Fumich	100
		220

Sorsen Asbestos Corporation
c/o William W. Sorsen
770 Sunset Drive
Globe, Arizona

NOV 5 1962

Re: DMEA-1776 (Asbestos)
Sorsen Asbestos Corporation, Assignee
Salt River Asbestos Deposits
Gila County, Arizona
Contract Idm-E419

Gentlemen:

By the terms of the subject Exploration Project contract and the certification of discovery or development dated November 27, 1953, all minerals mined or produced from October 20, 1952, to October 20, 1962, were subject to the Government's royalty as set forth in the said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

cc: Director's reading
CA&A Division
Region III (2)
Docket
Code 500

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Building 20 - Federal Center
Denver 25, Colorado

FILE COPY
O. M. E.
RECEIVED OCT 29 1962

October 24, 1962

DATE	INITIALS	CODE
10 29		100
OME 10/29		~~110~~
		~~120~~
		800
		500
10/30		500

Memorandum

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

From: T. M. Romslo, Mining Engineer

Subject: DMEA-1776X (Asbestos)
Contract Idm-E419
Sorsen Asbestos Corporation, Assignee
(Salt River Asbestos Deposits)
Gila County, Arizona
FINAL INSPECTION OF CERTIFIED PROJECT

A final inspection of the subject property was made by me October 9, 1962.

There was no one on the property and there was no evidence that it had been recently worked. The mine entries are inaccessible and there is no equipment of any kind on the property. These conditions indicate that the mine cannot be reopened for production prior to October 20, 1962, the termination date of the Government's right to royalty payments on ore produced from the property.

The opinion of the following men is that the mine has not been productive since shortly after completion of the exploratory project.

Lincoln A. Stewart, retired mining engineer, U.S.B.M.
D. W. Jaquays, owner of Jaquays Mining Corp.
Alvin Gerhardt, mine superintendent, Jaquays Mining Corp.

The information obtained during inspections of the property and from a review of the royalty records, indicates that all royalty due the Government on production from the property has been paid. Therefore, it is recommended that this account be closed.

T M Romslo

T. M. Romslo

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

600

Project Summary Report

By: Jasper T. Robertson November 24, 1953

1. DMEA Docket No. 1776 - Asbestos
Contract No. Idm-E419

Property - Salt River Asbestos Deposits
Salt River No. 1, No. 2, No. 3, and No. 4
Sec. 25, T.5 N., R. 17 E., G.& S.R.
Meridian. 80 Acres. Gila County, Arizona.
Operator's property rights - Under date of June 10, 1953, William W. Sorsen and William C. Williams (a partnership) leased the claims from the San Carlos Apache Tribal Council. Subsequently, July 31, 1953, an Assignment of Contract, Assignee's Acceptance, and Government's Consent were executed whereby the interest of the partnership was transferred to the Sorsen Asbestos Corporation. The land is Indian tribal land and no Owner's Consent to Lien was required.

2. Contract - dated October 20, 1952.
Work authorized in two stages

Stage I -

800 feet of access trail	$ 320.75	
2475 cu.yds. surface excavation	3,341.25	$ 3,662.00

Stage II -

646 feet of drifts @ $28.00/ft.	18,088.00
Total Stages I and II	$21,750.00
Government participation @ 90%	$19,575.00

Amendments to Contract - none
A request was made by the Operator August 7, 1953, to do additional prospecting but the request was not granted.
Work Completed: July, 1953.
The work called for in the contract was completed in full:

800 ft. of access trail	$ 320.75
2475 cu.ft.excavations @ $1.35/yd.	3,341.25
646 ft. adits and drifts @ $28.00/ft.	18,088.00
Total project cost	$21,750.00
Government participation @ 90%	$19,575.00

3. Audit Certificate - Not yet prepared 11/24/53.

4. Certification date - November 27, 1953.

Ore estimate:

The final field team report has not been received. In a memorandum dated October 5, 1953, Robert W. Ageton, Mining Engineer, Region IV, estimates the geological potential as follows:

Grade	Pounds	Tons
#1 Crude	8,000	4.0
#2 Crude	12,200	6.1
#3	12,800	6.4
#4	31,200	15.4
Total	64,200	32.1

Royalty during project:

From February 1 to September 16, 1953, there was marketed 32,257 lbs. of fiber having a value after milling of $8,209.96 from which a royalty was paid - 5% of $8,209.96 or $410.50

5. Comment:

The final field team report and the final audit report have not been received and an addendum will be prepared to cover data contained in these final reviews when received.

The exploration operation was conducted through three shallow adits - Portals #1, #2 and #3, and connecting drifts.

The ore occurs in serpentine bands, 4" to 18" thick, enclosed in limestone strata essentially flat-lying. The asbestos fiber is associated with the serpentine in seams a fraction of an inch to 3½ inches in thickness.

Ore produced through February 1, 1953 to September 16, 1953 was milled at the Phillips Asbestos Company's mill. The milling charge was 10% of the gross value of product recovered. The recoveries and payment during the period are shown in the following tabulation:

Asbestos Sales and DMEA Royalties
(Sales February 1, 1953 through September 16, 1953)

Grade	Pounds	Gross Value	Value after Milling	Grade Percentage	Value per Pound
No. 1 Crude	4,483	$3,362.25		13.9%	$0.750
No. 2 Crude	6,893	3,128.25		21.4	0.453
No. 3	6,642	1,251.11		20.6	0.188
No. 4, No. 5 & filter	14,239	1,380.51		44.1	0.096
Total	32,257	$9,122.12	$8,209.96	100.0%	

@ 5%

Total DMMA Royalty $410.50 (Through September 16, 1953)

$ 600.48 Thru 5/21/59

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 9 1962
DATE | INITIALS | CODE
7/10 | glu | 500
220

July 6, 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: DMEA-1776X (Asbestos)
Contract Idm-E419
Sorsen Asbestos Corporation, Assignee
(Salt River Asbestos Deposits)
Gila County, Arizona

Attached is the original Report of Royalty Review on the subject property dated July 2, 1962 covering the period May 8, 1959, through June 3, 1962.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. Idm-E419
Chron

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

Memorandum

JUL 2 1962

To: Acting Field Officer, Region III

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

Subject: 0[illegible]2A-1776X (Asbestos)
Sorsen Asbestos Corporation, Assignee
Salt River Asbestos Deposits
Gila County, Arizona
Contract Idm-2419

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

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

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

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

Enclosures

EDTalbert/ama 6-21-62

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

43683

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

MAY 21 1962

Re: DMEA-1776 (Asbestos)
Sorsen Asbestos Corp.
Salt River Asbestos Deposits
Gila County, Arizona
Contract Idm-E419

OFFICIAL FILE COPY
RECEIVED JUN 1962

DATE	INITIALS	CODE
6/11		800
"		100
6/12		500
		500
		220

Mr. William W. Sorsen
Sorsen Asbestos Corp.
P. O. Box 1431
Globe, Arizona

Note new address (box)

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since January 26, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since January 26, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Wm H Green Title

Address 710 Sunset Dr Date 6/3/62
Globe, Ariz

4511

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 28 1960		
DATE	INITIALS	CODE
1-28	gad	220
"	EEF	800
"	Cdt	~~500~~
		225

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

January 25, 1960

Mr. William W. Sorsen
Sorsen Asbestos Corp.
P. O. Box 1431
Globe, Arizona

Re: Docket No. DMEA 1776 (Asbestos)
Contract No. Idm-E419
(Salt River Asbestos claims)
Gila County, Arizona

Dear Mr. Sorsen:

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

Very truly yours,

Original signed by

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

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No ___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959? Yes ___ No ___. If yes, and shipments made, who was the purchaser? _____

3. Is any of the following material stockpiled? Yes ___ No ___.

(a) Ore, Tons _____ Estimated grade _____
(b) Concentrates, lbs. _____ Estimated grade _____
(c) Low grade ore, tons _____ Estimated grade _____
Place stockpiled _____

Signed _____

Title _____ Date _____

TMR:ltm cc: Chmn. Op. Comm. Roy. Corres.E419 Chron.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/26	alley	800
5/26	a	220
5/28	L & H	600
		000

MAY 26 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-1776 (Asbestos)
Sorsen Asbestos Corporation, Assignee
Contract No. Idm-8419

Your Report of Royalty Review on the above-cited contract is acceptable and normal distribution is authorized.

AMAlley/ama
May 26, 1959

Copy to: Docket
Director's Reading File
CA & A Division

43683

OME, REGION III

Interim

Statement in Lieu of ~~XXXXXXXXX~~ Report

on Certified Project

Reporting Period **January 1, 1959 to January 26, 1960**

Docket and Contract Number **DMEA 1776, Idm-E419 (Asbestos)**

Operator **Sorsen Asbestos Corp. (Salt River Asbestos claims)**
Gila County, Arizona

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

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

Remarks:

The Operator reported that there was no production from the subordinated land during the reporting period.

Signed T. M. Romslo
T. M. Romslo

Date **February 17, 1960**

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1, 1958 - December 31, 1958
Docket and Contract Number DMEA 1776, Idm-E419 (Asbestos)
Operator Sorsen Asbestos Corp.

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

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

Remarks:

No DMEA ore stockpiled.

4-9
4/10
4/10
719
662
220
110
800
600
225

Original signed by

Signed T. M. Romslo Date April 2, 1959

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

August 7, 1958

8/11	N. G.	225
11	[illegible]	100
"	[illegible]	110
9/10	[illegible]	800
1/11	[illegible]	600

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 1776 (Asbestos)
Contract Idm-E 419, Sorsen Asbestos Corp. (Salt River Asbestos Deposits) Gila County, ARizona

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

Alternate Acting- Executive Officer, DMEA
Field Team, Region III

Enclosures
dz

cc: Semiannual Report File E E419
Emerick
Harshman
DMEA/TUC
Chron.

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	January 1 to June 30, 1958
Docket and Contract Number	DMEA-1776, Idm-E419
Operator	Sorsen Asbestos Corp.

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

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

Remarks: Mr. W. W. Sorsen told me July 7, 1958 that the property of this project recently reverted to the San Carlos Indian Reservation when he allowed his lease agreement to lapse.

Signed T M Romslo

T. M. Romslo

Date July 23, 1958

CC Executive Officer (Orig. & 9)
DMEA-1776 Cert. file DF

TMRpmslo:frj

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

August 7, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 1776 (Asbestos)
Contract Idm-E 419, Sorsen Asbestos Corp. (Salt River Asbestos Deposits) Gila County, ARizona

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

Original signed by
J. W. TOWNSEND

Alternate Acting- Executive Officer, DMEA
Field Team, Region III

Enclosures

dz

cc: Semiannual Report File E E419
Emerick
Harshman
DMEA/TUC
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period — January 1 to June 30, 1958
Docket and Contract Number — DMEA-1776, Idm-E419
Operator — Sorsen Asbestos Corp.

"X" one

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

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

Remarks: Mr. W. W. Sorsen told me July 7, 1958 that the property of this project recently reverted to the San Carlos Indian Reservation when he allowed his lease agreement to lapse.

Signed — Date

Original signed by
T. M. Romslo

July 23, 1958

T. M. Romslo
CC Executive Officer (O ig. & 9)
DMEA-1776 Cert. file DF
TMRpmslo:frj

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

March 13, 1958

3/17	C	220
17		100
"		110
3/18		800
		600

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 1776X
Contract Idm-E 419
Sorsen Asbestos Corp.

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

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

Enclosures

MHM:dp

cc: Semiannual Report File E 419
Harshman
Emerick
DMEA/TUC
Chron.

DMEA
RECEIVED MAR
DATE INITIAL

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1 to Dec. 31, 1957
Docket and Contract Number	DMA-1776X, Idm-E419
Operator	Sorsen Asbestos Corp.

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

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

Remarks: Property visited Feb. 20, 1958
Conditions in the area of the mine workings indicate that there has been no significant activity on the property since I last visited the property on Aug. 8, 1957.
Nobody was on the property.

Signed T. M. Romslo

Date Feb. 20, 1958

CC W. H. King (Orig. & 9); DMA-1776X; Cert. file; DF

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

August 21, 1957

COPY
DMEA
RECEIVED AUG 23 1957
DATE | INITIALS | CODE

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 1776X (Asbestos)
Contract Idm-E 419, Sorsen Asbestos Corporation (Salt River Asbestos Deposits), Gila County, Arizona

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

Alternate Acting Executive Officer
DMEA Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 419
DMEA/TUC
Harshman
Emerick
Chron.

DMEA
ARTMENT OF THE INTERIOR
AUG 19 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	Jan. 1 to June 30, 1957
Docket and Contract Number	DMA-1776X, Idm-E419
Operator	Sorsen Asbestos Corp.

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

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

Remarks: Property visited Aug. 8, 1957.

Nobody on property. No evidence of recent activity.

No change in general conditions since early 1955.

CC W. H. King (Orig. & 9)
DMEA-1776X
Cert. file
DF

Signed T M Romslo
T. M. Romslo

Date Aug. 15, 1957

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

224 New Customhouse
Denver 2, Colorado

Date: February 12, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 1776X (Asbestos)
Contract Idm-E 419, Sorsen Asbestos Corporation (Salt River Claims), Gila County, Arizona

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

W. M. Traver

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

Enclosures
MHM/vj
cc: Semiannual Report File E 419
W. R. Storms
Harshman
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 15 1957

DATE	INITIALS	CODE
2-19	C	220

DMEA
DEPARTMENT OF THE INTERIOR
FEB 7 1957
REGION III
DENVER, COLORADO

February 4, 1957

Memorandum

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

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project, July 1 - December 31, 1956, Docket DMA-1776X (Asbestos), Contract IAm-2419, Bureau Asbestos Corp., (Salt River Claims), Gila County, Ariz.

Enclosed are original and 8 copies of the above report by T. M. Sample of the Bureau of Mines.

Signed by Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMA-1776X
Cert. File
DF

WRStorms:frj

ORIGINAL REP. OFF.
RECEIVED FEB 1957

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1 to December 31, 1956
Docket and Contract Number	DMA-1776X, Idm-E419
Operator	Sorsen Asbestos Corp.

	"X" one
The project has been inactive during the reporting period	X

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

Remarks: General conditions at the project during my visit on January 29, 1957 indicated that no work of any kind had been done during the period of this report.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 15 1957

DATE	INITIALS	CODE

Signed

T. M. Romslo

T. M. Romslo

Date

February 4, 1957

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

224 New Customhouse
Denver 2, Colorado

Date: August 8, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 1776X (Asbestos)
Contract Idm-E 419 Sorsen Asbestos Corporation (Salt River Claims), Gila County, Arizona

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

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

Enclosures
MHM/vj
cc: Semiannual Report File E 419
W. R. Storms
E. N. Harshman
Chron.

DMEA
Date Rec'd.

AUG 3 1956

BUREAU OF MINES
Denver, Colorado

July 31, 1956

Memorandum

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

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project, Docket DMA-1776X, Contract Nbr-2419 (Asbestos), Sarvan Asbestos Corp. (Salt River Claims), Gila County, Ariz.

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

Signed by Walter R. Storms

Walter R. Storms

CC W. M. Trexler (8)
DMA-1776X
Cont. File
WF

WRStorms:frj

RECEIVED
AUG 1 3 1956

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	January 1 to June 30, 1956
Docket and Contract Number	DMA-1776X, Idm-E419
Operator	Sorsen Asbestos Corp.

	"X" one
The project has been inactive during the reporting period	[x]
Pertinent data relative to the subject contract has remained unchanged since the last report	[ ]

Remarks: An attempt to contact Mr. W. W. Sorsen on 7/11/56 for information regarding rumors of planned additional exploration of the mine was unsuccessful.

Signed T. M. Romslo
T. M. Romslo

Date July 31, 1956

RECEIVED
APR 1 8 1956

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

224 New Customhouse
Denver 2, Colorado

Date: April 10, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776X (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation - Arizona

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.
		(NONE)	

Totals:

Past Due Royalties Collected	None
Total Dry ~~Tons (Ore or Cons.)~~ Pounds Asbestos (All grades) Shipped to Date	45,725 #
Expiration Date of Royalty Repayment	October 20, 1962
Amount of Government Participation	$19,575.00
Total Royalty Payments to Date	$600.48
Percent of Loan Repayment	3.07%

W. M. Traver

W. M. Traver

vj
cc Royalty File E 419 w/Settlement Sheets
Monthly Royalty Payment File
~~T. A. Christensen~~
W. R. Storms
Chron.

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

RECEIVED
MAR 15 1956

224 New Customhouse
Denver 2, Colorado

Date: March 13, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955
DMEA Docket 1776X (Asbestos)
Contract Idm-E 419, Sorsen Asbestos Corporation, Salt River Asbestos Mine, Gila County, Arizona

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

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

Enclosures
RDB/vj
cc: Semiannual Report File E 419
W. R. Storms
E. N. Harshman
J. N. Faick
Chron.

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

RECEIVED
MAR 15 1956

DMEA
Date Rec'd.
MAR 9 1956

March 6, 1956

BUREAU OF MINES
Denver, Colorado

Memorandum

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

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report on Certified Project, July 1 - December 31, 1955, DMEA Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp.'s Salt River Asbestos Claims, Gila County, Ariz.

Enclosed are original and 8 copies of the semi-annual report on the above property for the period from July 1 to December 31, 1955.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMA-1776X
Cert. File
DF

WRStorms:frj

Semi-Annual Report of Certified Projects

Reporting Period July 1 to December 31, 1955

Docket and Contract Number DMA-1776X, Idm-E419

Operator Sorsen Asbestos Corp.

Commodity Asbestos

Mine Name Salt River Asbestos Mine

County and State Gila County, Arizona

Date of Contract October 20, 1952

Date of Certification November 27, 1953

Expiration Date of Royalty Payments October 20, 1962

Date of Examination for this Report March 1, 1956

Total Amount of Contract	$21,750.00
Total Expenditures under Contract	21,750.00
Amount of Government Participation at 90%	19,575.00
Royalty Payments this period	$0.00
Previous Royalty Payments	$600.48
Total Royalty Payments to Date	$600.48
% Loan Repayment Completed	3.068
Amount of Royalty Due	$0.00

Royalty Remarks None

Original Estimate of Reserves (from Final Engr.-Geol. Report):	Average of 2 reports of fiber of all grades	29.5 tons
Decrease of Reserves by work performed subsequent to expiration or termination of contract:	By mining	0.25 tons
Revised Estimate of Reserves:		29.25 tons

Production this Period (Ore or Concentrates)	0.00 tons
Amount of Previous Production (since date of contract)	23.75 tons
Total DMEA Production to date	23.75 tons
% of Revised Reserves Mined (All above production was development ore)	0.00

Production Remarks:

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

Othe remarks: W. W. Sorsen was contacted in Globe by phone before I visited the property. He said the property has not been worked since the first half of 1955 when the previously reported drilling and drifting was done.

General conditions at the mine indicated that the property has been inactive for the period indicated by Mr. Sorsen. No one was on the property when visited.

Signed D M Conrado (Engineer)

Docket Copy
Surname:

Hale Johnson

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

Mr. William W. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

FEB - 6 1956

Re: Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. Sorsen:

Reference is made to your letter of January 30, 1956, requesting a re-evaluation of the exploration work to determine if a certification of discovery was justified; requesting the erasure of the Government's lien, and stating that the Government's lien creates a hardship in refinancing.

Your contract with the Government, dated October 20, 1952, provides in Article 6 (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 may so certify. The Government certified on November 27, 1953. The decision to certify was made after careful consideration of all of the facts in this case. The results achieved under the DMEA contract were considered sufficient from the standpoint of the ore produced during the project and the ore remaining in the ground adjacent to DMEA workings to warrant certification. Royalty has been paid in the amount of $600.48, representing $12,000.00 production.

Your request for additional exploration work was given careful consideration. The geological probability of increasing the reserves did not warrant Government participation in additional exploration work.

The DMEA does not re-evaluate certified projects to determine if sufficient minable ore is present to justify a mining operation, since the DMEA work is not designed to block out ore reserves and make them ready for mining.

The Government lien should create no special hardship in interesting private capital. The lien is against the production when

RCS

and if made, and is not effective until the production is sold. The DMEA feels that the property as a whole benefited from the work performed with Government assistance, and that repayment should be made from any future production.

I regret that your request to erase the lien or rescind the certification cannot be granted.

Sincerely yours,

C. O. Hitendorf

Administrator

LGHouk:FEJohnson:gad 2/3/56
Copy to: Admr. R. File
Docket
Field Team, Region III
Mr. Kiilsgaard, 5222
Mr. Kennedy, 3524
Mr. Houk

Sorsen Asbestos Corporation
WILLIAM W. SORSEN
Consulting Mining Engineer
P. O. BOX 1431
GLOBE, ARIZONA

Jan 30, 1956

Mr. C. O. Mittendorf, Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C. 600

RECEIVED
JAN 31 1956

Subject: Docket DMEA 1776-X-Asbestos
Contract IDM-E-419
Sorsen Asbestos Corporation

Dear Mr. Mittendorf;

We wish to have the DMEA re-examine the Salt River Group asbestos prospect to evaluate the property to determine whether there is sufficient minable ore exposed by the exploration project to justify certification as a discovery.

It is the opinion of the management that considerable additional exploration work is necessary before any production from this prospect is indicated. The small pocket of fiber that was disclosed by the DMEA project amounted to approximately 20 tons with a value of $12,000.

Repeated efforts to refinance this project with private capitol have failed due to the Gvernment lien of $19,575 against the mine. We have applied for additional DMEA funds to carry the exploration work further, but the application was turned down. If the DMEA feels that further exploration is not warranted, why was the property certified as a discovery?

We feel that we can raise private capitol to do additional exploration if we can erase the Govt. lien on the property.

We would appreciate your early consideration of this request so that we can resume exploration work under private auspices.

With best personal regards I remain,

Yours truly,

Wm W. Sorsen, Pres.

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

October 28, 1955

Mr. Guy H. Phillips
Phillips Asbestos Mines
Drawer 71
Globe, Arizona

Re: Royalty payments, DMEA Docket 1776 (Asbestos) Contract Idm-2419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

Dear Mr. Phillips:

Settlement sheets dated September 19, 1953 and October 22, 1953 for ore shipped to your corporation by the Sorsen Asbestos Corporation include a duplicate entry for a shipment dated September 16, 1953. You have paid DMEA royalty twice on this one shipment; therefore, we enclose U. S. Government check No. 19,666,610 for $32.64 payable to Phillips Asbestos Mines to correct this overpayment.

The amount due you was computed as follows:

Grade	Weight	Value per lb.	Gross Value
No. 1	555 lb.	$0.75	$416.25
No. 2	447 lb.	0.45	201.15
No. 3	430 lb.	0.1875	80.63
No. 4	273 lb.	0.10	27.30
		Total Gross Value	$725.33
Less milling and handling at 10.0 percent			72.53
		Net Value	$652.80
DMEA royalty at 5.0 percent Net Value			$32.64

As cancelled checks are returned to the Treasury Department, we would appreciate your acknowledgment of the receipt of this check in order that our records may be complete.

Yours very truly,

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

By J. W. Townsend
J. W. Townsend

Enclosure
cc: Mr. William W. Sorsen

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

RECEIVED
SEP 26 1955

224 New Customhouse
Denver 2, Colorado

September 2, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776 (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona.

DMEA royalty on the September 16, 1953 asbestos shipment by the Sorsen Asbestos Corporation has been paid twice by Phillips Asbestos Mines due to a duplication on settlement sheets dated September 19, 1953 and October 22, 1953.

Royalty on this shipment amounts to $32.64 computed as follows:

Grade	Weight	Value per lb.	Gross Value
No.1	555 lb.	$0.75	$416.25
No.2	447 lb.	0.45	210.15
No.3	430 lb.	0.1875	80.63
No.4	273 lb.	0.10	27.30
		Total Gross Value	$725.33
Less Milling & Handling at 10.0 percent			72.53
		Net Value	$652.80
DMEA royalty at 5.0 percent Net Value			$32.64

Please have a check in the amount of $32.64 drawn in favor of Phillips Asbestos Mines and forward to this office. We will transmit it to the appropriate party with a suitable covering letter.

W. M. TRAVER

W. M. Traver

RDB/vj

cc: Royalty File E419
Sec. Opr. Comm. (2)
W. R. Storms
Berkenkotter
Chron.

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

RECEIVED
SEP 26 1955

224 New Customhouse
Denver 2, Colorado

September 21, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty Payment - DMEA Docket 1776X (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation - Arizona

Enclosed is Sorsen Asbestos Corporation check No. 418 in the amount of $0.91; an additional payment of royalty due on production for the month of April, 1955, which was transmitted to your office May 25, 1955.

W. M. TRAVER

W. M. Traver

Enclosure

vj

cc: Royalty File E419
W. R. Storms
Sec. Opr. Comm. (2)
Royalty Report File
Chron.

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

RECEIVED
SEP 1 3 1955

224 New Customhouse
Denver 2, Colorado

September 12, 1955

Memorandum

To: W. R. Storms

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776 (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

No further action is warranted at the present time in conjunction with the royalty follow-up contemplated in yours and Hardwick's memoranda dated September 6, 1955.

We have requested all information needed directly from the operator. Your copy of our letter to him is enclosed. If further action on your part is needed we will again requestit.

W. M. TRAVER

W. M. Traver

Enclosure

RDB/vj

cc: Royalty File E419
Sec. Opr. Comm. (2)
Berkenkotter
Chron.

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

RECEIVED
SEP 1 5 1955

224 New Customhouse
Denver 2, Colorado

September 12, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776 (Asbestos) Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

Enclosed are two copies of a memorandum prepared by William R. Hardwick with transmittal memorandum by Walter R. Stroms which were received in compliance with your request of June 25, 1955.

As shipment dated April 27, 1955 was actually sold to Phillips Asbestos Mines and the milling charge of $24.00 is therefore an allowable deduction, we have returned Mr. Sorsen's check and requested another in the correct amount. The two Washington Office copies of our letter to Mr. Sorsen are enclosed. Please note the last paragraph of our letter to Mr. Sorsen in which we request clarification of the apparent duplication which was brought to our attention by your July 25, 1955 letter.

W. M. Traver

Enclosures

DMEA
Date Rec'd.

SEP 8 1955

BUREAU OF MINES
Denver, Colorado

Box 4097
Tucson 5, Arizona

September 6, 1955

RECEIVED
SEP 15 1955

Memorandum

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

From : Superintendent, Southeast Experiment Station

Subject : Royalty Payments, DMEA Contract Idm-2419, Docket DMEA-1776, Sorsen Asbestos Corp.'s Salt River Asbestos Deposits, Gila County, Ariz.

In regard to your memorandum of July 28, I was waiting until we had an engineer in the vicinity of Globe before answering, but we have had no one in that locality and I don't know when Romslo might be there. Therefore, I talked to W. R. Hardwick who inspected the Sorsen property last for the 6-month inspection report. A copy of Hardwick's memorandum is attached. It would seem that the asbestos actually was sold to Phillips.

In regard to the ore listed on the settlement sheets of September 19 and October 22, 1953, it would seem that royalty was paid twice on the same shipment as no two shipments would be exactly alike. Whenever Romslo is in Globe, I will ask him to talk to Phillips. As he now is our only field man on DMEA I don't like to send him to Globe just for this one item.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (3)
DMA-1776X
BF

WRStorms:frj

RECEIVED
SEP 15 1955

Box 4097
Tucson 5, Arizona

September 6, 1955

Memorandum

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

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

Subject : Royalty payments, DMEA Docket 1776 (Asbestos) Contract Idm-E419, Sersen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Ariz.

When the Salt River Asbestos Deposits were last visited by the undersigned on July 12, 1955, W. W. Sersen stated that a small lot of fiber was produced from the mine in April and sold to Phillips Asbestos Mines. This single lot constituted the total production for the first half of the year 1955. According to Sersen, this fiber was mined by Louis Bacon who entered the property without permission and mined a small lot of ore which he offered for sale to Phillips. Phillips accepted the lot and immediately informed W. W. Sersen who investigated and reached an agreement with Bacon. Phillips then purchased the lot and settled with Sersen. There is no question that the fiber was actually sold to Phillips.

The lot delivered to Phillips on September 16, 1953 and reported on settlement sheets for both October 22, 1953 and December 19, 1953 was not discussed with Sersen, but appears to have been reported two times.

William R Hardwick
William R. Hardwick
Mining Engineer
Southwest Experiment Station

CC W. M. Traver (Orig. & 8)
DMA-1776X
DF

WRStorms:frj

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

RECEIVED
SEP 15 1955

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

September 12, 1955

Mr. William W. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

Re: Royalty payments, DMEA Docket 1776 (Asbestos)
Contract Idm-E419, Sorsen Asbestos Corporation
Salt River Asbestos Deposits, Gila County, Ariz.

Dear Mr. Sorsen:

In conjunction with our previous letter to you dated July 5, 1955, we are returning herewith your check No. 414 in the amount of $2.11, which was received as an additional royalty payment on your April 1955 shipment to Phillips Asbestos Mines.

We have determined that the $24.00 milling charge made against this April shipment is an allowable deduction to be considered in the calculation of DMEA royalty.

Correct royalty on this shipment is $7.93, with $7.02 of this amount having been paid by Phillips Asbestos Mines. Please void Check No. 414 and send us another in the correct amount of $0.91 in order that we may keep this account correct. As in the past, all Government royalty checks are to be made payable to the Defense Minerals Exploration Administration and mailed to the Executive Officer, DMEA Region III, Room 224 New Customhouse, Denver 2, Colorado.

Our attention has been called to a possible duplicate entry on settlement sheets dated September 19, 1953 and October 22, 1953. The shipment for September 16, 1953 is identical on both sheets from Phillips Asbestos Mines. Please check this apparent duplication with Phillips Asbestos personnel and advise us if an error has been made. It appears that both your company and the Government will owe a small repayment to Phillips Asbestos Mines.

Yours very truly,

W. M. TRAVER

W. M. TRaver
Executive Officer, DMEA
Field Team, Reg. III

Enclosure
RDB/vj
CC: Royalty File E419
Sec. Opr. Comm. (2)
W. R. Storms
Berkenkotter
Chron.

DMEA
Date Rec'd
JUL 22 1955
BUREAU OF MINES
Denver, Colorado

Box 4097
Tucson 5, Ariz.

July 19, 1955

RECEIVED
SEP 12 1955

Memorandum

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

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report on Certified Project, January 1 - June 30, 1955, DMEA Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

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

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
J. N. Faick
DMA-1776X
Cert. File
DF

WRStorms:frj

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

224 New Customhouse
Denver 2, Colorado

July 28, 1955

Memorandum

To: W. R. Storms

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776 (Asbestos) Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

Enclosed is a copy of a letter from Acting Chairman, DMEA Operating Committee in answer to our memorandums dated June 7, 1955 and July 5, 1955.

For our records, please have one of your engineers determine if Phillips Asbestos Mines was the actual purchaser of the ore shipped under settlement sheets dated September 19, 1953 and April 27, 1955. Also determine if a duplication was made in the listing of ore shipments as requested in the Washington Office letter of July 25, 1955.

This is not a priority request. It can be handled when you next have an engineer in the Globe, Arizona area.

W. M. TRAVER

W. M. Traver

Enclosure

vj
cc: Royalty File E419
Sec. Opr. Comm.(2)
Berkenkotter
Chron.

Docket Copy
Surname:

Hopkins
L.L. Kusome
Hoffhurd
Chandler
Martin
Fehrman
McTendon

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

JUL 25 1955

Mr. W. M. Traver
Executive Officer, DMEA
Field Team, Region III
Bureau of Mines
224 New Customhouse Bldg.
Denver 2, Colorado

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. Traver:

Reference is made to your memoranda of June 7, 1955, and July 5, 1955, on royalty payments based on settlement sheet of April 27, 1955.

You are correct that the milling charge of $24.00 is allowable if the ore was purchased by the Phillips Asbestos Mines. However, the settlement sheet states that the asbestos ore was milled for the Sorsen Asbestos Corporation. If the Phillips Asbestos Mines milled the asbestos for the Sorsen Asbestos Corporation, and the asbestos was delivered to the Buying Depot by Sorsen Asbestos Corporation or its agent, then the $24.00 milling charge is not deductible.

Most of the settlement sheets show the asbestos was purchased from the Sorsen Asbestos Corporation by the Phillips Asbestos Mines. However, the settlement sheet in question, as well as one dated September 19, 1953, states that the fiber was "milled" for the Sorsen Asbestos Corporation. Please advise this office whether the Phillips Asbestos Mines was the actual purchaser or if it only milled the fiber for Sorsen Asbestos Corporation.

The settlement sheets for September 19, 1953, and October 22, 1953, both contain an identical entry for September 16, 1953, which appears to be a duplication. Please also furnish comments on this question.

We suggest that you hold Mr. Sorsen's check for $2.11 until it can be determined if he is entitled to a refund.

Sincerely yours,

Approved:

/s/ Robert W. Geehan (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

W. S. Martin
ACTING Chairman, Operating Committee (JHB)

LGHouk:JHopkins:gad 7/22/55

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Josephson, 3510
Mr. Kiilsgaard, 5222
Mr. Houk
Mr. Hopkins

RCS.

DMEA
Date Rec'd.
JUL 22 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Box 4097
Tucson 5, Ariz.

July 19, 1955

Memorandum

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

RECEIVED
SEP 12 1955

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report on Certified Project, January 1 - June 30, 1955, DMEA Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

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

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
J. N. Faick
DMA-1776X
Cert. File
DF

WRStorms:frj

DMEA
Date Rec'd.

JUL 22 1955

BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Box 4097
Tucson 5, Ariz.

July 19, 1955

RECEIVED
SEP 12 1955

Memorandum

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

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

Subject : Semi-Annual Report on Certified Project for the Period January 1, 1955 to June 30, 1955, Docket DMA-1776X, Contract Idm-E419, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

In accordance with the provisions of DMEA Circular 32, the Salt River Asbestos Mine was visited on July 12, 1955. There was no one on the property. W. W. Sorsen was contacted in Globe by phone and he stated that only one small lot of fiber was sold during the period.

During the period, 12 air drill sample holes were drilled down to a depth of 20 feet on the berm in front of Portal No. 1. One of the holes found asbestos fiber. An adit also was driven into the bank from a point in front of portal No. 2 and at an elevation approximately 100 feet lower down toward the Salt River. This adit is below the diabase sill that spilts the favorable limestone beds at this point. No asbestos was found.

During April 1955, a highgrader entered the property and mined a small quantity of fiber before he was stopped. This fiber was sold to Philips Asbestos Mines. The total amount of this fiber is shown below:

	Pounds	Price per Pound	Amount
No. 1 Crude	89	$0.75	$66.75
No. 2 Crude	189	0.45	85.05
No. 3 Crude	154	0.20	30.80
Total gross return			$182.60
Milling charge			$24.00
Net Return			$158.60
Royalty paid on above ore			7.02

CC W. M. Traver (Orig. & 8)
J. N. Faick
DMA-1776X
Cert. file
DF

WRHardwick:frj

W. W. Sorsen now is employed by Globe Uranium Co. as superintendent. He stated that he does not contemplate additional production from the Salt River asbestos mine in the near future.

William R. Hardwick

William R. Hardwick
Mining Engineer
Tucson, Arizona

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

RECEIVED
JUL - 7 1955

224 New Customhouse
Denver 2, Colorado

July 5, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 1776 (Asbestos) Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

We have received a check for $2.11 from William W. Sorsen in payment of additional royalties due as requested by letter from Lawrence G. Houk, Chief Nonmetallic Minerals Division dated June 3, 1955.

To date we have received no reply from you to our memorandum of June 7, 1955. We do not know whether to deposit check to royalties account E419 or to return it to Mr. Sorsen and request one in the correct amount.

Please advise by return mail in order that this matter may be finalized. We are enclosing copies of our letter to Mr. Sorsen.

W. M. Traver
W. M. Traver

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

224 New Customhouse
Denver 2, Colorado

June 7, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty Payments, DMEA 1776 (Asbestos) Contract Idm-E419, Sorsen Asbestos Corporation, Salt River Asbestos Deposits, Gila County, Arizona

Reference is made to a letter dated June 3, 1955 from Lawrence Houk, Chief Nonmetallic Minerals Division addressed to Mr. William W. Sorsen concerning calculation of royalties due under DMEA 1776, Contract Idm-E419. We are enclosing a copy of this letter for your consideration.

Requests for additional royalties due which originate in the Washington office result in a duplication of effort as it has been standard procedure in the past for DMEA Region III to calculate the correct royalty due on each lot number as settlement checks are received and to request payment where additional royalties are found to be due.

We appreciate our attention being called to apparent errors of any kind but strongly recommend that requests for additional payment be handled through this office and not direct as in this case.

We consider the "Milling Charges of $24.00", as shown on the settlement sheet in question (dated April 27, 1955) to be an allowable deduction in the calculation of DMEA royalty. Based on this interpretation, correct royalty due should be ($182.60 - 24.00) X .05 or $7.93. Additional royalty due on this shipment is therefore $0.91 instead of $2.11 as stated in Mr. Houk's letter.

Please advise what procedure we should follow in this case. Photostat of settlement sheet is also enclosed.

Wm Traver
W. M. Traver

Enclosures

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

600

DMEA
Date Rec'd
JUN 6 1955
BUREAU OF MINES
Denver, Colorado

T
T
C
X

JUN - 3 1955

Mr. William W. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

Re: Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. Sorsen:

Reference is made to the settlement sheet of the Phillips Asbestos Mines, Globe, Arizona, for milling and purchase of asbestos fiber produced from the contract area under DMEA-1776, Idm-E419.

Please note the letter of August 7, 1953, from John F. Shaw to you on royalty computation. The royalty due the Defense Minerals Exploration Administration should be computed from the same base as the Indian royalty is calculated. The royalty on the shipment of April 1955 should be 5% of $182.60 or $9.13, therefore, a check for $2.11 should be forwarded to Mr. W. M. Traver, Executive Officer, Defense Minerals Exploration Administration Field Team, Region III, Bureau of Mines, 224 New Customhouse Building, Denver 2, Colorado.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 6/3/55
Copy to: Admr. R. File
Docket
Field Team, Region III
Mr. Chambers
Mr. Houk

Royalty File E 419

Berk.

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71

GLOBE, ARIZONA

U. S. A.

Date Rec'd.
MAY 2 1955
BUREAU OF MINES
Denver, Colorado

April 27th, 1955.

Defense Minerals Exploration Administration
224 New Custom House
Denver, Colorado.

Gentlemen: Re: DMEA-1776-X - Contract IDM-E419

Please be advised that during the month of April, 1955 we milled some asbestos ore for Sorsen Asbestos Corp., described as follows:

No. 1 Crudes	89# at .75¢ per lb.		$ 66.75
No. 2 Crudes	189 at .45¢ " "		85.05
No. 3 Crudes	154 at .20¢ " "		30.80
			$ 182.60
Less: Indian Royalty 10%		$ 18.26	
Milling Charges		24.00	42.26
			$ 140.34
Less: DMEA Royalty 5%		$ 7.02	
Labor, Louis Bacon		119.98	127.00
Balance- Paid to Sorsen Asbestos Corp'n			$ 13.34

Very truly yours,

PHILLIPS ASBESTOS MINES

By [signature]
Accountant.

Docket Copy
Surname:
Houk
Chambers
Mitchendorf

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

JUN - 3 1955

Mr. William W. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

Re: Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. Sorsen:

Reference is made to the settlement sheet of the Phillips Asbestos Mines, Globe, Arizona, for milling and purchase of asbestos fiber produced from the contract area under DMEA-1776, Idm-E419.

Please note the letter of August 7, 1953, from John F. Shaw to you on royalty computation. The royalty due the Defense Minerals Exploration Administration should be computed from the same base as the Indian royalty is calculated. The royalty on the shipment of April 1955 should be 5% of $182.60 or $9.13, therefore, a check for $2.11 should be forwarded to Mr. W. M. Traver, Executive Officer, Defense Minerals Exploration Administration Field Team, Region III, Bureau of Mines, 224 New Customhouse Building, Denver 2, Colorado.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 6/3/55
Copy to: Admr. R. File
Docket
Field Team, Region III
Mr. Chambers
Mr. Houk

R.C.L.

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

224 New Customhouse
Denver 2, Colorado

May 25, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty Payment - Contract Idm-E419, Docket No. DMEA 177OX, Sorsen Asbestos Corp.

Enclosed is a copy of a letter from Phillips Asbestos Mines denoting ore shipped from Sorsen Asbestos Corporation for the month of April, 1955.

Also enclosed is check No. 4829 in the amount of $7.02 in payment of royalty on these shipments.

W. M. TRAVER

W. M. Traver

Enclosures

DMEA
Date Rec'd
MAY 2 1955
BUREAU OF MINES
Denver, Colorado

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS
THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

April 27th, 1955.

Defense Minerals Exploration Administration
224 New Custom House
Denver, Colorado.

Gentlemen: Re: DMEA-1776-X - Contract IDM-E419

Please be advised that during the month of April, 1955 we milled some asbestos ore for Sorsen Asbestos Corp., described as follows:

No. 1 Crudes	89# at .75¢ per lb.		$ 66.75
No. 2 Crudes	189 at .45¢ " "		85.05
No. 3 Crudes	154 at .20¢ " "		30.80
			$ 182.60
Less: Indian Royalty 10%		$ 18.26	
Milling Charges		24.00	42.26
			$ 140.34
Less: DMEA Royalty 5%		$ 7.02	
Labor, Louis Bacon		119.98	127.00
Balance- Paid to Sorsen Asbestos Corp'n			$ 13.34

7.93

Very truly yours,

PHILLIPS ASBESTOS MINES

By [signature]
Accountant.

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

224 New Customhouse
Denver 2, Colorado

January 25, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Semi-annual Report - Docket No. DMA 1776X, Contract No. Idm-E419
Sorsen Asbestos Corp., Gila County, Arizona

Enclosed are four copies of the Semi-annual Report on Contract No. Idm-E419.

W. M. Traver

W. M. Traver

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

Date Rec'd.
JAN 17 1955
BUREAU OF MINES
Denver, Colorado

TUCSON, ARIZONA

January 14, 1955

Memorandum

To : Executive Officer, Defense Minerals Exploration Administration

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report on Certified Project, July 1 - December 31, 1954, DMEA Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

Enclosed are original and 8 copies of a short report by W. R. Hardwick of the Bureau of Mines on the above property. No asbestos has been produced from this mine during the past 6 months, so far as we know.

Walter R. Storms

Walter R. Storms

CC Exec. Off. (8)
DMA-1776X
Cert File
DF

WRStorms:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

TUCSON, ARIZONA

January 13, 1955

Memorandum

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

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

Subject : Semi-annual Report on Certified Project for the Period, July 1, 1954 to December 31, 1954, Docket DMA-1776X, Contract Idm-E419, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

In accordance with the provisions of DMEA Circular 32, the subject mine was visited on January 5, 1955. There was no one on the property. A locked gate guards the access road. M. W. Sorsen could not be located in Globe. He is reported to be employed by Globe Uranium Co. in the Sierra Ancha Mountain district.

Contract Idm-E419 was signed on October 20, 1952 to explore favorable limestone beds near a diabase contact for asbestos. A total of 646 feet of drift and crosscut was completed at a total cost of $21,750.00. The Government participated in the costs to the extent of 90 percent, or $19,575.00. Asbestos fiber was discovered and a "Certification of Discovery or Development" was issued.

This mine has produced a total of 46,998 pounds of fiber with a gross value of $13,893.01 on which royalty payments of $625.19 have been paid to the Government. There has been no production during the period covered by this report.

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

CC Exec. Off. (Orig. & 8)
DMEA-1776X
Cert. File
DF

WRHardwick:frj

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

224 New Customhouse
Denver 2, Colorado

October 11, 1954

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-1776, (Asbestos) Contract Idm-E419, Sorsen Asbestos Corp., Salt River Asbestos Claims, Gila County, Arizona

Enclosed are the original and three copies of a semi-annual report relative to operations at the site of the subject project subsequent to the issuance of a Certification of Discovery or Development by the Defense Minerals Exploration Administration.

W H King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

RECEIVED
OCT 15 1954

Rec'd
SEP 16 1954

TUCSON, ARIZONA

September 14, 1954

Memorandum

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

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

Subject : Semi-Annual Report on DMEA Certified Project, January 1-June 30, 1954, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp.'s Salt River Asbestos Claims, Gila County, Ariz.

Enclosed are original and 8 copies of a report on the above certified project by W. R. Hardwick of the Bureau of Mines. No asbestos was produced from this property during the first half of 1954.

Walter R. Storms

Walter R. Storms

CC W. H. King (8)
DMA-1776X
Cert. File
DF

OK
Berk

WRStorms:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

TUCSON, ARIZONA

September 14, 1954

Memorandum

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

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

Subject : Semi-Annual Report on certified project for the period January 1, 1954 to June 30, 1954, Docket DMA-1776X, Contract Idm-E419, Sorsen Asbestos Corp.'s Salt River Asbestos Mine, Gila County, Ariz.

In accordance with the provisions of DMEA Circular 32, and at the direction of Walter R. Storms, Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Arizona, the subject property was visited on September 1, 1954. William Sorsen accompanied the undersigned on the property.

The road was unused and there were no indications of activity on the property. Portals of the adits were closed with a heavy door that was locked. M. W. Sorsen stated that no ore had been mined since January 1954.

Contract Idm-E419 was signed on October 20, 1952 to explore favorable limestone beds near a diabase contact for asbestos. A total of 646 feet of drift and crosscut was completed at a total cost of $21,750.00. The Government participated in the costs to the extent of 90 percent or $19,575.00. Asbestos fiber was discovered and the operator asked for an amendment to increase the total amount of the contract. This request was denied.

Final audit review was completed on November 17, 1953 by the Contract Administration and Audit Division. Final payment of the Government's agreed part of the costs has been made and a certification of discovery or development has been issued.

On September 1, 1954, Sorsen stated that there is no fiber exposed that can be mined at a profit but that if he can find additional Venture capital he will do more exploration. Sorsen asked

CC W. H. King(Orig. & 8)
DMA-1776X
Cert. File
DF

WRHardwick:frj

whether a new request for additional Government assistance would be considered and he was told that any request would be considered, but that since one such request had been refused, a similar request probably would be refused unless the new proposal contained new evidence that the project would be successful.

This mine has produced a total of 46,998 pounds of fiber with a gross value of $13,893.01 on which royalty payments of $625.19 have been made to the Government. There has been no production during the period covered by this report.

William R. Hardwick

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

13,893.01
625.19

IN REPLY REFER TO:

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

September 8, 1954

Re: DMEA-1776
Sorsen-Williams Mining Co.
(Salt River Claims)
Gila County, Arizona
$21,750 - Asbestos

Memorandum

To: L. G. Houk
Defense Minerals Exploration Administration

From: E. L. Newcomb
U. S. Geological Survey

Subject: Review of Final Field Report

A certificate of discovery has been made by DMEA based on results of exploration under Contract Idm-E419.

Reserves were estimated to be about 50 tons of all grades of asbestos. However, about 23.5 tons have already been mined.

The poor quality of the asbestos and the broken, heavy ground conditions in the areas of remaining reserves are factors which will deter further mining on the property.

This report adequately covers the DMEA project, and I concur with the Field Team's conclusions.

E. L. Newcomb

E. L. Newcomb

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

224 New Customhouse
Denver 2, Colorado

July 9, 1954.

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket No. DMA-1776X (Asbestos), Contract No. Idm-E419, Sorsen Asbestos Corporation (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, 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 of the U. S. Geological Survey.

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

Final payment to the Operator was processed by this office December 15, 1953 in conformance with the Report of Review by the Contract Administration and Audit Division dated November 17, 1953, which was released to this office December 15, 1953.

The exploration work consisted of construction of 800 feet of truck road, 1100 linear feet of trenching and benching involving 2475 cubic yards of excavation, and 646 feet of drifting at a total accepted cost of $21,750.00, in which the Government participated to the extent of 90%, or an amount of $19,575.00. The exploration work resulted in a discovery of asbestos ore on which a certification of discovery or development was issued November 27, 1953.

W. H. King

W. H. King

A. H. Koschmann

A. H. Koschmann

Enclosures

Operators Final Rpt.

Mining Division
Date Rec'd
NOV 16 1953
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
MINING DIVISION
REGION IV

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION
TUCSON, ARIZONA

November 13, 1953

Memorandum

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

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

Subject : Final or Completion Report, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp. (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, Gila County, Ariz.

Enclosed are original and four copies of a final report by Mr. William W. Sorsen for exploration work done on the Salt River asbestos claims under DMEA Exploration Project Contract No. Idm-E419.

Mr. Sorsen had asked for a copy of the geological map made by A. F. Shride of the Geological Survey, but as this map was not made available to him, the report lacks it. However, the maps attached to his report seem sufficient.

Walter R. Storms

Walter R. Storms

CC W. H. King (4)
DMA-1776X
DF

FOR VICTORY
BUY UNITED STATES SAVINGS BONDS AND STAMPS

Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Nov. 10, 1953

U. S. BUREAU OF MINES
MINING DIVISION
NOV 13 1953
TUCSON, ARIZONA

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

Re; DMEA Docket 1776-X
Contract IDM E 419
Final Report

Dear Mr. Storms;

We herewith Submit our final report in Compliance with Article 5b of our contract.

We began Stage I of our contract on Jan. 2, 1953, and completed same on Jan 28, 1953. Stage I consisted of 800' of truck trail and 2475 cu. yd. of excavation. We excavated 6569 cu. yd. and exposed approximately 250 feet of outcrop bearing promising fibre in three locations. (See map Jan. report). We built 800' of truck trail to connect the two ends of the property.

We began stage II of our contract Feb. 1, 1953, and completed same on July 30, 1953. Stage II consists of 646 feet of drifting and crosscutting.

We started Portal No.1 in a good showing of fibre which we followed in for 30', at which point the fibre pinched out, however the 12" diabase sill and the serpentine zone below it continued so we drove this drift a distance of 112'. We then drove drift No. 2 at the point where the fibre pinched out in drift No. 1, 30 feet in from the portal. We turned right about 30 degrees (see map) with the intention of following the fibre toward a diabase contact which surface indications showed to be in that direction. We drove drift No. 2 a distance of 250'. The fibre pinched out in this drift at 30' and came back in at95'. The ore continued to 175' and varied in total length from 1" to 4" and averaged about a ton of fibre per 100 sq. feet of area mined. Considerable fibre was lost in the muckpile. At 175' the fibre again pinched out the serpentine and diabase sill continued. At 215' we found a new ore zone above the diabase sill. There was 3" of semi-soft fibre which varied from ⅛" to 2" in length. This pocket was cut off by a vertical crack, and nothing was found but strong serpentinization to the end of the drift at 250'.

A 1" vein of fibre was noted in an open crack 40' in from the portal on the left side of drift no. 1. We followed this for a distance of 23' at which point the formation was sheared and began to dip down at about 20 degrees. (Drift no. 3)

We wished to establish the trend of the orebody and therefor drove X-cut "A" a distance of 32' at which point the ore pinched out. (See Map) Mr. Shride advised that we drive X-cut "B" to establish the location of the diabase contact and explore the orebody.

We drove X-cut "B" 55 feet thru heavy ground and were stopped by an extremely bad cave-in. The fibre in this drift

was of excellent quality and length but there was less than 2" of total fibre, and therefor cannot be mined because of the heavy ground.

We drove X-cut "C" on our own and the vein pinched out in 30', but a new 24" green serpentine zone appeared in the floor which contains several bands of soft white fibre. To date we have driven this drift 90' and the fibre improves gradually as we advance. In the face we have approximately 2" of fibre which varies from ¼" to ¾" in length. We feel that the future of the mine depends on what we can develop in this drift as the ground appears to be more stable in this direction.

The map shows areas that have been stoped and the approximate limits of the orebody. It is impossible to predict how much area can be mined due to the limiting ground conditions, but we are taking all the fibre it is possible to get within the limits of safety and cost.

We list our shipments and the proceeds therefrom:

Date	NO. 1	No. 2	No. 3	No. 4
Feb. 1	114 lbs	400 lbs	400lbs	240lbs
8	135	435	350	38 0
27	135	153	300	275
Apr.17	76	500	593	980
23	281	470	343	500
May 14	254	556	649	2647
19	315	203	214	518
21	190	166	312	748
25	46	133	200	1370
29	60	115	200	700
Jun 6	89	208	328	1621
8	36	312	439	736
18	78	205	256	1051
Jul 2	412	171	130	311
21	247	359	328	588
Aug 3	477	651	566	767
11	222	632	421	591
20	517	654	506	612
Sep 3	339	643	464	248
16	555	447	430	273
Oct 2	369	1245	885	1151
15	176	648	491	635
Nov 5	734	984	714	1310
Total	5857	10290	9519	18252

No. 1	5857 lbs.	@ $.75	$4392.75
2	10290	.45	4630.50
3	9519	.1875	1784.81
4	18252	.10	1825.20
			12633.26
		Milling	1263.33
		Net	11369.93
		Indian Royalty	1263.33
			10106.60
		DMEA Royalty	568.49
		Amount paid	9538.11

I will attempt to convey my impression of the geology at Portal no, 1. The zone that was explored is in a series of massive limestone beds which show several zones of serpentinization and hydrothermal alteration. The series overlays a massive diabase sill which is about 60' below the horizon explored. Another massive sill overlays overlays these beds about 25' above the exploration. A massive diabase contact limits the orebody tothe N. E. The strike of this contact was not determined but apparently is parallel to the main fracture system running thru the mine. (See Andy Shride's geological map). The ore zone varies in thickness from 30" at the portal to 12" in the mine. A 12" diabase sill parallels the ore zone and is generally 6" to 12" above it. Mr. Shride states that the ore pinches out where the diabase sill occupies the ore zone. He also states the the sill could leave the ore zone at some further point and allow the fibre to come back in. If this be true, we hope to develop new stopes along extensions of No. 2 drift and X-cut "C".

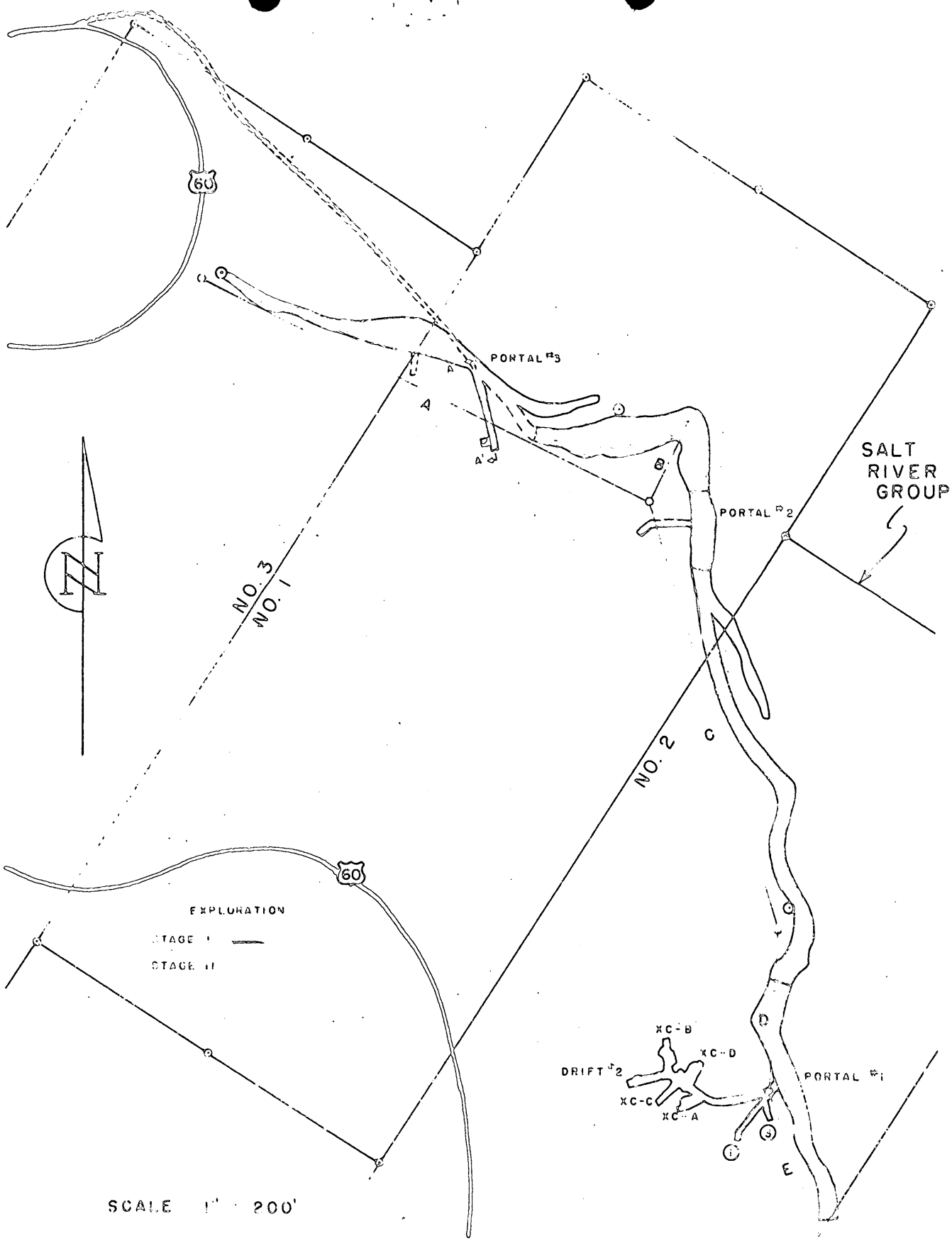
We started Portal No. 2 (See map) at a place where the bench face showed about 2" of total fibre in grades from No. 2 down. We drove this tunnel 81' and encountered a diabase contact which cut off the limestone. Since the fibre was leached and had not improved in quality we decided against using any more footage at this location.

We started Portal No. 3 at a site where the surface geology indicated we would encounter a roll. We started on a 2" zone of fibre in the roof of the tunnel and ½" vein 2' below. We drove this tunnel a total of 124' and put up an 8' raise at 100' We encountered diabase at 32' and passed thru it at57', we then drove thru a sheared section which showed tipped blocks in echelon, with the fibre zone showing in the blocks. We then got into stable ground which dipped toward the tunnel mouth at about 13 degrees. Our 8' raise cut vein material which showed about 4" of short fibre. At this time our contract was completed so we suspended exploration work pending a field examination by the DMEA. We applied for additional footage to continue crosscut "C", but our application was denied on the basis of Mr. Shride's field examination.

We wish to express our thanks to the DMEA for their cooperation and help in making it possible for us to explore this property. We know now that the footage could have been used to better advantage, but it was impossible to know what would be disclosed until the drifts were driven.

Sincerely yours,

Amy Jorsen



SEPT. 1953 DMEA-1776-X CONTRACT Idm-E-419

FIGURE 2 CLAIM AND MINE MAP
SORSEN ASBESTOS CORPORATION

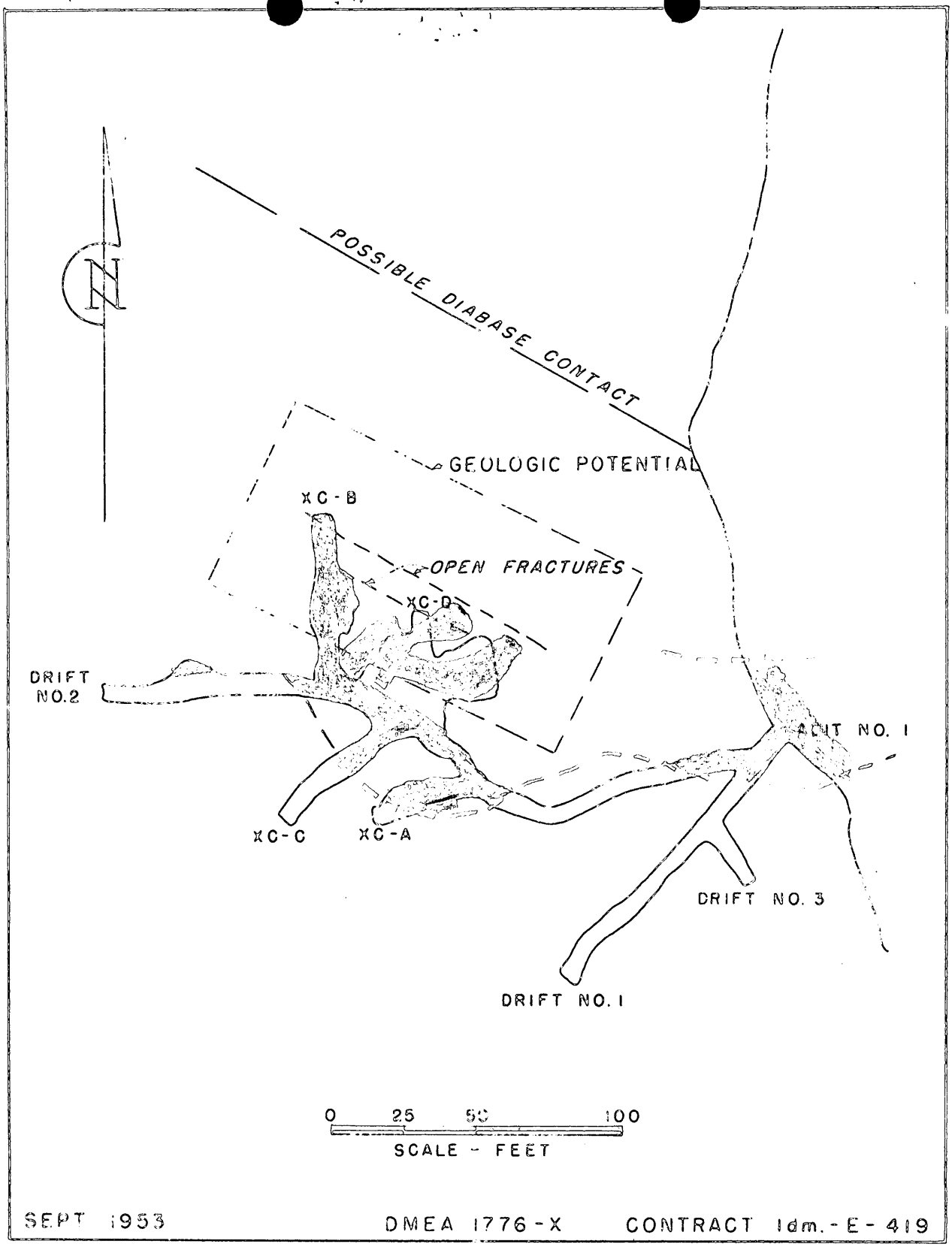


FIGURE 3

PLAN - ADIT NO. 1
SORSEN ASBESTOS CORPORATION

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

224 New Customhouse
Denver 2, Colorado

July 9, 1954.

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket No. DMA-1776X (Asbestos), Contract No. Idm-E419, Sorsen Asbestos Corporation (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, 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 of the U. S. Geological Survey.

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

Final payment to the Operator was processed by this office December 15, 1953 in conformance with the Report of Review by the Contract Administration and Audit Division dated November 17, 1953, which was released to this office December 15, 1953.

The exploration work consisted of construction of 800 feet of truck road, 1100 linear feet of trenching and benching involving 2475 cubic yards of excavation, and 646 feet of drifting at a total accepted cost of $21,750.00, in which the Government participated to the extent of 90%, or an amount of $19,575.00. The exploration work resulted in a discovery of asbestos ore on which a certification of discovery or development was issued November 27, 1953.

/s/ W. H. King

/s/ A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

Field Team Final Rpt.

IN REPLY REFER TO:

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

July 7, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 1776X, Contract Idm-E419, Salt River Claims, Sorsen-Williams Mining Company, Gila County, Arizona

Enclosed are 9 copies of the final geologic report by A. F. Shride of the U. S. Geological Survey covering the above docket.

Work under the contract resulted in the discovery of a small amount of asbestos ore, most of which has been mined. Mr. Shride concludes that additional production from this area is unlikely. A Certificate of Discovery has been issued.

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

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Box 4126 University Station

Tucson, Arizona

June 30, 1954

Memorandum

To: A. H. Koschmann

From: A. F. Shride

Subject: Completion report, Contract Idm-E419, DMA-1776X, Salt River Claims (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona

Enclosed are the original and 8 copies of the above report by A. F. Shride of the Geological Survey.

A certification of discovery has already been made. Only a small amount of asbestos ore was found and most of the recoverable ore has been mined.

A. F. Shride

A. F. Shride

AFS:ms

c.c. Koschmann (8)
Storms

Reviewed by
DMEA OPERATING COMMITTEE

7-19-54
(date)

SALT RIVER CLAIMS
(SORSEN-WILLIAMS MINING COMPANY)
GILA COUNTY, ARIZONA
DMA 1776X Idm-E419
ASBESTOS

Completion Report
Geology

By
A. F. Shride
Geologist, U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

7-19-54
(date)

SALT RIVER CLAIMS
(SORSEN-WILLIAMS MINING COMPANY)
GILA COUNTY, ARIZONA
DMA 1776X Idm-E419

ASBESTOS

CONTENTS

	Page
Introduction	1
Geology	1
Asbestos Deposits	2
Conclusions	7

ILLUSTRATIONS

	Following Page
Figure 1 - Sketch of the Salt River Claims, showing exploration and areas in which asbestos is exposed	1

INTRODUCTION

Exploration under Contract Idm-E419 was in two stages. Stage 1 consisted of dozer work to provide access and to clear debris from asbestos-serpentine zones in three places on the Salt River claims. The faces resulting from dozing were partly trimmed by hand so that the fiber zones were exposed. Stage 2 consisted of 780 feet of drifting in 3 places to further expose the fiber zones. Stage 1 work was well done. Considerable unnecessary drifting was included in Stage 2.

The exploration project resulted in exposing several hundred linear feet of asbestos-bearing outcrop on claims 1 and 3 (fig. 1), none of this material is mineable. On claim 2 the work exposed small amounts of mineable asbestos in much fractured, heavy ground; probably most of the recoverable asbestos has now been exploited from this area. Sufficient exploration has been completed to indicate that the asbestos deposits of the Salt River claims have little potential.

GEOLOGY

The asbestos of the Salt River claims occur at two or more horizons in competent, medium-bedded limestones. These are the limestones a few tens of feet above the base of the pre-Cambrian Mescal limestone that are favorable to the localization of asbestos in parts of the asbestos district. Asbestos-bearing serpentine zones parallel the bedding of the limestones, which are essentially horizontal in attitude.

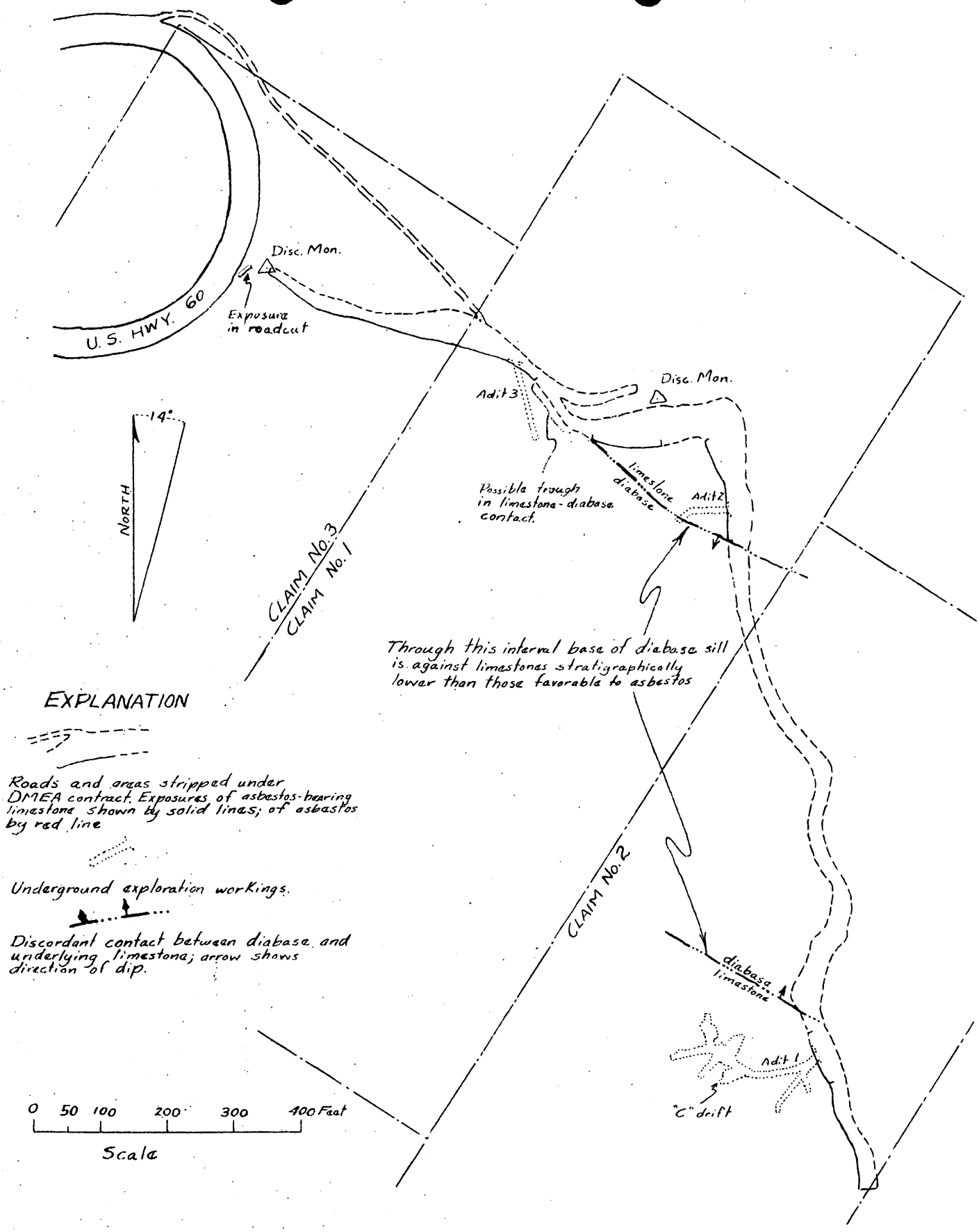


FIGURE 1.- SKETCH OF SALT RIVER CLAIMS, SHOWING EXPLORATION AND AREAS IN WHICH ASBESTOS IS EXPOSED.

DMA-1776x
CONTRACT Idm-E419

A diabase sill, at least 500 feet in thickness, overlies the limestones. The contact between the diabase and the underlying limestones undulates and the configuration of the contact is significant because in places the contact cuts down across the ore-bearing limestones and the diabase on intrusion displaced the beds to a higher elevation where they have now been eroded away; thus over a large part of the claims asbestos does not exist. Figure 1 shows the areas in which asbestos cannot be expected.

ASBESTOS DEPOSITS

Asbestos exists almost continuously for a distance of 450 feet southeast from an exposure in the roadcut of U.S.Highway 60 (see N.E. part of Claim No. 3 and W. part of Claim 1, fig. 1). Through this interval two serpentine zones, 2 feet apart, each are 3 to 8 inches in thickness and in general each includes veins of soft asbestos totaling one-quarter to 1 inch in thickness. In some places there is no asbestos in either zone. The bottom of the diabase sill is about 2 feet above the upper serpentine zone. Asbestos occurs in the greatest quantities where there are minor irregularities in the overlying contact. Through an interval of the dozer-cut 125 to 175 feet southeast of the discovery monument on Claim No. 3 the lower of the two zones includes a maximum of $1\frac{1}{2}$ inches of asbestos and a third zone 1 foot below locally includes veins of fiber totaling as much as $2\frac{1}{2}$ inches in width. Near the southeast end of the stripped exposure the operator drove a 100-foot adit (adit No. 3, fig. 1) as a part of Stage 2. This adit penetrated much weathered limestone and diabase which has been displaced due to near surface slump and creep down the slope of the canyon wall. The lower asbestos zone pinches out at the portal of the adit. The upper zone, as observed in rotated "creep" blocks of limestone in the adit, includes 1 to $1\frac{1}{2}$ inches of harsh asbestos.

The above described asbestos is much weathered and weak. The exposures observable in the bulldozer and the adit suggest that broken, slumped, heavy ground can be expected a minimum of 150 feet southward from the outcrop. Because the asbestos will be decomposed due to weathering, the ground will be too heavy to allow stoping, and at best the asbestos is in marginal quantities for mining under good ground conditions, no discovery of ore can be said to have been made in this part of the claims.

Through an interval 450-550 feet southeast of the Highway 60 roadcut, the limestones are covered by diabase debris. It is likely that through this 100-foot interval the contact between the limestone and the overlying diabase is trough-like, and the favorable limestones do not exist. At the southeast end of this interval competent limestones are again exposed where the sill cuts up across the limestone.

South and southeast of the discovery monument of Claim No. 1 (fig. 1) asbestos is exposed in quarry faces along the nose of a small ridge. In the exposure shown south of the discovery monument on figure 1 a 4-inch zone of brownish-green serpentine includes traces to three-quarters of an inch of harsh fiber. Two other asbestos-serpentine zones that occur in the quarry face to the southeast of the discovery monument apparently do not exist in this stripped area.

Southeast of the discovery monument two asbestos-serpentine zones are exposed along a quarry face 150 feet in length. The upper of these zones is probably at a stratigraphic horizon $1\frac{1}{2}$ feet below that of the brownish-green zone described in the preceding paragraph.

These zones have also been exposed by an 80-foot adit (adit No. 2, fig. 1). At the portal of the adit the two zones coalesce to one zone, that is 18 inches in thickness and includes asbestos veins totaling as much as 4 inches in thickness. Fifteen feet into the adit the bottom zone pinches out and the top zone includes 2 inches of fiber; the fiber content of the top zone decreases to 1 inch 30 feet into the adit. At the end of the adit the fiber-bearing limestones are truncated against a discordant contact with diabase. The limestones are also truncated at the outcrop at a point 40 feet south of the portal of the adit. In this 40-foot interval 2 to 4 inches of asbestos are included in the two zones. The quarry face that trends northwest from the portal of the adit exposes asbestos veins totaling 1 to $1\frac{1}{2}$ inches in width for the two serpentine zones combined. Obviously the asbestos content of the serpentine zones decreases away from the discordant diabase contact; this is typical of the habit of Gila County deposits.

As can be seen from figure 1, the asbestos zones exposed on the small ridge on Claim No. 1 are cut-off to the south by a discordant part of the underlying sill. Also the exposures of stripped area immediately south of the discovery monument suggest that the asbestos-serpentine zones exposed in the adit No. 2 do not persist to the northwest. As a result only a small area is available for exploitation beneath this ridge. All the asbestos exposed in the cuts south and southeast of the discovery monument is harsh or semi-harsh. In view of the small area for exploitation and the poor quality of the fiber the material of this area cannot be considered ore.

Between the last described deposit on Claim No. 1 and the next deposit, 600 feet south on Claim No. 2, the base of the diabase sill is against thin-bedded limestones approximately 25 feet stratigraphically below the competent limestones that are favorable hosts for asbestos. Ninety feet northwest of the portal of the No. 3 adit (fig. 1) the sill cuts discordantly up across the limestone. Southward from the discordancy, which probably strikes N. 50°-60° W., the sill is again concordant at a stratigraphic horizon 15 feet above the asbestos-serpentine zone in the limestone. The base of the sill persists at approximately this horizon for 300 feet to the south, where it again cuts down and cuts off the limestone that may include asbestos.

The No. 3 workings penetrate the principal asbestos-bearing area on the Salt River claims. The southern end of the 250-feet bulldozer cut is barren of asbestos, which at the surface exists as continuous veins only along 60 feet of the cut in the vicinity of the mine portal. In places in the mine no asbestos exists, but through most of the area exposed by the workings veins totaling one-half to 3 inches in thickness occurred in a 4 to 15-inch zone of serpentine or partly serpentinized limestone. A thin sill, 4 to 15 inches thick is 6 to 12 inches above the serpentine-asbestos zone. In places this sill was intruded along the bedding-plane along which the asbestos formed elsewhere. The places that the diabase inflated the limestone at this horizon are the places that asbestos does not exist.

The asbestos is in greatest quantities on the northwest side of the workings, toward the discordant contact that must be, at most, a few tens of feet northwest of the workings. The exposures of easternmost drifts of the exploratory work indicate that the asbestos is pinching out away from the discordant contact.

In the drift noted as the "C" drift on figure 1 a second serpentine zone, 8 feet below the main zone, included as much as 2 inches of asbestos in a few places. This occurrence was in a sporadically distributed, nodular type of serpentine that seldom includes persistent veins of asbestos. An amendment of the contract to test this zone was requested and denied. After termination of the contract the operator did additional work to test this zone. No asbestos was found as a result of this additional work.

Northwest-trending fractures are numerous throughout the area opened by mine workings. As a result of water solution along fractures and slumping of the blocks bounded by the fractures, vertical openings as much as 2 feet in width exist through much of the deposit. The ground as a result is unstable and difficult to mine.

The asbestos of this deposit is soft and in general of moderate tensile strength. Much of the fiber that has not yet been mined is slip fiber. Weathering has caused partial decomposition of some of the asbestos.

Asbestos is exposed in places in the workings in adequate quantities to be mined, if unstable ground did not exist. Most of the fiber that can be mined was extracted in 1953; production totaled 23½ tons of asbestos valued at $13,893. Mining was stopped when the mine openings became large enough so that further work was unsafe.

Though it can be anticipated that asbestos exists in greater quantities toward the discordancy northwest of the workings, it is also expectable that fractures will be more numerous and open and the rock more difficult to support in this direction. Therefore this potential extension of the deposit will probably not be explored or exploited.

The workings shown for Claim No. 3 on figure 1 are as of August 20, 1953. Additional drifting and stoping has been done. Very little recoverable fiber is exposed in the present faces. Additional development would be necessary to prove additional reserves.

The drifting done as exploration in this deposit was excessive. Few, if any, of the drifts from the adit were justified to prove the potential of the deposit. Such was predicted prior to the work but no heed was paid.

CONCLUSIONS

Approximately 50 tons of all grades of asbestos were exposed by exploration under Contract Idm-E419. Twenty-three and a half tons of this has been mined. No additional fiber is likely to be mined because of difficult mining conditions or because the asbestos is of poor quality.

In summary, asbestos was found in three areas. The fiber of the westernmost area (Claim No. 3 and west part of Claim No. 1) is in marginal thickness, badly decomposed due to weathering, and in much broken, heavy ground. The asbestos south and southeast of the discovery monument of Claim No. 1 is positively limited in extent by a discordant part of the overlying diabase intrusion and is harsh or semi-harsh. Too little asbestos exists in this area to warrant development. The recoverable asbestos of Claim No. 2 has largely been mined. Additional production from this area is not likely.

A certificate of discovery, based on the production from Claim No. 2, has already been issued.

Denver Division
Received
1953
Bureau of Mines
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
MINING DIVISION
REGION IV

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

TUCSON, ARIZONA

October 27, 1953

Memorandum

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

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

Subject : Completion Engineering Report, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp. (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, Gila County, Ariz.

Enclosed are original and 8 copies of a final engineering report on Contract Idm-E419, by R. W. Ageton of the Bureau of Mines. This report has my approval.

Walter R. Storms

Walter R. Storms

CC W. H. King (8)
DMA-1776X
DF

FOR VICTORY
BUY
UNITED STATES SAVINGS BONDS AND STAMPS

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMA-1776X, Contract Idm-E419, Sorsen Asbestos Corporation

Salt River Asbestos Claims

Gila County, Arizona

Completion Report

Robert W. Ageton, Mining Engineer
U. S. Bureau of Mines

October 1953

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

DMA-1776X, Contract Idm-E419, Sorsen Asbestos Corporation
Salt River Asbestos Claims
Gila County, Arizona

CONTENTS

Completion engineering report	Page
Summary, Conclusions, and recommendations	1
Introduction	2
Description of work completed	2
Description of geology	3
Estimate of ore reserves	5
Expenditures	6
Efficiency of operations	6
Equipment and supplies	6

ILLUSTRATIONS

Figure		Following page
1	Location map	2
2	Claim and mine map	2
3	Plan Adit No. 1	3
4	Section (A-A') Adit No. 3	4

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Sorsen-Williams Mining Co. of Globe, Ariz. applied for Government assistance to explore for asbestos on claims adjacent to paved U. S. Highway 60 in Salt River Canyon, about 43 road miles northeast of Globe, Gila County, Ariz. The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, entered into Exploration Project Contract No. Idm-E419, Docket DMA-1776X, dated October 20, 1952, with the Sorsen-Williams Mining Co., which contract later was assigned to the Sorsen Asbestos Corp.

Under the terms of the contract the operator explored the outcrop by 2 stages. Stage I, consisting of bulldozing and benching the outcrop, was followed by driving 3 adits into the deposit for a total of 646 feet of drifting and crosscutting. A deposit of asbestos fiber was discovered in Adit No. 1 where the roof is not competent and requires support. Therefore, even though an area geologically favorable for the production of fiber was discovered, it may not be feasible to stope the mineralized zone. Additional exploration with private capital, or by Government assistance is not warranted.

An estimate of the geologic potential of the deposit is 32 tons of recoverable fiber of all grades having a current gross value of $17,075.00. Although mining the deposit presents a serious problem, the Government should certify the project in order to be entitled to royalties from any fiber produced.

INTRODUCTION

The Sorsen Asbestos Corp.'s mine is accessible from Globe, Ariz. by traveling 43 miles northeasterly along U. S. Highway 60 (figure 1). The property consists of 4 unpatented mining claims situated in the northwest corner of the San Carlos Indian Reservation in unsurveyed secs. 25 and 26, T. 5 N., R. 17 E. The altitude of the mine is approximately 3,600 feet above sea level.

The applicant's request for exploration was docketed as DMA-1776X (Asbestos), and the work was performed under Contract Idm-E419. The project was recommended for exploration by Lincoln A. Stewart, mining engineer, Bureau of Mines, and A. F. Shride, geologist, Geological Survey.

DESCRIPTION OF WORK COMPLETED

The exploration project was contracted as a 2-stage program (figure 2). Stage I consisted of bulldozing an 800-foot truck trail, and benching and trenching 1,100 linear feet to expose the outcrop of the asbestos veins. Work on Stage I was started on January 2, 1953, and completed on January 28, 1953. The operator at his own expense did considerably more stripping than the contract specified.

Stage II consisted of driving 3 adits into the deposit for a total of 646 feet. Work on Stage II was started on February 1, 1953, and completed on July 31, 1953. A total of 441 feet of drifting was completed in Adit No. 1 where the search for fiber and stable ground necessitated drifting in an irregular manner. Adit No. 2 was advanced

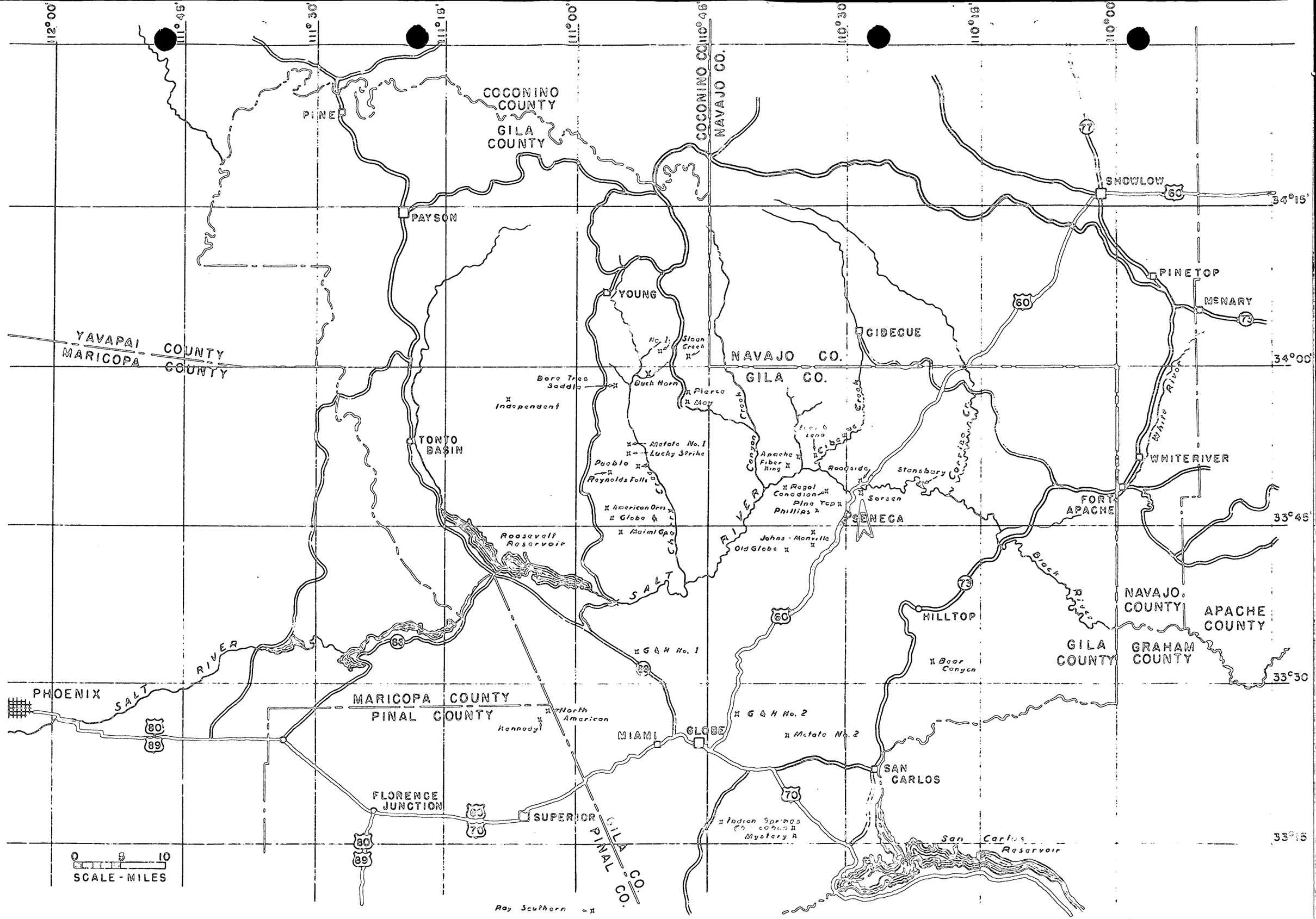
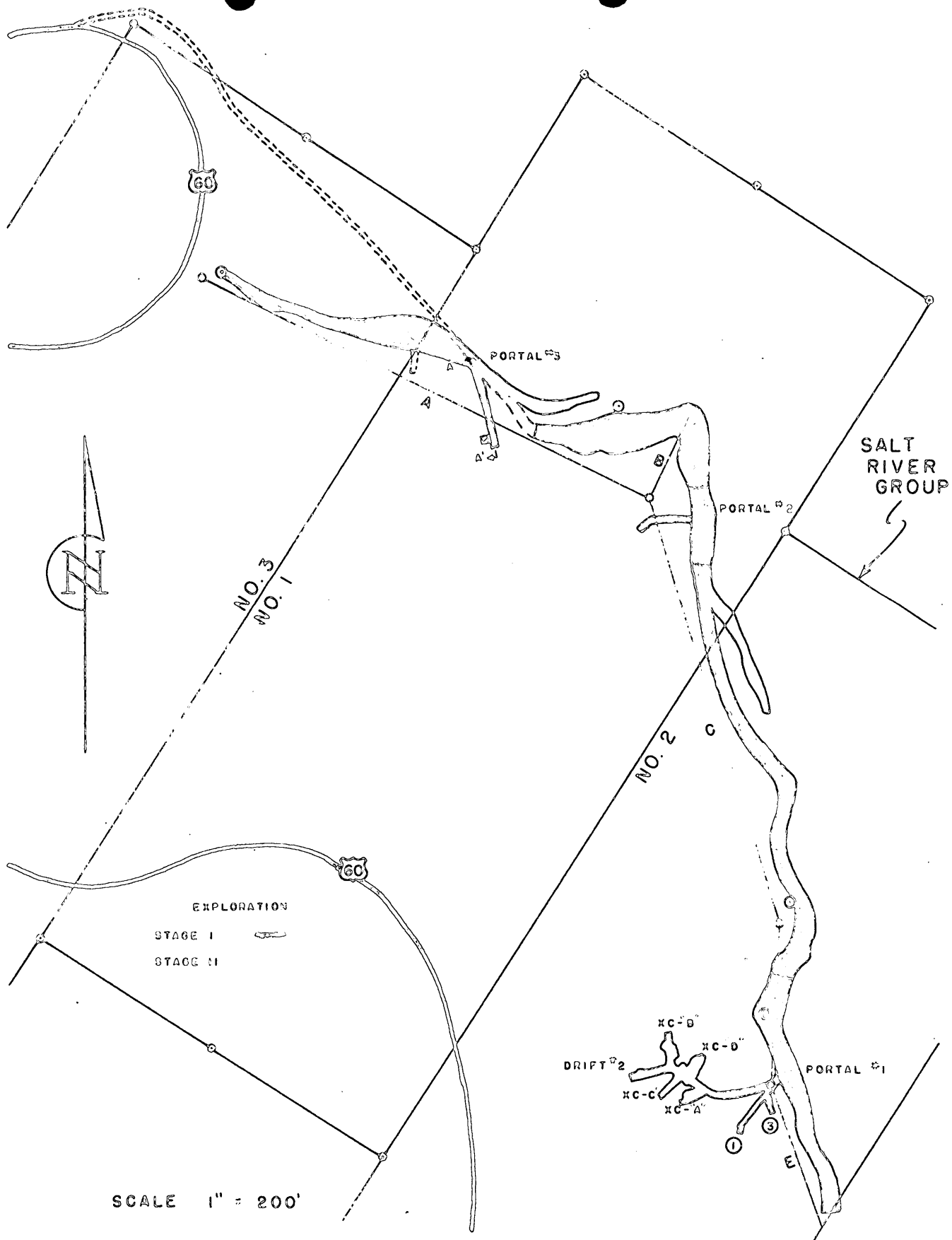


FIGURE I. - LOCATION MAP - ASBESTOS DEPOSITS - CENTRAL ARIZONA



SEPT. 1953 DMEA-1776-X CONTRACT Idm-E-419

FIGURE 2 CLAIM AND MINE MAP

SORSEN ASBESTOS CORPORATION

81 feet when it encountered diabase and was stopped. Adit No. 3 was driven in a southeasterly direction 124 feet, completing the units of work authorized by the contract (441 + 81 + 124 or 646 feet).

DESCRIPTION OF GEOLOGY

The asbestos deposit of the Sorsen Asbestos Corp.'s mine occurs in pre-Cambrian Mescal limestone which is a part of a succession of strata known as the Apache group. The ore-bearing zone is in a limestone formation that is stratagraphically 100 feet below the Mescal Algal formation. The ore horizon is identical to that of Phillips' Asbestos Corp.'s Ladder and Grandview mines. The limestone host of the ore deposits is approximately 40 feet above the base of the Mescal Formation.

Although the stratagraphic distance between the Algal formation and the ore horizon at the property is 100 feet, the actual vertical distance between the 2 beds ranges from 300 to 500 feet, due to a diabase sill (300 to 500 feet thick) that has intruded the Mescal formation, separating the Algal limestone from the fiber-bearing limestone.

Adit No. 1 (figure 3) was started at a good exposure of slightly weathered fiber that lasted a drift length of 30 feet. The heading then was continued for another 81 feet, the drift work disclosing only traces of asbestos. Heading No. 3 off Adit No. 1 encountered very heavy ground that required 3-piece timbering on 4-foot centers, closely lagged and blocked. Work in No. 1 and No. 3 headings was discontinued and the No. 2 heading was advanced. A total of 4 crosscuts

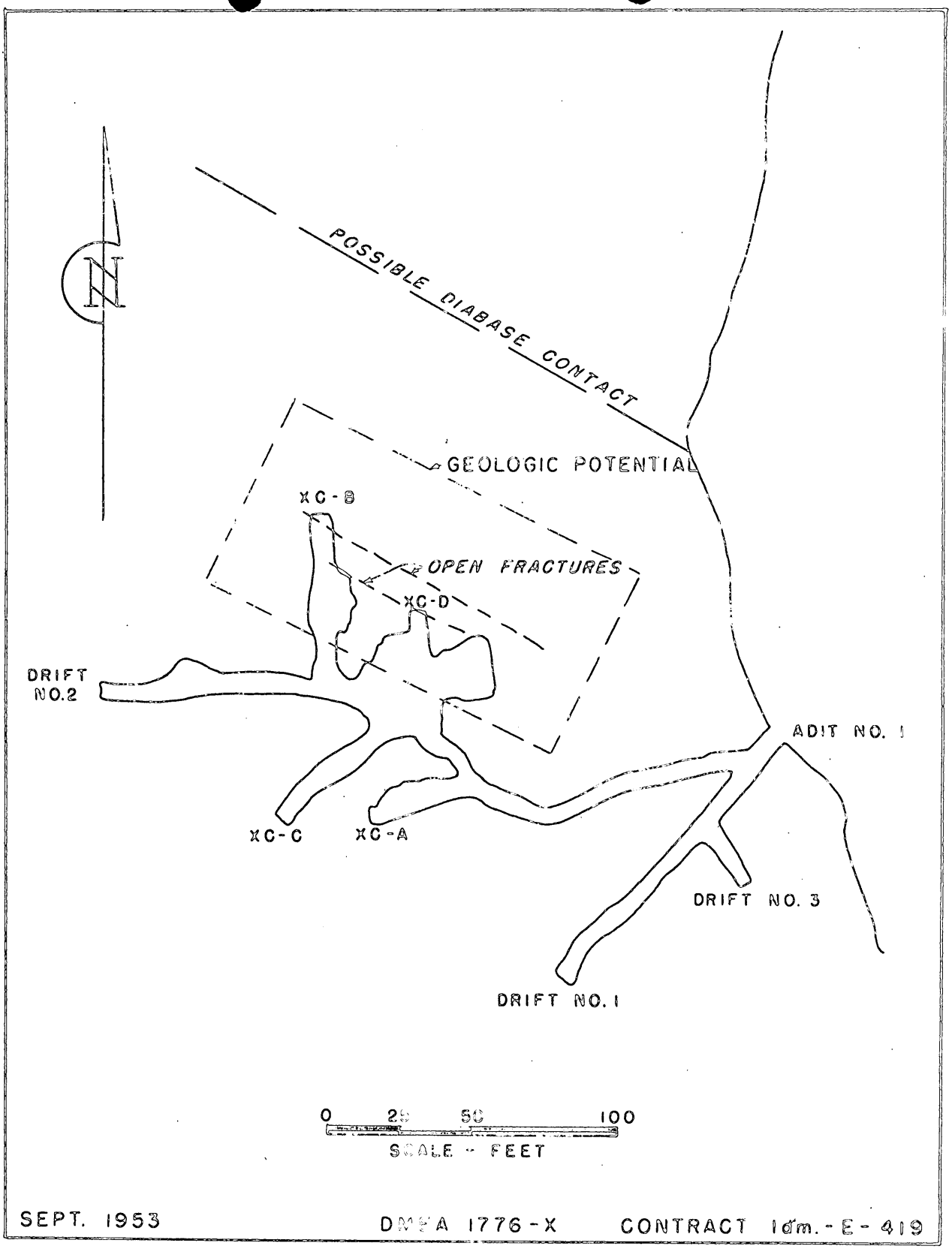


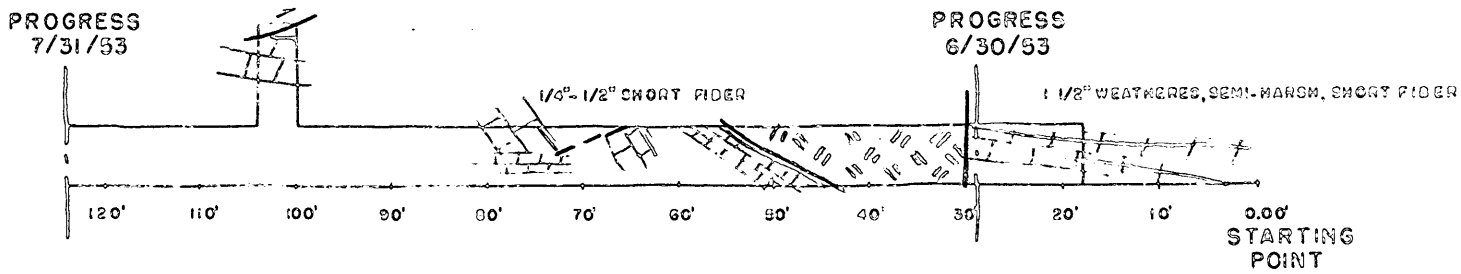
FIGURE 3

PLAN - ADIT NO. 1
SORSEN ASBESTOS CORPORATION

was driven off the No. 2 heading and 3 of them cut a minor amount of commercial fiber. Considerable stoping has been done from crosscut "D". Crosscut "B" exposed a total of 1 to 2 inches of soft fiber, but the back required more timbering than was practicable for a stoping operation. Also, the face of the drift intersected a large open fracture that prevented further exploration.

Adit No. 2 started at an exposure of 2 to 3 inches of total fiber that was weathered, mostly short, and harsh. The adit was advanced 81 feet until it intersected diabase. The drift was directed toward the diabase contact with the hope that the fiber would improve nearer the contact. However, the zone of mineralization gradually decreased to about 1 inch of short fiber still showing signs of weathering. No commercial fiber was exposed in Adit No. 2.

Adit No. 3 was started at a face that had 2 fiber zones containing a total fiber content of 2 inches. Approximately 30 feet from the starting point, a steeply dipping contact with diabase cutoff the limestone formation (figure 4). The drift then passed through 13 feet of diabase before limestone again appeared in the floor. The contract footage expended in the drift (124 feet) did not disclose the fiber zones noted at the portal. The operator at his own expense raised at a point about 24 feet from the face of the drift and cut the fiber zone about 16 feet above the floor of the drift. However, the raise did not intersect fiber of commercial widths or grade.



SECTION A - A'

SCALE 1" = 20'

DMEA DOCKET 1776-X

CONTRACT Idm - E419

AUGUST 10, 1953

FIGURE 4

SECTION A-A - PORTAL NO. 3 - SORSEN-WILLIAMS MINING CO.

ESTIMATE OF ORE RESERVES

Based upon production records over an 8-month period, 7.8 pounds of recoverable fiber of all grades have been produced per square foot of area stoped. The grades of fiber from the production are as follows:

No. 1 Crude	No. 2 Crude	No. 3	No. 4	Total
15.1%	16.6%	18.3%	50.0%	100.0%

Using this information as a basis, it is possible to calculate ore reserves. However, the greatest concern to anyone estimating reserves at this property is the fact that the back requires support and large open cracks cut across good fiber exposures. Therefore, areas of favorable fiber mineralization may not be feasible to mine.

Referring to figure 3, the face of the stopes and drifts in Adit No. 1 have been projected ahead approximately 30 feet, giving a mineralized reserve area of 8,235 square feet. Using the factor of 7.8 pounds of recoverable fiber per square foot, then approximately 64,200 pounds of fiber of all grades might be produced from this block of ground. A tabulation of the grades of fiber and the expectable amount of each grade that this mineralized zone might yield is as follows:

Grade	Pounds	Tons
No. 1 Crude	8,000	4.0
No. 2 Crude	12,200	6.1
No. 3	12,800	6.4
No. 4	31,200	15.6
Total	64,200	32.1

EXPENDITURES

Funds spent on this project were as follows:

Total approved ----------	$21,750.00
Total cost of project ----------	21,750.00
Government's share of cost ----------	19,575.00
Government's share unexpended ----------	0.00
Value of production during operations --------	$9,122.12
Government's royalty ----------	$410.50

EFFICIENCY OF OPERATIONS

The exploration was conducted in a workmanlike manner and according to contract specifications.

EQUIPMENT AND SUPPLIES

This contract was on a unit cost basis, consequently there was no Government participation in the cost of equipment or supplies.

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

224 New Customhouse
Denver 2, Colorado

January 21, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-1776X (Asbestos), Contract No. Idm-E419, Sorsen Asbestos Corporation (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, Gila County, Arizona.

Enclosed are the original and three copies of a semi-annual report relative to operations under the subject project subsequent to the issuance of a Certification of Discovery or Development by the Defense Minerals Exploration Administration.

W. H. King

Enclosures

U. S. Bureau of Mines
P. O. Box 4097
Tucson 5, Arizona

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT, DEFENSE MINERALS EXPLORATION ADMINISTRATION

January 19, 1954

Period:	October 20, 1952 to December 31, 1953
Docket:	DMA-1776X, Contract Idm-E419.
Commodity:	Asbestos
Operator's name:	Sorsen Asbestos Corporation (Sorsen-Williams Mining Co.)
Address:	Box 1431, Globe, Ariz.
Name of mine:	No. 1 mine, Salt River Claims
Location:	43 miles northeast of Globe, Gila County, Arizona.
Date certified:	December 2, 1953(?)
Contract amount:	$21,750.00
Government participation:	$19,575.00

Remarks: Contract Idm-E419 was executed on October 20, 1952, to explore the asbestos exposure by 2 stages. Stage I, consisting of bulldozing and benching the outcrop, was followed by Stage II, the driving of 3 adits into the deposit for a total of 646 feet of drifting and crosscutting.

A deposit of asbestos fiber was discovered in Adit No. 1 where the roof is not competent and requires support. Work under the contract was completed on July 31, 1953.

A tabulation of the total production from the deposit to date is as follows:

Grade	Pounds	Gross Value	Royalty
No. 1 Crude	6,570	$4,927.50	
No. 2 Crude	11,598	5,245.50	
No. 3	9,995	1,879.90	
No. 4	18,835	1,840.11	
Total	46,998	$13,893.01	$625.19

The subject property was visited on January 13, 1954. Operations have been suspended and some of the equipment has been dismantled.

Robert W. Ageton

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

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

224 New Customhouse
Denver 2, Colorado

January 4, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 1776X (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation, Pima County, Arizona.

Enclosed are two copies of a memorandum to Mr. T. A. Christensen dated December 15, 1953, relative to final payment under the terms of the subject contract.

Final payment to the Operator in the amount of $500.00 has now been made in conformance with the Report of Review by the Contract Administration and Audit Division, dated November 17, 1953.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 1776X (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation, Pima County, Arizona.

Reference is made to our memorandum of August 17, 1953 whereby we transmitted the final Form MF-104, Operator's Monthly Progress Report and voucher for the month of July 1953, and instructed you to withhold the amount of $500.00 from reimbursement to the Operator pending receipt of the Operator's final report and a 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 November 17, 1953, which was released to this office December 15, 1953.

Basis of Final Payment

Total accepted cost	$21,750.00
Government contribution at 90%	19,575.00
Total prior payments	19,075.00
Balance due Operator	$500.00

W. H. KING

/s/ W. H. King

$500.00

JWT:cwm

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

12/18/53 DMA 54-62

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

224 New Customhouse
Denver 2, Colorado

December 22, 1953

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Letter from Phillips Asbestos Mines re ore shipped from Sorsen Asbestos Corporation, Docket No. DMEA 1776X, Contract No. Idm-E419 (Asbestos)

Enclosed is a copy of a letter from Phillips Asbestos Mines denoting ore shipped from Sorsen Asbestos Corporation for the period October 23 through December 12, 1953.

W. H. King

Enclosure

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

34826
23483
11343

11.343 wt
5%
105.69 + 5 Owners royalty

Guy E. Phillips

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

Defense Minerals Administration
RECEIVED
DEC 18 1953

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 1776X (Asbestos), Contract Idm-E419, Sorsen Asbestos Corporation, Pima County, Arizona.

Reference is made to our memorandum of August 17, 1953 whereby we transmitted the final Form MF-104, Operator's Monthly Progress Report and voucher for the month of July 1953, and instructed you to withhold the amount of $500.00 from reimbursement to the Operator pending receipt of the Operator's final report and a 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 November 17, 1953, which was released to this office December 15, 1953.

Basis of Final Payment

Total accepted cost	$21,750.00
Government contribution at 90%	19,575.00
Total prior payments	19,075.00
Balance due Operator	$500.00

W. H. King

JWT:cwm

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

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

Docket File

224 New Customhouse
Denver 2, Colorado

December 11, 1953

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Settlement Sheet - Contract Idm-E419 (Asbestos), Docket No. DMEA 1776X, Sorsen Asbestos Corporation

Enclosed is a copy of a letter dated October 22, 1953 from the Phillips Asbestos Mines listing shipments and their values of asbestos shipped by the Sorsen Asbestos Corporation to the Phillips Asbestos Mines for the period September 15, 1953 through October 15, 1953.

W H King
W. H. King

Enclosure

Settlement sheet in Nonmetallic Minerals Files

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

Mines Bureau
Denver
1953
BUREAU OF MINES
Denver, Colorado

Oct. 22, 1953

Mr. W. H. King
DMEA, Bureau of Mines
U. S. Dep't. of the Interior
224 New Customhouse
Denver 2, Colorado

Re: Contract IDM E 419
Docket DMEA 1776-X

Dear Mr. King;

I herewith submit a report and royalty check for fibre purchases from Sorsen Asbestos Corp.

	No. 1	No. 2	No. 3	No. 4
Sept. 16	555	447	430	273
Oct. 2	369	1245	885	1151
Oct. 15	176	648	491	635
Total	1100	2340	1806	2059

No. 1	1100 lbs. @	.75	.66	$ 825.00
2	2340	.45	.34	1053.00
3	1806	.1875	.14	338.63
4	2059	.10	.076	205.90
				2422.53
Milling And Handling				242.25
			Net.	2180.28
Indian Royalty				242.25
				1938.03
DMEA Royalty				109.02
			Amount paid	1829.01

Sincerely yours,

2180.28
109.02
2290.30

FILE COPY
SURNAME

Roberts
Hoch
Chamberlin
Burton
Cafaro
~~Forrester~~
Jarzabek
Hedges
Gallagher
Johnson

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

690

DEC 2 - 1953

Mr. Irving Gumbel, Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-1776 - Asbestos
Corson Asbestos Corporation
Salt River Asbestos Deposits
(Salt River Group - Four Claims)
Gila County, Arizona
Contract No. Idm-2419

Dear Mr. Gumbel:

I am enclosing one copy of a Certification of Discovery or Development relating to the subject exploration project contract.

The contract was signed October 22, 1952, and provided for the construction of 800 linear feet of access road, 2475 cu. yds. of surface trenching, and 646 feet of adits and drifts. The actual work was completed July, 1953, the Government participating to the extent of 90% of $21,750.00 or $19,575.00.

The shallow underground exploration, drifts and adits, followed narrow serpentine bands 4 inches to 18 inches thick, enclosed in limestone strata essentially flat-lying. Asbestos seams, a fraction of an inch to upwards of 3½ inches, are associated with the serpentine.

During the operation of the project there was produced a total of 32,257 pounds of fiber valued at $9,142.12, distributed in the following grades and weights:

No. 1 Crude	4,483	pounds	$3,342.25
No. 2 Crude	6,893	"	3,128.25
No. 3	6,642	"	1,251.11
No. 4 (or less)	14,239	"	1,420.51
Total	32,257	pounds	$9,142.12

The DMEA is of the opinion that the work was of definite benefit to the property. The last report from the field indicated that

R.S.J.
12-2-53

there is geological potential ore which, if mined and milled, would produce about 64,200 pounds of fiber of the same relative quality as that already produced. The DMEA, therefore, has certified that a discovery or development resulted from the work performed.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

JTRobertson:gad 11/30/53

Copy to: Admr. R. File
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region IV
Docket File
Operating Committee
Mr. Hedges, 4604
Mr. Johnson
Mr. Chambers
Mr. Houk

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

Refer to Funchle head of Fay Lahey matter

WSM
Contractual
Operating
Slip

DATE 11/24/53

REFERRED TO:

1. ~~Mr. Chambers~~
2. ~~Mr. Hoffund~~
3. ~~Mr. Johnson~~ ~~Mr. Martin~~
4. ~~Operating Committee~~ ~~Mr. Shan~~
5. ~~Mr. Mittendorf~~ ~~NB~~
6. Marks & Felix

FOR:

---------- Action	---------- Recommendation
---------- Approval	---------- Record of ----------
---------- Comment	
---------- Conference	---------- Referring to ----------
---------- Consideration	
---------- Filing	---------- Reply for signature of ----------
---------- Instructions	
---------- Investigation	---------- Rewriting
✓ Initials	✓ Signature (2)
2 Mailing	---------- Suggestions
---------- Previous correspondence	---------- Your information

RECEIVED
NOV 25 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

REMARKS: Send copy of Cert. to Williams
HCB

Check (X) before the items needing attention.

L. G. Houk
Initials of sender.

GPO 16—63815-1

8) 11,207
1,401

Certifications Entd
Nov 27, 1953

FILE COPY
SURNAME:

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

600

NOV 27 1953

Mr. William A. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

Re: Docket No. [illegible]-1776 - Asbestos
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-2419

Dear Mr. Sorsen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-2419 on the Salt River Asbestos Deposits, Gila County, Arizona.

By the terms of the Exploration Project Contract and of the Certification, all production from the property from the date of the Exploration Project Contract, October 20, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $19,975.00 (subject to audit review) is paid or until October 20, 1962, whichever occurs first.

Payments should be made to Mr. W. E. King, Executive Officer, Defense Minerals Exploration Administration Field Team, Region IV, 224 New Customhouse Building, Denver 2, Colorado. Checks should be drawn payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer.

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

You are requested to notify Mr. King of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. King at six-month intervals that no production has been made.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

Docket File
Field Team, Region IV
Mr. Thayer, 5216 GA Bldg.
Operating Committee

JTRobertson:gsd 11/24/53
Copy to: Admr. E. File
Mr. Johnson
Mr. Reigan, 4654
Mr. Chambers
Mr. Hook

Solicitor
Hook
Chandler
Robin
Allen
Martin
Hodges
Lovewell
Johnson

11-27-53

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

224 New Customhouse
Denver 2, Colorado

October 8, 1953

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Certification of Discovery - Contract Idm-E419, Docket DMA 1776X, Sorsen Asbestos Corp., Gila County, Ariz.

Enclosed are four copies of a recommendation of a Certification of Discovery covering contract Idm-E419.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
OCT 12 1953

MINING DIVISION
REGION IV

October 5, 1953

Memorandum

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

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

Subject : Certification of Discovery, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp. (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, San Carlos Indian Reservation, Gila County, Ariz.

As requested in your recent memorandum, we are attaching a memorandum from R. W. Ageton of the Bureau of Mines which gives estimated ore reserves at the Salt River asbestos claims; also a Certification of Discovery. A. F. Shride of the Geological Survey has read Ageton's memorandum and thinks his estimate is reasonable.

Contract Idm-E419 was signed on October 20, 1952 for exploration work on the Salt River group of lode claims, and work actually started on January 2, 1953. A truck trail was constructed to the asbestos-bearing outcrop, the outcrop was stripped, and adits were driven on the best-appearing zones. The contract project was completed in July 1953.

Our records show that the operator has paid a total of $410.50 in royalty to the Government to date from ore produced under this contract. Additional "ore" remains in the property but much of it may not be mined because of badly caving ground.

I recommend that a certificate of discovery be issued as ore already has been mined that was discovered by project work, and ore still remains in the property.

Walter R. Storms

Walter R. Storms

CC W. H. King (5)
DMA-1776X - Contract
DF

WRStorms:frj

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 12 1953

MINING DIVISION
REGION IV

October 5, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Branch, Mining Division, Region IV

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

Subject : Reserve estimate, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp. (Sorsen-Williams Mining Co.), Salt River Asbestos Claims, Gila County, Ariz.

In accordance with your request, the following data pertaining to ore reserves at the subject mine are submitted:

The area of favorable fiber mineralization may not be feasible to mine due to the fact that the back requires support, and large open cracks cut across good fiber exposures. For these reasons the potential of the deposit is not to be classed as ore reserves. Therefore, the mineralized zone exposed by the exploration project contains an estimated 64,200 pounds of recoverable fiber of all grades, classed as geologic potential.

Based upon past production a tabulation of the grades of fiber and the amount of each grade that this mineralized zone might yield is as follows:

Grade	Pounds	Tons
#1 Crude	8,000	4.0
#2 Crude	12,200	6.1
#3	12,800	6.4
#4	31,200	15.6
Total	64,200	32.1

All of the past production has been shipped to the mill owned by the Phillips Asbestos Mines. Using the previous prices paid for the grades of fiber classified by the milling operation, the gross value of the estimated geologic potential of the deposit is $17,075.00. The net mill return to the shipper, after deducting a 10 percent milling charge, 10 percent Indian royalty, and 5 percent Government royalty, is $13,062.37.

CC W. H. King (Orig. & 5)
DMA-1776X
DF

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

(Ageton left town before this was typed so did not sign it)
Walter R. Storms

RWAgeton:frj

Department of the Interior
Defense Minerals Exploration Administration
RECEIVED
OCT 20 1953

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

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

To: Sorsen Asbestos Corp.
(Sorsen-Williams Mining Co.)
Box 1431
Globe, Arizona

Pursuant to the provisions of Exploration Project Contract No. Idm-E419, dated October 20, 1952 (Docket DMA-1776X), hereinafter called the "Contract" between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made, has resulted from the exploration work.

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

Asbestos fiber of commercial grade has been discovered on the Salt River claims by work done under this contract. The claims, listed in the contract where royalty must be paid if ore is mined, are located in the northwest corner of the San Carlos Indian Reservation in Gila County, Arizona, approximately in sections 25 and 26, Township 5 North, Range 17 East, unsurveyed.

Dated _____ 1953.

The United States of America

By_____
Administrator, Defense Minerals
Exploration Administration

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

224 New Customhouse
Denver 2, Colorado

September 21, 1953

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Settlement Sheets - Contract Idm-E419 (Asbestos), Docket No. DMEA 1776X, Sorsen Asbestos Corporation

Enclosed is a copy of a letter dated September 19, 1953 from the Phillips Asbestos Mines listing shipments and their values of asbestos shipped by the Sorsen Asbestos Corporation to the Phillips Asbestos Mines for the period August 11, 1953 through September 16, 1953.

W. H. King
W. H. King

Enclosure

Filed in nonmetallic file

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

Sept. 10, 1953

Mr. W. H. King
Bureau of Mines
U. S. Dep't. of the Interior
224 New Customhouse
Denver 2, Colorado

Re: BIA Docket 1776-K
Contract IDI [illegible] 419

Dear Mr. King;

Enclosed herewith is royalty check for fibre milled on the dates indicated for Corsen Asbestos Corporation:

	No. 1	No. 2	No. 3	No. 4
Aug. 11	222	632	421	501
20	517	654	506	612
Sept 3	339	643	464	248
16	555	447	430	273
	1633	2376	1821	1724

No. 1	1633 lb. @	.75	1224.75
2	2376	.45	1069.20
3	1821	.1875	341.44
4	1724	.10	172.40
Gross			2807.79
Milling & Handling			280.78
Net			2527.01
Indian Royalty			280.78
			2246.23
BIA Royalty			126.35
Amount paid			$2119.88

2527.01
5%
126.35

126.35

Sincerely yours,

[signature]

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

224 New Customhouse
Denver 2, Colorado

September 18, 1953.

Memorandum

To: Chairman of the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Royalty Payment - Docket No. DMEA-1776X, Contract No. Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

In reply to your letter dated September 11, 1953 we are enclosing a copy of a letter dated August 11, 1953 to the Phillips Asbestos Mines and a copy of a letter dated August 7, 1953 to William W. Sorsen regarding a deficiency in royalties.

On August 18, 1953 the Washington Office received a copy of a letter transmitting a check in the amount of $15.99 to the Fiscal Officer, Region IV.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

August 11, 1953.

Phillips Asbestos Mines
Drawer 71
Globe, Arizona

Re: Royalty - Contract Idm-E419
Docket No. DMEA-1776

Gentlemen:

This will acknowledge receipt of your Summary of Ore Purchases from the Sorsen Asbestos Corporation from June 18, 1953 through August 3, 1953, and a check in the amount of $81.80 in payment of royalty on these shipments.

The Government royalty should be calculated on the net amount before the Indian Royalty is deducted. In other words, it should have been five percent of $1841.31, or $92.07.

We have requested Mr. Sorsen to make up the difference on this shipment. In the future, please calculate all royalties on this basis.

Very truly yours,

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

C
O
P
Y

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

224 New Customhouse
Denver 2, Colorado

August 7, 1953.

Mr. William W. Sorsen
Sorsen Asbestos Corporation
P. O. Box 1431
Globe, Arizona

Dear Mr. Sorsen:

Reference is made to the records of ore shipments made by the Sorsen Asbestos Corporation to the Phillips Asbestos Mines under Exploration Project Idm-E419. The royalty on these shipments should be computed on the net value of the ore before the Indian royalty is deducted.

This royalty was calculated incorrectly on the shipment for the period May 19, 1953 through May 29, 1953 and for the period June 18, 1953 through August 3, 1953.

There was also an error in the royalty on the ore shipped during the period February 1, 1953 through February 27, 1953. The following tabulation gives the amount of royalty paid and amount due the Government on these shipments:

	Amount Paid	Royalty Due
2/1/53 through 2/27/53	$48.84	$48.34
4/17/53 through 4/23/53	49.78	49.78
4/28/53 through 5/14/53	38.02	38.02
5/19/53 through 5/29/53	49.72	55.94
6/18/53 through 8/3/53	81.80	92.07
	$268.16	$284.15

According to our calculations, $15.99 is due the Government on these shipments. Please send your check made payable to the Treasurer of the United States to W. H. King, Executive Officer, DMEA, 224 New Customhouse, Denver 2, Colorado, in the amount of $15.99, the balance due.

Very truly yours,

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

C O P Y

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

Mr. Lew Dreschhouse
Denver 2, Colorado

August 5, 1953.

Mr. William V. Boreen
Denver Adsorbent Corporation
P. O. Box 1432
Globe, Arizona

Dear Mr. Boreen:

Reference is made to the recent [illegible] ore shipments made by Denver Adsorbent Corporation to the Phillips Adsorbent Mines under Purchase Contract Project Ion-8412. The royalty on these shipments amounts on the net value of the ore before the Indian royalty is accrued.

This royalty was calculated incorrectly on the shipments for the period May 1, 1953 through May 29, 1953 and for the period June 12, 1953 through August 3, 1953.

There was also an error in the royalty on the ore shipped during the period February 1, 1953 through December 31, 1953. The following tabulation gives the amount of royalty paid and amount due the Government on these shipments:

	Amount Paid	Royalty Due
2/1/53 through 5/29/53	$44.34	$[illegible]
6/12/53 through 8/3/53	43.40	[illegible]
8/26/53 through 12/31/53	32.00	[illegible]
5/12/53 through 5/29/53	[illegible]	[illegible]
6/12/53 through 8/3/53	[illegible]	[illegible]
	$[illegible]	$[illegible]

According to our calculations, $15.24 is the total amount of these shipments. Please find your check made payable to the Treasurer of the United States in W. H. King, Property Officer, BEAI, 2-4 New Customs House, Denver 1, Colorado, in the amount of $[illegible]. Use Indian due.

Very truly yours,

John E. Shaw for
W. H. King
Executive Officer, BMEA
Field Team, Region IV

COPY

FILE COPY
SURNAME:

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

600

SEP 11 1953

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

Re: Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. King:

Reference is made to your memorandum of August 11, 1953, enclosing a copy of ore purchases on asbestos shipped from the Sorsen Asbestos Mines to the Phillips Mill during the period July 18 through August 3, 1953.

The method of calculating the royalty in this case is incorrect as has been the method of calculating all of the DMEA royalty on the subject mine. The royalty due the Government should be calculated on the same base that the Indian royalty is calculated.

It is suggested that you immediately inform Mr. Sorsen of these discrepancies and suggest that he contact Mr. Guy Phillips bringing to his attention these errors so that corrections may be made. We would appreciate receiving copies of this correspondence together with a listing of all the lots showing the correct amount of royalty due and paid.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedgen
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

LGHOUK:gad 9/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Dr. Bowles, 3520
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

9-11-53

September 4, 1953

Docket No. DMEA-1776 - Asbestos
Sorsen Asbestos Corporation
Salt River Asbestos Deposits
Gila County, Arizona
Contract No. Idm-E419

Memorandum

To: Mr. John L. Hefflund

From: Lawrence G. Houk

Subject: Gross revenue from sales base used in computing royalty payments on lands under contract without a subordination agreement.

The subject contract royalty payments have been withheld by the first buyer of the asbestos produced during the exploration period. The purchaser has computed our royalty from the gross value after deducting 10% for milling and commission, and after deducting the royalty due the Indian Tribe. Inasmuch as there is no subordination agreement should the DMEA royalty not be computed from the same base as the Indian royalty is computed, rather than from the net returns after payment of Indian royalty.

It is the opinion of this Division that the same base should be used for computing both the Indian royalty and the DMEA royalty.

The agree
(s) HCR - 9/4/53
(s) ackane - 9/4/53

LGHOUK:gad 9/4/53

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

224 New Customhouse
Denver 2, Colorado

August 31, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Salt River Asbestos Claims, 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 July, 1953, pertaining to DMA Docket 1776X, Contract Idm-E419, Sorsen-Williams Mining Company, Salt River Asbestos Claims, Gila County, Arizona.

W. H. King
W. H. King

mdc

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 3 - 1953

Administrative Audit Difference Statement

Date: August 28, 1953
Payee's
Reference: Progress
Report - July, 1953

Gorson-Williams Mining Co.
P. O. Box 1431
Globe, Arizona
I-[illegible]-419

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

Amount Claimed $ 2,394.00

Difference $ 500.00

Amount Approved $ 1,894.00

The reason for the difference was due to:

Amount claimed by operator is $2,660.00
[illegible] of $2,660.00 is $2,394.00
$500.00 withheld at this time pending receipt of operator's report and Report of Review. Reclaim may be made later.

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

August 17, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Salt River Asbestos Claims, Gila County, Arizona. Operator's Monthly Progress Report for the period July 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.

Note:

$500.00 in Government Participation is to be withheld pending receipt of Operator's Final Report. Upon receipt of this report and the Report of Review by the Contract Administration and Audit Division payment of this $500.00 due the Operator can be made as per Circular 19, Supplement 4, Item No. 4, Payments.

Payment = $2,394.00 - $500.00 = $1,894.00

Remarks:

Date of Report	August 8, 1953.
Date Received in Field Office	August 10, 1953.
Date Received in Region Office	August 17, 1953.
Date Checked in Region Office	August 17, 1953.

W. H. King
W. H. King

Enclosures

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

MINING DIVISION
REGION IV

August 13, 1953

Memorandum

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

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

Subject : July 1953 Progress Report, Contract Idm-E419, Docket DMA-1776X, Sorsen Asbestos Corp. (Sorsen Williams Mining Co.), Salt River Asbestos Claims, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report with section through Portal 3;

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

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

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

Ninety-five feet of drift, driven in July, completes all work under the present contract. As this drifting is in accordance with the terms of the contract, I recommend that 90 percent of the Government's share be paid, 10 percent being withheld pending the submission of a final report by the operator.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1776X
DF

WRStorms:frj

MINING DIVISION
REGION IV

August 13, 1953

Memorandum

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

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

Subject : July 1953 Progress Report, Contract Idm-8419, Docket DMA-1776X, Screen Asbestos Corp., Gila County, Ariz.

In accordance with your request, the subject property was visited on August 5, 1953. Contract work has been confined to Portal No. 3 where the July advance was 95 feet, thus completing the units of work authorized by the contract. An amendment has been applied for to extend exploration under the name of the Screen Asbestos Corporation. Possible locations of work under the amendment request, that was submitted by the operator, are shown on the progress map.

The June advance in the gently northward dipping limestone formation stopped approximately 1 feet short of a steeply dipping contact with diabase (see section A-A of Portal No. 3). The operator had not drilled the face at that time, therefore, it was not known that diabase would be encountered in the next round. It was necessary to drive the adit through 13 feet of diabase before limestone appeared in the floor. The limestone in the adit is cut by faults and changes dip rather abruptly, a condition which may be local. The ground at Portal No. 3, as at the other openings, requires support at irregular intervals along the drift.

Since no fiber was exposed at the face of the adit after the contract footage was completed, a raise was started at operator's expense at a station approximately 24 feet from the face to explore for the fiber zone. Fiber is exposed at the top of the raise in a zone 3 to 4 inches wide, but the veinlets are not of commercial widths. Approval of an amendment to further explore the fiber zone from Portal No. 3 would require consideration of occasional raises to sample the fiber zone. Examination of the property for the proposed amendment may be made during the week of August 17 to 21st.

CC W. H. King (Orig. & 6)
DMA-1776X
DF

RWAgeton:frj

As the advance of 95 feet for July is according to contract specifications, I recommend that the Government's share of the cost of this project be paid with the possible exception of 10 percent which should be withheld until the final report is submitted.

This completes all work under the present contract.

Robert W. Ageton

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

Sorsen Williams Mining Co.
Box 1431
Globe, Arizona

August 7, 1953

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

Re; Contract IDM B 419
DMEA Docket 1776 X
Amendment

Dear Mr. Storms;

Thank you for your letter informing of the date of inspection. It enabled me to plan my work around that date.

Since Mr. Shride is going to examine the property to determine the advisability of additional footage, I hesitate to make any concrete proposals as to how that footage should be used, and would rather await his inspection and recommendations.

On the progress map, I have indicated an extension of the tunnel at portal no. 3, which would require prospect raises at intervals. This tunnel was stopped at 124', and we backed up to 100' and drove an 8' raise to the ore. The geology in this tunnel is quite complicated. Mr. Adgeton drew a plan and section for your inspection while he was here.

We drove crosscut "C" at portal number 1 to prospect a lower vein (this at our own expense). The results are encouraging but the amount of fibre encountered would not pay the cost of the tunnel. I have indicated an extension of this tunnel also.

The ore body as outlined by our present workings in portal no. 1 would indicate to me that a crosscut which I call "E"could possibly be driven back into ore, and I suspect the ore lies in that general direction.

We drove crosscut "D" last month and have stoped out approximately 400 sq. ft. of area. Surprisingly we had unsupported spans of 15' and more. We have since placed stulls for safety, and they have not taken weight. 50% of the fibre removed was equal parts 1, 2, and 3; the balance was 4.

We are very desirous of continuing our prospecting and hope that the DMEA will feel justified in granting our amendment.

Sincerely yours,

W. H. Sorsen

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

Budget Bureau No. 42-R1686.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 1776 X Contract No. IDM B 419
Operator's Name Sorsen Williams Mining Co. Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $21,750.00 Government Participation: 90 % Amount, $19,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling *Truck trail		320.75	320.75			
Bulldozing *Excavation		3341.25	3341.25			
Crosscutting						
Drifting	2660.00	15428.00	18088.00			
(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	2660.00	19090.00	21750.00	2660.00	19090.00	21750.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8/6/53 Payee Sorsen Williams Mining 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:

$1894.00

Signature [signature]
(Authorized Certifying Officer)

Date 8/25/53 Vou. No. DMA 54-21
(See other side)

$500.00 to be withheld after 90% of $2660.00 has been computed.

(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. Idn-E419 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engineer Date 8/13/53

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

Signature W. H. King Title Executive Officer Date AUG 17 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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
(DMEA)
SEP 3 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 1776-X Contract No. DMEA 419
Operator's Name Sorsen Williams Mining Co. Minerals Asbestos
Address Box 1431, 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	Feet	2660.00	95	18088.00	646	28.00	646	28.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Benching Cuts		0	0	3341.25	2475	1.35	2475	1.35
Test Pits								
Roads and Trails Truck	800'	0	0	320.75	1	320.75	1	320.75
TOTAL DISTRIBUTED COSTS		2660.00		21750.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2660.00		21750.00				21750.00

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 8/6/53 Operator Sorsen Williams Mining Co.

Per Wm. H. Sorsen Title Partner

REMARKS: An amendment has been applied for to extend this contract under the name of Sorsen Asbestos Corporation Assignment has been approved.

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)

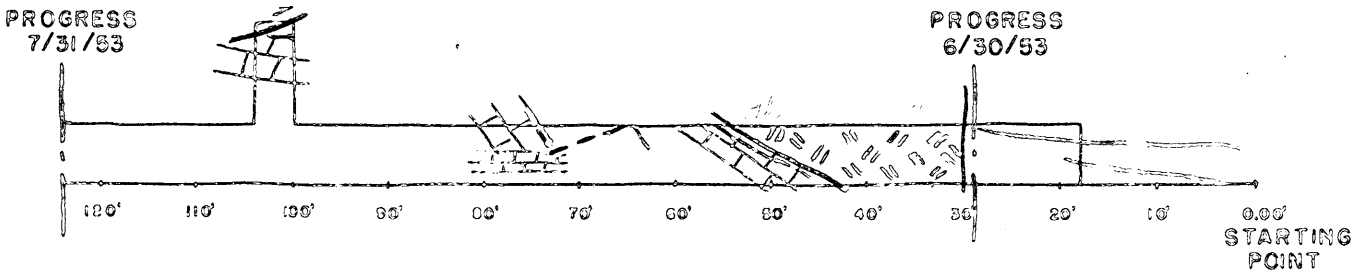
INSTRUCTIONS

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



SECTION A - A

SCALE 1" = 20'

DMEA DOCKET 1776-X

CONTRACT 10m - E419

AUGUST 10, 1953

SECTION A - A - PORTAL NO. 3 - SORSEN - WILLIAMS MINING CO.

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

224 New Customhouse
Denver 2, Colorado

August 18, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Royalty Check - Docket No. DMEA-1776, Contract No. Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

Enclosed is a check in the amount of $15.99 in payment of a royalty deficiency on ore shipped by the Sorsen Asbestos Corporation to date.

W. H. King
W. H. King

Enclosure

JFS:cwm

cc: Contract
Administrator, DMEA
WRStorms
AHKoschmann (2)
Chron.

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

224 New Customhouse
Denver 2, Colorado

August 11, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Royalty - Contract IDM-E419, Docket No. DMEA 1776
Sorsen Asbestos Corp.

Enclosed is your copy of Summary of Ore Purchases on ore shipped from the Sorsen Asbestos Corporation to the Phillips Asbestos Mines during the period July 18, 1953 through August 3, 1953.

W. H. King

W. H. King

Enclosure

918

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

August 3rd., 1959

Mr. W. E. Sing
BLM, U. S. Bureau of Mines
231 Post Customhouse
Denver, Colorado

Re: Royalty Contract [illegible] 119
Docket [illegible] 1775 X

Dear Mr. Sing:

Herewith a summary of ore purchases from Cowan Asbestos Corp. and royalty check enclosed to cover said purchases.

Date	No. 1	No. 2	No. 3	No. 4
June 18	73	635	256	1051
July 8	112	171	130	311
21	207	327	263	595
Aug. 3	427	631	551	761
Total	1216	1336	1200	2717

No. 1	1216	@ 0.75	910.50
2	1336	.45	623.70
3	1200	.1875	225.00
4	2717	.10	271.72
		Gross	2030.90
Milling & Condensation			224.59
			1806.31
Indian Royalty			208.59
			1630.72
BLM Royalty			81.50
Not Paid			1554.92

92.06

Sincerely yours

Philip A. Phillips Jr.

1841.31
92.06

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

224 New Customhouse
Denver 2, Colorado

August 6, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team,
Region IV

Subject: Docket No. DMEA 1776X, Contract No. Idm-E419, Sorsen & Williams

Enclosed are the original and two copies of the Assignment of Contract Idm-E419 from Sorsen and Williams to the Sorsen Asbestos Corporation.

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

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

July 22, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining 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 month of June 1953, pertaining to DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

July 17, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Co., Gila County, Ariz., Operator's Monthly Progress Report, for the period June, 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----------July 2, 1953
Date Received in Field Office----------July 9, 1953
Date Received in Region Office----------July 11, 1953
Date Processed for Payment----------July 17, 1953

W. H. King
W. H. King

Enclosures

RDB:es

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

MINING DIVISION
REGION IV

July 10, 1953

Memorandum

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

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

Subject : June 1953 Progress Report, Contract Idm-2419, Docket DMA-1776X, Sorsen-Williams Mining 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 engineers report.

To the best of my knowledge and belief all work is in accordance with the terms of the contract, so I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1776X
DF

WRStorms:ffj

MINING DIVISION
REGION IV

July 10, 1953

Memorandum

To : W. R. Storms, Chief, Mining Methods Br., Mining Div., REgion IV, Tucson, Ariz.

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

Subject : Monthly progress report, June 1953, Sorsen-Williams Mining Co., Docket DMA-1776X, Contract Idm-E419, Gila County, Ariz.

In company with L. A. Stewart, I visited the subject property on June 30, 1953. Contract work has been confined to Portal No. 3 where the June advance has been 29 feet. The operator is carrying the ore zone at the top of the drift. An average of 1½ inches of weathered fiber shows in this zone.

As stated in the May report, Portal No. 2 work failed to show commercial fiber. The operator continues to work in Portal No. 1 at his own expense, and is producing small amounts of asbestos.

As the advance of 29 feet for June is according to contract specifications, I recommend that the Government's share of the cost of this project be paid.

Robert W. Ageton

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

CC W. H. King (Orig. & 6)
DMA-1776X
DF

LAStewart:frj

Gordon Williams Mining Co.
Box 1431
Globo, Arizona

July 2, 1953

Dr. E. B. Storms
U. S. Bureau of Mines
P. O. Box 4097
University Station
Tucson, Arizona

Re: RMA Docket 1776-X
Contract IDM 2 419

Dear Dr. Storms:

We herewith submit our progress report for the month of June, also Form IP 104 and IP 104A, and progress map.

This month we started portal number 3, and advanced it to 29'. We started this tunnel carrying 1½" of total fibre in the back. There is also a ½" vein about 2' lower down, and this seems to be a high quality of fibre. The direction of this tunnel will carry us into a very obvious roll. We do not know whether this roll is Pre or Post fibre. If it is Pre fibre, we hope to find a very nice orebody. If structure has anything to do with the formation of asbestos orebodies, and I believe it does.

We hope that the remaining footage on the contract (95') will carry us into ground that looks promising enough to justify granting our request for an amendment.

We stopped tunnel number 2 at 61' where we encountered diabase. We felt it advisable to move to tunnel number 3 rather than risk wasting footage. Perhaps in the future we may go back and do further exploration work at this site. Our work in number three may give us enough geological information to serve as a guide in number 2.

At our number 2 site, we drove an exploration crosscut "c" on our own to explore a vein of soft white fibre in two feet of serpentine. This vein started in the floor of our main drift and is now 3' above the floor. We would like to pursue this vein further as it shows evidence of a roll, but unfortunately our budget will not permit this luxury as the fibre is marginal in quantity and will not pay for the drift.

We have been at a disadvantage due to the fact that the field team was unable to map the geology because of the pressure of other work. An intelligent program of exploration could possibly be worked out from a geological map by an experienced geologist.

Sincerely yours,

[signature]

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 June, 1953 Docket No. DMEA 1776-X Contract No. IDM 419
Operator's Name Sorsen Williams Mining Co. Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $ 21750.00 Government Participation: 90 % Amount, $ 19575.00

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~~ Truck Trail		320.75	320.75			
~~Bulldozing~~ Excavation		3341.25	3341.25			
Crosscutting						
Drifting	812.00	14616.00	15428.00			
(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	812.00	14616.00	15428.00	812.00	18,278.00	19,090.00

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

Date 7/2/53 *Payee Sorsen Williams Mining 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:

$ 730.80

Signature [signature]
(Authorized Certifying Officer)

Date 7/21/53 Voucher 54-9

(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. Idaho E 419 in accordance with the terms of the contract.

Signature [illegible] WRH Title Mining Engineer Date July 10, 1953

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

Signature W. H. King Title Executive Officer Date JUL 17 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 June 1953 Docket No. DMEA 1776-X Contract No. IDM 419
Operator's Name Sorsen Williams Mining Co. Minerals Asbestos
Address Box 1451, 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	Feet	812.00	29	15428.00	551	28.00	646	28.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping & Benching	Cu Yd	0	0	3341.25	2475	1.35	2475	1.35
Trenching								
Test Pits								
Roads and Trails Truck	800'	0	0	320.75	1	320.75	1	320.75
TOTAL DISTRIBUTED COSTS		812.00		19090.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								21750.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		812.00		19090.00				

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: An application to Amend this contract was submitted in June.

Date 7/2/53 Operator Sorsen Williams Mining Co.

Per Wm. M. Sorsen 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

FILE COPY
SURNAME:

140

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

AEKane
Chron
Houk
Robertson
Chapman
Selfridge
Fitzhugh

JUL 20 1953

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

Re: Docket No. DMEA-1776X
Sorsen and Williams
Gila County, Arizona
(Asbestos)
Contract No. Idm-E419

Dear Mr. King:

In accordance with the request contained in your memorandum of June 30 to the Secretary of the Operating Committee, there is enclosed, duly consented to and signed by the Administrator, the Assignment of the Exploration Project Contract to the Sorsen Asbestos Corporation. Please insert on the first page the name of the State where that corporation was incorporated. This assignment should now be signed by both partners William W. Sorsen and William C. Williams and accepted in behalf of the Sorsen Asbestos Corporation by William W. Sorsen as president.

Please distribute these documents in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

AEKane/ema 7-14-53
cc: Mails & Files
Adm. R. File.
Op. Comm.
Mr. Thayer
Mr. Hedges
L. G. Houk
J. L. Hofflund
A. E. Kane
Chron.
Pending

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

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

224 New Customhouse
Denver 2, Colorado

July 6, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Salt River Asbestos Prospect, 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 of May, 1953, pertaining to DMEA Docket 1776X, Contract Idm-E419, Sorsen-Williams Mining Company, Salt River Asbestos Prospect, Gila County, Arizona.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

June 26, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1776X, Contract Idm-2419 (Asbestos), Sorsen-Williams Mining Company, Salt River Asbestos Prospect, Gila County, Arizona - Operator's Monthly Progress Report for the period May, 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	June 6, 1953
Date Received in Field Office	June 16, 1953
Date Received in Region Office	June 18, 1953
Date Processed for Payment	June 24, 1953

W. H. King
W. H. King

Enclosures

rdbtld

cc: Contract
Sec. Opr. Comm.
Stoms
Chrem

MINING DIVISION
REGION IV

June 16, 1953

Memorandum

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

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

Subject : May 1953 Progress Report, Contract Idm-R419, Docket DMA-1776X, Sorsen-Williams Mining Co.'s Salt River Asbestos Prospect, 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 104A.

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

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

Walter R. Storms

CC W. H. King (6)
DMA-1776X
DF

WRStorms:frj

MINING DIVISION
REGION IV

June 16, 1953

Memorandum

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

From : Lincoln A. Stewart, Mining Engineer, Tucson, Ariz.

SUBJECT : Monthly Progress Report, May 1953, Sorsen-Williams Mining Co., Docket DMA-1776X, Contract Ida-E419, Gila County, Ariz.

In company with Robert W. Ageton, I visited the subject property on June 9, 1953. The operator's report was handed to the examiners as they were leaving for Tucson on June 12. Progress for the month was checked, and found as indicated in the operator's report.

Portal No. 1 Crosscut B was advanced 47 feet toward the diabase contact that cuts off the limestone beds somewhere north of the mine workings. This crosscut shows 1 to 2 inches of soft fiber. Operator started stoping but had trouble with the roof caving. At the time of our visit, the face of the drift had penetrated a large open crack with a resultant cave-in. It is questionable whether it is economically feasible to drive this drift further. Drift No. 2 was advanced 36 feet during May. Up to 2 inches of total fiber is present along this advance.

At Portal No. 2, some 800 feet north of the above mentioned work, a drift was started and advanced 77 feet in May. At the portal, the vein exposed in the open cut shows 2 to 3 inches total weathered fiber, mostly short, and fairly harsh. This zone of mineralization persists to the face of the drift, but has gradually decreased to about 1 inche of fiber that still shows signs of weathering. As the operator's report states, he turned the drift southwestward to intersect the diabase contact, on a chance that the fiber would improve near the contact. A. F. Shride, geologist, U. S. Geological Survey, who visited the property on June 13, states that diabase has been encountered with no improvement of fiber.

CC W. H. King (Orig. & 6)
DMA-1776X
DF

LAStewart:frj

At the time of the writer's visit Sorsen was advised to cease contract drifting at the No. 1 location and devote the remainder of the contract footage at the other exploratory sites. As the No. 2 portal drift did not look too encouraging, the examiners and Sorsen (later approved by Shride) decided upon the location of Portal No. 3. Shride states that Sorsen had started this adit on June 13 and will use the remaining footage (about 100 feet) here.

It will be noted that the last paragraph of Sorsen's report suggests an amendment to increase the contract footage and cost. This suggestion has been followed up by a formal request to W. M. Storms. This request will be discussed in a future memorandum.

As this 160 feet of advance is according to contract specifications, I recommend that the Government's share of the cost be paid.

Lincoln A Stewart

Lincoln A. Stewart, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

Corson Williams Mining Co.
Box 1471
Globe, Arizona

May 6, 1953

Mr. D. C. Stern
U. S. Bureau of Mines
P. O. Box 4077
University of Utah
Salt Lake City, Utah

Re: [illegible] Contract [illegible] 810

Dear Mr. Stern:

We herewith submit our progress map, forms [illegible] 104 and [illegible] 105 for the month of May.

The progress map indicates the advance for the month. We advanced 30' in main drift No. 2, and have encountered more stable ground. Our vein which was below the distress vein, finally in this drift, and further vein came in above the vein starting in a 1' compressive zone. The fibre veins in most parts from 1/8" to 2", and there is approximately 5% of total fibre. It is rather colored and appears to be well-soft.

Contract No. [illegible] which is being driven to locate the fibres contact is in safety behind heavy ground. Attempt to drive in this small ground which caved. We encountered the fibre in an drift which was soft and of 1, 2, and 3 mils. The fibre seems to persist both in quality and quantity in this drift.

We drove a crosscut on our end, and my between x-cut 4 and the junction of [illegible] and 2. The fault has veins which is slightly below the fibres still to pitch out to 30°, and a new vein 6 in 1" of [illegible] coming up in the floor with several bands of soft white fibre in grades of 3, 4, and shorter.

We started our second portal and have advanced 77' the ground and the fibre are about the same as the face as at the entrance. That is, about 5% of total fibre in grades from 2 down, semi- soft, and badly leached by surface water. The limestone crosses also line reinforced or filling all the way. We are trying this drift about 30 degrees to the left so as to get and that we get closer to the fissure system, which shows on the surface to be about 30' left of the portal, and with [illegible] [illegible].

We would like to amend our original contract to allow for 100 additional feet of drift. This is necessary to get back far enough with three exploration tunnels to be in drill ground. We would also like to change our price to $30.00 per foot to allow for the long ground.

Sincerely yours,

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 May, 1953 Docket No. DMEA 1776-X Contract No. IDM E 419
Operator's Name Sorsen-Williams Mining Co. Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $21,750.00 Government Participation: 90 % Amount, $19,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
~~Drifting~~ Truck trail		320.75	320.75			
~~Building~~ Excavation		3341.25	3341.25			
Crosscutting						
Drifting	4480.00	10136.00	14616.00			
(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	4480.00	13798.00	18278.00	4480.00	13798.00	18278.00

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

Date 6/6/53 *Payee Sorsen-Williams Mining Co.

Per Wm. H. Sorsen 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:

$4032.00

Signature
(Authorized Certifying Officer)

Date 7/1/53 Vou. No. DMA 543

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E 419 in accordance with the terms of the contract.

Signature Lincoln A Stewart WAH Title Mining Engineer Date June 16, 1953

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

Signature W. H. King Title Executive Officer Date JUN 26 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 May 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Mining Co. Minerals [illegible]
Address [illegible], 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	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching [illegible]	[illegible]	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Test Pits								
Roads and Trails [illegible]	[illegible]	0	0	[illegible]	1	[illegible]	1	[illegible]
Total Distributed Costs		[illegible]		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		[illegible]		[illegible]				[illegible]

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

Remarks:

Date [illegible] Operator [illegible] Mining Co.

Per [illegible] Title [illegible]

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

June 30, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

Enclosed is a copy of an assignment of a lease from William W. Sorsen and William C. Williams to the Sorsen Asbestos Corporation.

Please prepare an assignment of Contract Idm-E419 from Sorsen-Williams to the Sorsen Asbestos Corporation.

W. H. King

W. H. King

Enclosure

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

224 New Customhouse
Denver 2, Colorado

June 12, 1953

BL

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Ore Shipments - Contract Idm-E419 (Asbestos), Docket No. DMEA 1776X, Sorsen-Williams Mining Company

Enclosed is a copy of a record of the shipments of asbestos from the Sorsen-Williams Mining Company to the Phillips Asbestos Mines during the period May 19, 1953 through May 29, 1953.

W. H. King

W. H. King

Enclosure

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN GILA COUNTY, ARIZONA

CABLE ADDRESS PHILASB

DRAWER 71

GLOBE, ARIZONA

U. S. A.

June 6, 1953

Mr. W. H. King
DMEA, U. S. Bureau of Mines
224 New Customhouse
Denver, Colorado

Re: DMEA Contract 1776-X
Contract EDM E 419

Dear Mr. King:

Herewith is a breakdown of fibre purchases from Sorsen-Williams Mining Co. or Sorsen Asbestos Corp.

Date	Weight #1	Weight #2	Weight #3	Weight #4
5/19	315	203	214	518
5/21	190	166	312	748
5/25	46	133	200	700
5/29	*-60	115	200	1370
Total	611	617	926	3336

#1	611 lb.	@ .75	$458.25	
2	617	.45	277.65	
3	926	.1875	173.63	
4	3336	.10	333.60	
		Gross	$1243.13	
10%			124.31	Milling & Handling
			1118.82	
10%			124.31	Indian Royalty
		Net	994.51	
			49.72	DMEA Royalty ✓ (55.94)
Amount paid			944.79	

Sincerely yours,

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

224 New Customhouse
Denver 2, Colorado

June 3, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, 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 month of April 1953, pertaining to DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

W. H. King
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

May 26, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1776X, Contract Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona. Operator's Monthly Progress Report for the period April 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	May 7, 1953.
Date Received in Field Office	May 11, 1953.
Date Received in Region Office	May 13, 1953.
Date Processed for Payment	May 26, 1953.

W. H. King
W. H. King

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

May 12, 1953

Memorandum

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

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

Subject : April 1953 Progress Report, Docket DMA-1776X, Contract Idm-6419, Gersen-Williams Mining 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, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1776X
DF

WRStorms:frj

MINING DIVISION
REGION IV

May 12, 1953

Memorandum

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

From : Lincoln A. Stewart, Mining Engineer, Tucson, Ariz.

Subject : Monthly Progress Report, April 1953, Sorsen-Williams Mining Co., Docket DMA-1776A, Contract Idm-R419, Gila County, Ariz.

In company with Robert W. Ageton, I visited the subject property on May 7, 1953 where we assisted Sorsen to survey the mine. The operator's report was received at the Tucson office on May 11, 1953.

Drifting for the month was 124 feet in 3 locations as follows: Drift No. 2, 81 feet; Crosscut "A", 36 feet; and Crosscut "B", 7 feet (see progress map). There appears to be a westerly trending deposit some 40 feet wide, shown by the work to date.

Commercial quantities of asbestos were mined from the preparatory bench cut and from the mine workings which were advanced in February. During March virtually no fiber was recovered. In April, the work had progressed sufficiently to indicate the trend of the ore body, and fiber was produced. In February, 3,537 pounds of milled fiber was sold for $967, and in April, 7,795 pounds of milled fiber was produced, the value of which will be reported directly to Denver.

At the time of the examiners' visit the operator was starting the exploration drift on claim No. 1.

As all work has been performed according to contract specifications, I recommend that the Government's share of the project costs be paid.

Lincoln A. Stewart

LINCOLN A. STEWART

CC W. B. King (Orig. & 6)
DMA-1776A
DF

LAStewart:frj

[illegible] Mining Co.
Box 1451
Globe, Arizona

[illegible] 8, 1953

Dr. [illegible] Moore
U. S. Bureau of Mines
P. O. Box [illegible]
University Station
Tucson, Arizona

Dear Dr. Moore:

We herewith submit our assayer's report, Forms [illegible] 100 and [illegible] 1081, for the month of April.

The purpose was intended the change for the [illegible]. In the case [illegible] (No. 2), we noted the appearance of [illegible] of commercial grade which varied in value [illegible] 3 to 4%. We attempted to establish the trend of the ordinary by [illegible] samples, though the grade should be 30%. We made [illegible] to drive [illegible] "D" to establish the location of the [illegible] contact which apparently lies to the [illegible].

The other contact was small amounts of [illegible] pounds per [illegible] of one to [illegible]. The [illegible] are [illegible] per [illegible], [illegible] considerable time has been in the same pile. I have indicated on the [illegible] the probable trend of the ore [illegible] [illegible] is done by [illegible].

A tabulation of the ores mined follows:

No. 1	[illegible]
[illegible]	[illegible]
[illegible]	1101
4	[illegible]
5	[illegible] (Reduced [illegible] to [illegible])

In February we shipped [illegible] and the record of the total all in the [illegible] as follows:

No. 1	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
6	8[illegible]
5	[illegible] (Reduced [illegible] to [illegible])

Sincerely yours,

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 April 1953 Docket No. DMEA 177G-[illegible] Contract No. I[illegible] 419
Operator's Name Corsen-Williams Mining Co. Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $ 21750.00 Government Participation: 60 % Amount, $ 15575.00

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 [illegible] Roll Mill	0	320.75	320.75			
Bulldozing [illegible] Excavation	0	3241.25	3241.25			
Crosscutting						
Drifting	3472.00	6664.00	10136.00			
(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	3472.00	10326.00	13798.00	3472.00	10,326.00	13,798.00

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

Date 6/1/53 *Payee Corsen-Williams Mining Co.

Per [illegible] 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:

$ 3124.80

Signature [illegible]
(Authorized Certifying Officer)

Date 6/1/53 Vou. No. DMA 53-140

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E-419 in accordance with the terms of the contract.

Signature Lemuel A. Stewart WAH Title Mining Engineer Date May 11, 1953

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

Signature W. H. King Title Executive Officer Date MAY 26 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 April 1953 Docket No. DMEA 277-[illegible] Contract No. [illegible] 412

Operator's Name Gorson-Williams Mining Co.

Address Box 1431, Globe, Arizona

Minerals Antimony

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	Foot	3472.00	124	10136.00	362	28.00	646	28.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching & Benching	Cu. Yd.	0	0	3341.25	2475	1.35	2475	1.35
Test Pits								
Roads and Trails Truck	500'	0	0	320.75	1	320.75	1	320.75
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS		3472.00		13798.00				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3472.00		13798.00				21750.00

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 5/7/53 Operator Gorson-Williams Mining Co.

Per _____ 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

Mr. Robertson

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

224 New Customhouse
Denver 2, Colorado

May 22, 1953.

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Settlement Sheet - Docket No. DMEA-1776X, Contract No. Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

Enclosed is your copy of invoice of purchase on shipments of asbestos from Sorsen-Williams Mining Company to the Phillips Asbestos Mines during the period April 28 - May 14, 1953.

W. H. King
W. H. King

Enclosures

MAY 25 1953

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

224 New Customhouse
Denver 2, Colorado

May 22, 1953.

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Settlement Sheet - Docket No. DMEA-1776X, Contract No, Idm-E419 (Asbestos), Sorsen-Williams Mining Company, Gila County, Arizona.

Enclosed is your copy of statement from the Phillips Asbestos Mines covering shipments of asbestos from Sorsen-Williams Mining Company during the period April 17 - April 23, 1953.

W. H. King

W. H. King

Enclosure

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

3

May 18, 1953

Fibre purchase from Screen Asbestos Corp. 4/28 to 5/14

No. 1 crude	284 lb.	at $.75 per lb.	$213.00
2	556	.475	264.10
3	649	.1875	121.69
4	2647	.093	246.17
Total			845.96
Less 10% milling & handling chg.			84.50
Net			760.46
Less 5% BIFA Cont. IRS E 419 royalty			38.02
			722.44
Credit $10.00 error check # 260			10.00
Balance due			$732.44

OK Guy R. Phillips

PHILLIPS ASBESTOS MINES

PRODUCERS OF CRUDES & FIBREIZED ASBESTOS

THE WORLD'S FINEST FIBRE

MINES AND MILLS IN
GILA COUNTY, ARIZONA

DRAWER 71
GLOBE, ARIZONA
U. S. A.

Apr. 23, 1953

Mr. W. H. King
U. S. Bureau of Mines
224 New Customhouse
Denver, Colorado

Re: Royalty Contract IDM E 419
Docket DMEA 1776-K

Dear Mr. King;

Herewith is copy of settlement for fibre purchases from Corson Asbestos Corp. on 4/17 and 4/23.

No. 1 crude	76 lb.	at	$.75/ lb.	$ 57.00
2	500		.475	237.50
3	593		.187	111.01
4	980		.093	91.14
5 filter	1200		.06	72.00
Total				569.55
No. 1 crude	281		.75	210.75
2	470		.45	211.50
3	343		.1875	64.31
4	500		.10	50.00
Total				536.56
Total gross value				1106.11
Less 10% handling and milling charges				110.61
Net balance paid				$995.50

DMEA royalty on Contract IDM E 419 amounts to $49.78 and is remitted by Corson Asbestos Corp. check no. 159. Future royalty payments will be paid by Phillips Asbestos Mines.

Sincerely yours,

Chas. A. Phillips

May 14th, 1953.

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

Mr. Robertson

224 New Customhouse
Denver 2, Colorado

April 22, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1776X, Contract Idm-E419 (Asbestos)
Sorsen-Williams Mining 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 of March, 1953, pertaining to DMEA Docket 1776, Contract Iem-E419, Sorsen-Williams Mining Co., Gila County, Arizona.

W. H. King
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

April 16, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1776X, Contract Idm-E419 (Asbestos)
Sorsen-Williams Mining Co., Gila County, Arizona-
Operator's Monthly Progress Report, for the period
March 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	April 4, 1953
Date Received in Field Office	April 7, 1953
Date Received in Region Office	April 15, 1953
Date Processed for Payment	April 16, 1953

W. H. King
W. H. King

Enclosures

RB:fwe

cc See Oper Comm (2)
WRStorms
Contract
Chron

MINING DIVISION
REGION IV

April 13, 1953

Memorandum

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

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

Subject : March 1953 Progress Report, Contract Idm-E419, Docket DMA-1776X, Sorsen Williams Mining Co., Gila County, Ariz.

Enclosed in quintuplicate are the following items:

(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.

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)
DMA-1776X
DF

WRStorms:frj

MINING DIVISION
REGION IV

April 10, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Arizona

From : Lincoln A. Stewart, Mining Engineer, Tucson, Arizona.

Subject : Monthly Progress Report, March 1953, Sorsen Williams Mining Co., Docket DMA-1776X, Contract Idm-E419, Gila County, Ariz.

The operator's progress report was received April 7. I visited the property April 9 to measure the faces. Sorsen has encountered difficult mining conditions due to open cracks and blocky ground, but seems to be in fairly solid rock now.

Heading No. 3 followed a small lens of non-commercial fiber that pinched out. Heading No. 1 has shown only traces of asbestos. Work in both of these headings has been discontinued in favor of drifting in heading No. 2. (See progress map.)

At the end of the period the latter face was virtually barren but during the past week the drift has opened commercial ore. The present face shows a total of about 3½ inches of soft fiber.

Sorsen expects to secure another compressor and start work on an exploration drift on Claim No. 1.

The reported advance of 146 feet has been verified and it is recommended that the Government's share of the March costs be paid.

Lincoln A. Stewart

Lincoln A. Stewart, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMA-1776X
DF

LAStewart:frj

[illegible] Mining Co.
Box [illegible]
[illegible], Arizona

[illegible] 4, [illegible]

Mr. [illegible]
U. S. Bureau of Mines
P. O. Box [illegible]
University Station
[illegible], Arizona

Re: [illegible] Docket [illegible]
Contract [illegible]

Dear Mr. [illegible]:

We herewith submit our progress map and forms [illegible] and [illegible] for the month of March.

The first two weeks of this month, we encountered very difficult mining conditions with [illegible] caving ground. In some cases we [illegible] for several days. We finally [illegible] through the heavy ground, and are [illegible] this portion of the [illegible]. We are [illegible] on two shifts and [illegible] to [illegible] up the exploration.

Our first encouragement came yesterday morning, when we exposed about [illegible]" of commercial fibre in an eight foot crosscut [illegible] under the [illegible]" [illegible] which we have been following. [illegible] direction [illegible] the [illegible] [illegible]. The fibre [illegible], although some of the [illegible] are [illegible]. The fibre ranges from dark to light green in color, and is from [illegible] to [illegible]" in length. It appears to be [illegible] [illegible], and [illegible]. I would like to have [illegible] and [illegible] [illegible] the property in the present stage to advise on future exploration.

Our No. 3 drill hole is now at [illegible]', the No. 2 drill hole is at [illegible]', and our No. 1 hole is at [illegible]'. [illegible] figures [illegible] the end of the month. The [illegible] in No. 2 drill at [illegible] No. 1 drill was [illegible] to [illegible] the fibre that could be seen through an open [illegible]. This was [illegible] in last month's report.

I have asked Mr. [illegible] to supply me with copies of the [illegible] for the ore that we sold. We [illegible] during the month of March. These [illegible] will be forwarded to your office as soon as I receive them.

Sincerely yours,

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 [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible]
Address [illegible]
Minerals [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	[illegible]	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Test Pits								
Roads and Trails	[illegible]	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]		[illegible]				

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

Date [illegible] Operator [illegible]

Per [illegible] Title [illegible]

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

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

APR 27 1953

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

Month of March, 1953 Docket No. DMEA 1776-T Contract No. 1D[illegible]419
Operator's Name Torsen-Williams Mining Company Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $ 21,750.00 Government Participation: 90 % Amount, $ 19,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Truck Trial		320.75	320.75			
Bulldozing Excavation		3341.25	3341.25			
Crosscutting						
Drifting	4088.00	2576.00	6664.00			
(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	4088.00	6238.00	10326.00	4088.00	6238.00	10326.00

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

Date 4/21/53 *Payee Torsen-Williams Mining Company

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:

$ 3679.20

Signature [signature]
(Authorized Certifying Officer)

Date 4/21/53 Vou. No. DMA 53-124

(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. Tdm-E419 in accordance with the terms of the contract.

Signature Lincoln A. Stewart WRH Title Mining Engineer Date Apr. 10, 1953

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

Signature W. H. King Title Executive Officer Date APR 16 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

224 New Customhouse
Denver 2, Colorado

March 23, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1776X, Contract Idm-E419, (Asbestos)
Sorsen Williams Mining Company, Gila County, Arizona -

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of February, 1953, pertaining to DMEA Docket 1776X, Contract Idm-E419, (Asbestos), Sorsen Williams Mining Company, Gila County, Arizona.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

March 17, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1776X, Contract Idm-F119, (Asbestos), Sorsen Williams Mining Company, Gila County, Arizona - Operator's Monthly Progress Report for the period February, 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	March 3, 1953
Date Received in Field Office	March 5, 1953
Date Received in Region Office	March 16, 1953
Date Processed for Payment	March 17, 1953

W. H. King
W. H. King

Enclosure

cc: Secretary to the Operating Committee (2)
Storms
Contract
Chron

RDB:ld

MINING DIVISION
REGION IV

March 10, 1953

Memorandum

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

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

Subject : February 1953 Progress Report, Docket DMA-1776X, Contract Idm-E419, Sersen Williams Mining Co., Gila County, Ariz.

Enclosed in quintuplicate are the following items for the above report:

(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.

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)
DMA-1776X
DF

WRStorms:frj

MINING DIVISION
REGION IV

March 10, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Ariz.

From : Lincoln A. Stewart, Mining Engineer, Tucson, Ariz.

Subject : Monthly progress report, February 1953, Sorsen Williams Mining Co., Docket DMA-1776X, Contract Idm-E419, Gila County, Ariz.

Work was started on Stage II of the above contract on February 1, 1953. I visited the property March 3 to check progress. To date all work has been confined to drifting at Adit No. 1. As indicated by Sorsen's progress report, considerable difficulty has been encountered in driving this drift. Open cracks up to 2 feet wide, with adjacent blocky ground, has required considerable timbering and the removal of large quantities of muck.

This near-surface condition is common where drifts are started in steep-walled canyons, due to slump cracks more or less parallel to the course of the canyon.

During this drifting, Sorsen has recovered and sold ore that produced 1-3/4 tons of milled fiber. The cobbed mill rock is trucked to Phillips Asbestos Co. ~~in Globe, Ariz.~~, where the ore is milled. Phillips buys the fiber, paying on a yield basis after deducting milling charges. The net to Sorsen for these 3 shipments has amounted to $976.80. He asked whether he should pay the Government royalty now or wait certification of discovery. At the suggestion of Mr. W. R. Storms, Sorsen will be advised to make the royalty payment as each sale is made.

The February advance was measured and checks the reported distance of 92 feet. As the work has been done according to contract, it is recommended that the Government's share of the February costs be paid.

Lincoln A. Stewart

Lincoln A. Stewart, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. R. King (Orig. & 6)
DMA-1776X
DF

LAStewart:frj

Sorsen Williams Mining Co.
Box 1431
Globe, Arizona

Mar. 3, 1953

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

Re: DMEA Docket 1775-I
Contract IDM-S 419

Dear Mr. Storms:

We herewith submit our progress map and forms MP 104 and MP 104A for the month of February. As you know, we started stage 2 on Feb. 1st.

We started our adit in a good showing of fibre which we followed in for thirty feet, at which point the fibre pinched out. We continued to drift in to 45 feet without finding more fibre. We then backed up to the point where the fibre pinched out and turned right about 30 degrees with the intention of following the fibre toward a diabase contact which laid in that direction. We followed the fibre for about 15 feet through extremely heavy caving ground at which point it again pinched out. The diabase sill and serpentine band which are associated with the fibre continued in both drifts beyond the point where the fibre stopped. While we were driving the 2nd drift we installed electric lights underground and were able to examine open cracks along the sides of both drifts. During this examination, we looked in a crack near the face in the 1st drift, and discovered a ½" fibre zone to the left side about 6' from the side of the drift. We then shot another round in the first drift and ½" of fibre appeared in the face. This is encouraging and warrants continued advance in this direction. The other drift should be advanced also to explore the location of the diabase contact and possible resulting fibre zone. We have had to timber everything to date and have encountered three bad caving zones.

Following is a breakdown of three fibre shipments to Guy Phillips:

Feb. 1	No. 1 114#	No. 2 400#	No. 3 400#	No. 4 240#	No. 5 240#	$364.95
Feb. 8	135#	435#	330#	300#		$348.64
Feb.27	135#	153#	300#	275# filter		$263.21

Sincerely yours,

W. W. Sorsen

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

DEPARTMENT Defense Minerals Administration RECEIVED MAR 30 1953

Month of February, 1953 Docket No. DMEA 1776-X Contract No. IDM-E 419
Operator's Name Sorsen Williams Mining Company Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $ 21,750.00 Government Participation: 90 % Amount, $ 19,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
*~~Drilling~~-Truck Trail	0	320.75	320.75			
~~Building~~ Bench-Trench	0	3341.25	3341.25			
Crosscutting						
Drifting	2576.00	None	2576.00			
(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	2576.00	3662.00	6238.00	2576.00	3662.00	6238.00

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

Date Mar. 3, 1953 Payee Sorsen Williams Mining Company

Per William M. Sorsen 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:

$2318.40

Signature [illegible]
(Authorized Certifying Officer)

Date 3/20/53 Vou. No. DMA 53-110

(See other side)

William M. Sorsen

(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-E419 in accordance with the terms of the contract.

Signature Lincoln A. Stewart Title Mining Engineer Date Feb. 9, 1953

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

Signature W. H. King Title Executive Officer Date MAR 18 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 February 1953 Docket No. DMEA 1775-X Contract No. IDM-2 419
Operator's Name Sorsen Williams Mining Company Minerals Asbestos
Address Box 1431, 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	Feet	2576.00	92	2576.00	92	28.00	646	28.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching & Benching	CuYd	0	0	3341.25	2475	1.35	2475	1.35
Test Pits								
Roads and Trails (Truck)	800'	0	0	320.75	1	320.75	1	320.75
TOTAL DISTRIBUTED COSTS		2576.00		6238.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2576.00		6238.00				

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.

Sorsen Williams Mining Co.

Date Mar. 3, 1953 Operator

Per William H. Sorsen Title Partner

Wm H Sorsen

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: Stage 1 completed in January
Stage 2 started in February

(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

March 23, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 26 1953

Memorandum

To: C. O. Mittendorf, Administrator

From: Executive Officer, DMEA Field Team, Region IV

Subject: Sorsen-Williams Mining Company, Contract Idm-E419, Docket No. DMEA 1776

Contract Idm-E419 is between the Government and Sorsen-Williams Mining Company. On March 20, 1953 we received a royalty check in the amount of $48.84 from the Sorsen Asbestos Corporation signed by Wm. W. Sorsen.

On the check is written "5% ore receipts Contract Idm-E 419. We are calling this to your attention as a matter of record.

W. H. King
W. H. King

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

New Customhouse
Denver 2, Colorado

February 26, 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 1776X, Contract Idm-E419 (Asbestos) Sorsen-Williams Mining Co's. Salt River Asbestos Claims, Gila County, Arizona

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of January, 1953, pertaining to DMA Docket 1776X, Contract Idm-E419, Sorsen Williams Mining Co.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

February 19, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 1776X, Contract Idm-E419 (Asbestos) Sorsen-Williams Mining Co's. Salt River Asbestos Claims, Gila County, Arizona - Operator's Monthly Progress Report for the period January, 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	February 9, 1953
Date Received in Field Office	February 12, 1953
Date Received in Region Office	February 18, 1953
Date Processed for Payment	February 18, 1953

W. H. King
W. H. King

Enclosures

RB:ld

cc: Contract
Secretary to Operating Committee (2)
W. R. Storms
Chron.

MINING DIVISION
REGION IV

February 16, 1953

Memorandum

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

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

Subject : January 1953 Progress Report, Docket DMA-1776A, Contract IDM-E419, Sorsen Williams Mining Co's. Salt River Asbestos Claims, Gila County, Ariz.

Enclosed in quintuplicate are the following items for the above report:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

(3) Forms MF-104 and 104A.

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

As all work is in accordance with terms of the contract, I recommend that the Government's share of the costs (90 percent) be paid.

Walter R. Storms

Walter R. Storms

cc W. H. King (6)
DMA-1776A
MF

WRStorms:frj

MINING DIVISION
REGION IV

February 13, 1953

Memorandum

To : Walter W. Storms, Chief, Mining Methods Br., Mining Division, Region IV

From : Lincoln A. Stewart, Mining Engineer, Tucson, Ariz.

Subject : Monthly Progress Report, January 1953, Sorsen Williams Mining Co., Docket DMA-1776X, Contract Idm-8419, Gila County, Ariz.

Work was started on Stage I of the above contract on January 2, 1953. I visited the property while this work was in progress on January 8 and 22. The contract work of this stage was completed January 28. In company with A. F. Shride, Geologist, U. S. Geological Survey, I visited the property February 2 to check progress and determine locations for the drifting of Stage II.

Sorsen has done an exceptionally good job of benching the 3 segments of the asbestos outcrops. In fact he continued the work, at his own expense, considerably beyond the allowable contract tonnage. The results of this stripping justify drifting at 3 places as specified in the original report.

As the applicant desired to concentrate his work for the present at one drift, the starting point was established for adit No. 1. When Sorsen is ready to start the other entries, the exact starting points will be established.

On my visit of January 8 the applicant furnished detailed cross sections of the original ground level. On the applicant's progress map, the lines marked A, B, C, D, and E are the staked base lines from which more than 50 cross sections had been taken in the areas other than the 800 foot length of road that was on a job cost basis. At the conclusion of the stripping and benching, the sections were re-run. By means of a planimeter, the end areas shown on each section were measured, from which the total yardage was calculated. "Spot checking" of the cuts and calculations was

CC: W. H. King (Orig & 6)
DMA-1776X
MF

LAStewart:als

considered sufficient for the reason that applicant will be paid only for 2,475 cu. yds. of the 6,569 yards actually excavated. These field and office checks were in close agreement and the length of the truck trail likewise was in excess of the allowable 800 feet.

We have a tracing of the cross sections with annotated mathematical work. These sections are on a scale of 1 inch equals 10 feet, and each set requires about 20 feet of printing paper. We are not including prints of this work, but can furnish them if desired.

All work has been done according to contract, and it is recommended that the Government's share of the contracted costs of Stage I be paid.

Lincoln A Stewart

Lincoln A. Stewart, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

Gorsen Williams Mining Co.
Box 1431
Globe, Arizona

Feb. 9, 1953

Mr. G. E. Thomas
U. S. Bureau of Mines
P. O. Box 4007
University Station
Tucson 5, Arizona

Re: DMA Docket 1775
Contract 1[illegible]-S 419

Dear Mr. Thomas:

We herewith submit cross sections, a progress map, and progress report for Stage 1 of our contract which was begun Jan 2, and completed Jan 27, 1953. We have started work on Stage 2 at a site chosen by Messrs. Bride and Stewart.

We have excavated 650 cubic yards of material which is in excess of that called for by our contract. We were able to expose approximately 250 feet of fibre outcrop in three locations. A fourth location exposed 100 feet of outcrop which would not be considered of commercial quality or quantity.

We wish to apply for payment on Stage 1 as follows:

800 feet of cross trail	$ 320.75
2475 cu. yds. of excavation at $1.35	3341.25
Total cost Stage 1	3662.00
Government participation 90%	3296.00

Sincerely yours,

William M. Gorsen

W. M. Gorsen- Partner
Gorsen Williams Mining Co.

Form MF-[illegible]A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

Month of Jan. 195[illegible] Docket No. DMEA 1775 Contract No. [illegible] 419
Operator's Name Gordon Williams Mining Co. Minerals Asbestos
Address Box 1431, 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
Truck trail	Job	320.75	1				1	320.75
Trenching & Trenching	cu.yds	3341.25	2475				2475	1.35
Raising	cu.yds		cu.yds					
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		3662.00						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3662.00						3662.00

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 Feb. 9, 1953 Operator Gordon Williams Mining Co.

Per William M. Gordon Title Partner
William M. Gordon

Remarks: The above constitutes Item 1 in completion

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Form MF-194 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 9 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1953 Docket No. DMEA 17703 Contract No. DMA 410
Operator's Name Jorgen-Williams Mining Co. Minerals Asbestos
Address Box 1431, Globe, Arizona
Contract Amount, $ 21,750.00 Government Participation 90 % Amount, $ 19,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Benching & Ronching	3341.25	None	3341.25			
Bulldozing						
Crosscutting						
Drifting						
Truck Haul	320.75	None	320.75			
(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):						
	3662.00					
TOTALS	3341.25	None	3662.00	3662.00	--	3662.00

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

Date Feb. 9, 1953 *Payee Jorgen Williams Mining Co.

Per William M. Jorgen 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:

$ 3295.80

Signature [illegible]
(Authorized Certifying Officer)

Date 2/25/53 Vou. No. DMA 53-100

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 419 in accordance with the terms of the contract.

Signature Lawrence A. Stewart WCA Title Mining Engineer Date Feb 12, 1953

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

Signature W. H. King Title Executive Officer Date FEB 19 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

PHILLIPS ASBESTOS MINES
Globe, Arizona.

Borson Asbestos Corp.,
Box No. 1431,
Globe, Arizona.

Record of Asbestos Fibre purchased, as follows:

February 1, 1953	No. 1 Crude - 114 Lbs. @ $1500.00 ton			$ 85.50
	2 Crude - 400 Lbs. @ 900.00 ton			180.00
	3 400 Lbs. @ 400.00 ton			80.00
	4 240 Lbs. @ 400.00 ton			48.00
	5 240 Lbs. @ 100.00 ton			12.00
				$405.50
	Less 10% Handling Charges			40.50
				$365.00
February 13, 1953	No. 1 Crude - 135 Lbs. @ $75.00 Cwt			$101.25
	2 Crude - 435 Lbs. @ 900.00 ton			195.75
	3 330 Lbs. @ 37.50 cwt			61.88
	4 380 Lbs. @ 75.00 cwt			28.50
				$387.38
	Less 10% Handling Charges			38.73
				$348.65
February 27, 1953	No. 1 135 Lbs. @ $75.00 cwt			$101.25
	2 153 Lbs. @ 45.00 cwt			68.85
	3 300 Lbs. @ 18.75 cwt			56.25
	Filter 275 Lbs. @ 20.00 cwt			55.00
				$281.35
	Less 10% Handling Charges			28.14
				$253.21

TOTAL PURCHASES - $966.86

This is to certify that the above is a true and correct copy of record of purchases of Asbestos Fibre from Borson Asbestos Corporation, Globe, Arizona.

PHILLIPS ASBESTOS MINE

By_____

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

Mr. Houk

Notes

224 New Customhouse
Denver 2, Colorado

January 9, 1953

Memorandum

To: J. H. East, Jr., Regional Director, Region IV

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 1776X, Contract Idm-E419, Sorsen Asbestos Corp.

In addition to the letters listed in our memorandum dated January 6, we are enclosing copies of the following:

Teletype dated January 5, 1953, from the Executive Officer to the Administrator, DMEA.

Telegram dated January 5, 1953 from the Executive Officer to William W. Sorsen.

Teletype dated January 6, 1953 from the Administrator to the Executive Officer.

Teletype dated January 6, 1953 from the Executive Officer to the Administrator, DMEA.

Letter dated January 5, 1953 from William W. Sorsen to the Chief, Nonmetallic Minerals Division.

Letter dated January 5, 1953 from William W. Sorsen to the Executive Officer.

Letter dated January 2, 1953 from William W. Sorsen to the Executive Officer.

As the situation now stands, Sorsen and Williams Mining Company is operating under the terms of Contract Idm-E419. When the lease is assigned to the Sorsen Asbestos Corporation and the exploration project contract is assigned by the Sorsen and Williams Mining Company to the Sorsen Asbestos Corporation they may continue to work under the terms of that contract as the Sorsen Asbestos Corporation. All of this confusion could have been avoided if Mr. Houk had not written directly to the operator on December 23 and issued instructions that were contrary to the instructions which we issued to the operator on December 16, 1952. Two copies of our letter to the operator were sent to the Washington office.

W. H. King

Enclosures

W. H. King

T
OPR WA 310 U IF DA OK MO
WA 310 VOK
DA RING ON U SVC PLS VV
GA WITH 310

DN 235 BUREAU MINES 1-7-53 3-40 PM

C O MITTENDORF

LETTER JUST RECEIVED FROM W. W. SORSEN STATING THAT HE IS STARTING WORK UNDER CONTRACT IDM-E3XXXX IDM-E419 AS SORSEN WILLIAMS MINING COMPANY. HAVE WIRED APPROVAL.

JOHN F. SHAW FOR W. H. KING

END MSG 3-42 PM BMH

T

OPR WA 310 U IF DA OK
WA 310 O OK MVVVM
WA OPR OPR WHAT REPORT ON WA 310 DA AG U SERV
TFFXV M
GA WITH 310
DN 235 BUREAU MINES 1-6-53 3-00 PM

C O MITTENDORF

RE YOUR TELETYPE JANUARY 6,1953-- -~~88~~11XXX ACCORDING TO OUR CORRESLPONDENCE SORSEN IS STARTING WORK AS SORSEN ASBESTOS CORPORATION, NOT AS SORSEN AND WILLIAMS MINING COMPANY. CAN WE APPROVE REIMBURSEMETNT TO SORSEN ASBESTOS CORPORATION PRIOR TO EFFECTIVE DATE OF ASSIGNMENT OF CONTRACT. IT MAY BE NECESSARY FOR AN ENGINEER FROM OUR TUCSON OFFICE TO VISIT PROPERTY TO DETERMINE STARTING POINT OF WORK AS THIS IS SHORT FORM CONTRACT.

J F SHAW FOR W H KING

END MSG 3-04 PM BMH

Sub

WASH DC BU MINES 310 1-6-53 4-02

HR W H KING

SORSEN AND WILLIAMS MINING COMPANY MAY LEGALLY PROCEED WITH WORK OUTLIND XXXXXX OUTLINED IN CONTRACT IDM-E419. PLEASE ADVISE VSORSEN AND WILLIAMS MINING COMPANY.

C VO MITTENDORF ADMIAKBSTRATOR

MI IN
IN REFERENCE TO MSG SENT EARLY TODAY TO W H KING THE CONTRACT NO. SHOULD BE /IDM-E1 AND 1A MSG IS FROM C O MITTENDORF

MIN PLS FOR CHK MSGS
END OF MSG ACK PLS JED 4-05 PM
MSGSBRECD OK BMHO

2

STANDARD FORM No. 14
APPROVED BY THE PRESIDENT
MARCH 10, 1926

WESTERN UNION

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM W. E. King, 224 New Customhouse

BUREAU of Mines, Region IV, Mining Div.(DMRA)

CHG. APPROPRIATION CHARGE - DAY LETTER

Denver, Colorado 1/5/53

U. S. GOVERNMENT PRINTING OFFICE 16—1728

JFS:bh

Wm. V. SORSEN
BOX 1431
GLOBE, ARIZONA

THIS OFFICE CANNOT APPROVE REIMBURSEMENT TO THE SORSEN ASBESTOS CORPORATION FOR WORK DONE PRIOR TO APPROVAL OF THE ASSIGNMENT OF THE LEASE. TO AVOID LEGAL DIFFICULTIES IT IS SUGGESTED THAT YOU BE GUIDED BY OUR LETTER DATED DECEMBER 16 AND DO NOT START WORK UNDER THIS CONTRACT UNTIL NOTIFIED BY THIS OFFICE THAT THE ASSIGNMENT IS APPROVED AND YOU HAVE CLEARED WITH OUR TUCSON OFFICE.

W. E. KING

Ke-4151, Ext. 543
cc: Accounts
Storms
Sub
Chron

T

CPR WA 310 U IF DA PLS OK K
WA 310 ACK VVCPR WHAT REPORT ON 310 DA AG U SERVICE V
M K BBITH 301 CPR AG 310 AW
WA CPR ARE U THERE PLS
YES I GAVE U GA I COULDNT READ I T ITHANKS TO

E
P
Q DW

GA WITH 310

DUR MINES DENVER 235 1-5-53 4-28 PM

C O MITTENDORF

REFERRING TO OUR MEMORANDUM DATED JANUARY 2,1952 XXXX 1953, RE DOCKED NO. DMEA 1776, CONTRACT ID M-E419. WE BELIEVE INSTRUMUMIONS TO XXXXXX INSTRUCTIONS TO SORSEN FROM XXX L. G. HOUK ILLEGAL AND HAVE WIRED SORSEN NOT TO START WORK UNTIL ASSIGNMENT OF LEASE IS COMPLETED.

WHXXXX W H KING

END FTM

Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Mining Division
Date Recd
JAN 5 1953
Bureau of Mines
Denver Colorado

Jan 2, 1953

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

Re: Docket DMEA 1776x
Contract IDM-E 419

Dear Mr. King:

This is in reply to your letter dated Dec. 16, 1952. I have a letter from Mr. Houk dated Dec. 23, 1952 in which he says, quote: The transfer of the DMEA contract must necessarily await the approval of the assignment of your lease. You may, however, proceed with the work program under the Sorsen Williams Mining Company. Unquote.

We started preliminary work consisting of cross-sectioning the area in which the excavation would take place, and digging of additional test pits to guide our exploration work early in the month of December, This was work performed under the contract but at our expense. Today we moved our equipment in to start the first phase of the project.

We trust that the transition from the Sorsen Williams Mining Co. to the Sorsen Asbestos Corporation can be taken care of at a future date when the lease assignment has been approved.

In regard to your question about the Corporation: The Sorsen Asbestos Corporation is an Arizona Corporation.

I wish to thank you for your cooperation in the past and hope that we can continue on the same basis.

Sincerely yours,

Wm. W. Sorsen
Sorsen Williams Mining Co.
Sorsen Asbestos Corporation

Sorsen Williams Mining Co.
Box 1431
Globe, Arizona

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 7 1953

Jan 5, 1953

Mr. Lawrence G. Houk, Cheif
Nonmetallic Minerals Division
Defense Minerals Exploration Administration
United States Dep't. of the Interior
Washington 25, D. C.

Re: Docket DMEA 1776X
Contract IDM-E 419

Dear Larry:

I hope I have not created any interdepartmental friction by doing what I have done. I will explain: First refer to your letter to me dated Dec. 23., then to my letter to you dated Jan. 2.

This evening I received a telegram from Mr. King which I quote: "This office cannot approve reimbursement to the Sorsen Asbestos Corporation for work done prior to the approval of the assignment of the lease. To avoid legal difficulties it is suggested that you be guided by our letter dated Dec. 16 and do not start work under this contract until notified by this office that the assignment is approved and you have cleared with our Tucson office. Signed W. H. King" Unquote.

I attempted to reach Mr. King at his home in Denver this evening but was informed that he had left for Salt Lake. I then wrote him a letter, a copy of which I enclose.

Larry I feel as if I had jumped from a high diving board and then discovered the pool was dry. This little snarl could ruin me financially. I thought everything was well planned and executed and I made commitments on the basis that everything was okay. My neck is out a mile. I cant survive a delay in this deal. A bulldozer is on its way to the job from Northern Arizona. We have purchased equipment and supplies, hired labor, and quit good jobs to do this work. We cannot backtrack now. I have spent all my savings to organize this deal and bring it to its present status. I now have financial backing who hve put up the money to start this contract. They understand that the lease and loan have not yet been assigned to the Sorsen Asbestos Corp, but are willing to back the DMEA loan to its conclusion, assuming that when the lease is assigned, the loan will be transferred to the Corporation. We have agreed to operate under the Sorsen Williams Mining Co. until such time with payments under the loan being made to the Sorsen Williams Mining Co.

Please do what you can to unsnarl this deal and get us cleared for reimbursement. I will continue with the project until I hear from you or MR. King.

Sincerely yours,

Wm Sorsen

Sorsen Williams Mining Co
Box 1431
Globe, Arizona

Jan. 5, 1953

Mr. W. H. King, Executive Officer, DMEA
Field Team, Region IV
United States Department of the Interior
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA 1776X
Contract IDM-E 419

Dear Mr. King:

This is to acknowledge the receipt of your telegram dated Jan. 5, 1952. My letter of Jan. 2, 1953 to you apparently was too brief to be clear. At least, it is my earnest hope that there has been a misunderstanding.

I should explain that I sent a letter to Mr. Larry Houk on Dec. 23, informing him that our assignment papers had arrived in Washington at the Bureau of In dian Affairs, and requested that he use any means at his disposal to expedite the speedy execution of the assignment. He replied on Dec. 23 that he had contacted the Bureau of Indian affairs but had not received any assurance as to how soon the assignment could be completed, but suggested that we go ahead with our program under the Sorsen Williams Mining Co.

We immediately made preparations to go ahead on this basis, and informed your office of our action. We had no intent of forcing any issues because we did not believe an issue existed. We understand from your letter of the 16th of Dec. that we could not assign the contract to the Sorsen Asbestos Corp. until after it has been assigned by the Bureau of Indian Affairs.

We beleived we had a valid contract in the name of Sorsen Williams Mining Co., and made the decision to go ahead on this basis. Payments under the contract would necessarily be made to Sorsen Williams Mining Co. Any change in this status is contingent on the approval of the lease assignment by the Indians. At such future date, we anticipated, from our correspondence with you, that no difficulty would be encountered in transferring the loan contract.

We are a <u>small</u> business, and do not have any provision in our budget for costly legal entanglements of any kind. We have already invested $700.00 in legal fees to arrive at our questionable present status. We, have made every effort to do things exaclty right, so as to avoid trouble. We cannot afford any delay in payments on our exploration contract due to misunderstandings. We have made expensive commitments, in the form of equipment purchases, bulldozer rental, and labor. Two people have quit good jobs to start this project. We appeal to you personally to reverse your decision as set forth in yourtelegram, so that we can be assured of your cooperation, and full reimbursment under our contract. Further delay in this matter could have disastrous consequences.

Sincerely yours,

W. H. Sorsen

FILE COPY
SURNAME:

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

600

JAN 9 1953

BW

Houk

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-1776 - Asbestos
Sorsen and Williams
Gila County, Arizona
Contract No. Idm-M419

Dear Mr. King:

Reference is made to your memorandum of January 2, 1953, with regard to Sorsen and Williams Mining Company starting work under DMEA Contract Idm-M419.

It is not illegal for the Sorsen and Williams Mining Company to perform the work set forth in the contract with the DMEA. This office does, however, apologize for the letter which Mr. Lawrence G. Houk wrote to Mr. William W. Sorsen authorizing him to proceed with the work. Our plan was to send the letter to you for forwarding to him; however, this plan went astray. We do not wish to countermand your instructions but felt that in the interest of economy of time this operation should be started.

Please note our letter of December 23 which is in reply to your letter of November 20 on the assignment of the lease. We again apologize for failing to keep your office informed, inasmuch as this is a Region IV delegation.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:fls 1/8/53

J. C. 1/9/53

Copy to: Admr. R. File
Docket File ✓
Operating Committee (2)
Field Team, Region IV (2)
Mr. Bowles, 3516
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

Mr. C. O. Mittendorf
January 8, 1953
8:15 A.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 8 1953

DN 235 BUREAU MINES 1-7-53 3-40 PM

C O MITTENDORF

LETTER JUST RECEIVED FROM W. W. SORSEN STATING THAT HE IS STARTING WORK UNDER CONTRACT IDM-E3XXXX IDM-E419 AS SORSEN WILLIAMS MINING COMPANY. HAVE WIRED APPROVAL.

JOHN F. SHAW FOR W. H. KING

Denver, Colo.

FILE COPY
SURNAME:

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

BL

2972

Houk
Holland
4637

14X3923.970 Working Fund, Interior, Defense Minerals Exploration Administration
January 6, 1953
1:00 P. M.

Mr. W. H. King, Executive Officer, DMEA Field Team, Region IV, Bureau of Mines,
224 New Customhouse Bldg., Denver 2, Colorado
Docket No. DMEA-1776 - Asbestos, Screen and Williams, Contract Idm-2419

Screen and Williams Mining Company may legally proceed with work outlined in Contract Idm-2419. Please advise Screen and Williams Mining Company.

C. O. Mittendorf (fw)

Administrator

n. s. in R. & R.

LGHouk:gad 1/6/53

Copy to: Admr. R. File
Docket File
Dr. Bowles, Room 3516
Mr. Norton, G-232 GSA Bldg.
Mr. Houk
Confirmation Copy

SENT
JAN 6 1953
Clerical Service Section

Mr. C. O. Mittendorf
Jan. 7, 1953
8:50 A.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 7 1953

DN 235 BUREAU MINES 1-6-53 3-00 PM

C O MITTENDORF

RE YOUR TELETYPE JANUARY 6,1953-- -~~8~~11XXX ACCORDING TO OUR CORRESLPONDENCE SORSEN IS STARTING WORK AS SORSEN ASBESTOS CORPORATION, NOT AS SORSEN AND WILLIAMS MINING COMPANY. CAN WE APPROVE REIMBURSEMETNT TO SORSEN ASBESTOS CORPORATION PRIOR TO EFFECTIVE DATE OF ASSIGNMENT OF CONTRACT. IT MAY BE NECESSARY FOR AN ENGINEER FROM OUR TUCSON OFFICE TO VISIT PROPERTY TO DETERMINE STARTING POINT OF WORK AS THIS IS SHORT FORM CONTRACT.

J F SHAW FOR W H KING

Denver, Colo.

Mr. C. O. Mittendorf
Jan 6, 1953
8:00 AM.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 6 1953

BUR MINES DENVER 235 ✓1-5-53 4-28 PM

C O MITTENDORF

REFERRING TO OUR MEMORANDUM DATED JANUARY 2,1952 XXXX 1953, RE DOCKED NO. DMEA 1776, CONTRACT IDM-E419. WE BELIEVE INSTRUCTIONS TO XXXXXX INSTRUCTIONS TO SORSEN FROM XXX L. G. HOUK ILLEGAL AND HAVE WIRED SORSEN NOT TO START WORK UNTIL ASSIGNMENT OF LEASE IS COMPLETED.

WHXXXX W H KING

Denver, Colo.

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

224 New Customhouse
Denver 2, Colorado

January 6, 1953

Memorandum

To: J. H. East, Jr., Regional Director, Region IV

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 1776X, Contract Idm-E419, Sorsen Asbestos Corp.

Enclosed is a copy of each of the following:

Letter dated December 16, 1952, from the Executive Officer to William W. Sorsen

Letter dated December 23, 1952, from Lawrence G. Houk, Chief, Nonmetallic Minerals Division, to William W. Sorsen

Letter dated December 23, 1952, from the Chairman of the Operating Committee to the Executive Officer

Memorandum dated January 2, 1953, from the Executive Officer to the Administrator, DMEA

Telegram dated January 5, 1953, from the Executive Officer to William W. Sorsen

Teletype dated January 5, 1953, from the Executive Officer to the Administrator, DMEA

Mr. Sorsen has evidently started work under the contract, giving as his authority the letter from Mr. Houk dated December 23, 1952. We do not believe that Mr. Houk had the right to give these instructions to Mr. Sorsen, and Region IV office cannot pass for payment any expenses incurred by the operator prior to the time the assignment of the lease and the assignment of the contract are effective. The auditors attached to Region IV have stated that they would not approve payment of any claims made prior to the effective date of the assignment of the exploration project contract.

Enclosures

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

T

OPR WA 310 U IF DA PLS OK K

WA 310 MOK VVOPR WHAT REPORT ON 310 DA AG U SERVICE V

M K BBITH 301 OPR AG 310 AU

WA OPR ARE U THERE PLS

YES I GAVE U GA I CCULDNT READ I T ITHANKS TO

E

P

Q BW

GA WITH 310

BUR MINES DENVER 235 1-5-53 4-28 PM

C C MITTENDORF

REFERRING TO OUR MEMORANDUM DATED JANUARY 2,1952 XXXX 1953, RE DOCKED NO. DMEA 1776, CONTRACT IDM-EA19. WE BELIEVE INSTRUMUMIONS TO XXXXXX INSTRUCTIONS TO SORSEN FROM XXX L. G. HOUK ILLEGAL AND HAVE WIRED SORSEN NOT TO START WORK UNTIL ASSIGNMENT OF LEASE IS COMPLETED.

WHXXXX W H KING

END FTM

STANDARD FORM NO. 14
APPROVED BY THE PRESIDENT
MARCH 10, 1926

WESTERN UNION

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM W. H. Ki , 254 New Customhouse

BUREAU of Mines, Region IV, Mining Div. (DMEA)

CHG. APPROPRIATION CH-BOX - DAY LETTER

Denver, Colorado 1/3/51

U. S. GOVERNMENT PRINTING OFFICE 10-17

JPS:LM

Wm. W. SORSEN
BOX 1431
GLOBE, ARIZONA

THIS OFFICE CANNOT APPROVE REIMBURSEMENT TO THE SORSEN ASBESTOS CORPORATION FOR WORK DONE PRIOR TO APPROVAL OF THE ASSIGNMENT OF THE LEASE. TO AVOID LEGAL DIFFICULTIES IT IS SUGGESTED THAT YOU BE GUIDED BY OUR LETTER DATED DECEMBER 16 AND DO NOT START WORK UNDER THIS CONTRACT UNTIL NOTIFIED BY THIS OFFICE THAT THE ASSIGNMENT IS APPROVED AND YOU HAVE CLEARED WITH OUR TUCSON OFFICE.

V. H. KIDD

Ke-4151, Ext. 543
cc: Accounts
Storms
Sub
Chron

224 New Customhouse
Denver 2, Colorado

January 2, 1953

Memorandum

To: C. O. Pitzendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 1776, Contract Ida-2419, Sorsen and Williams (Asbestos)

This will acknowledge receipt of assignment of contract from William W. Sorsen and William C. Williams, doing business as Sorsen-Williams Mining Company, to Sorsen Asbestos Corporation, all copies of which have been signed by the Administrator, DMEA. This assignment will be held in this office until we receive approval of the transfer of the lease from Sorsen and Williams to the Sorsen Asbestos Corporation.

We also received a copy of a letter dated December 23, 1952 from Lawrence G. Houk, Chief, Nonmetallic Minerals Division, to William W. Sorsen, authorizing him to proceed with work under the Sorsen-Williams Mining Company. Your attention is called to a letter which this office wrote Mr. Sorsen on December 16, 1952, two copies of which were sent to you, in which we told Mr. Sorsen that he should not start work until the assignment of the contract had been completed. We also mentioned to Mr. Sorsen that we had not received a reply to our letter dated November 20, 1952 regarding the assignment of the lease.

When the Washington office writes an operator direct and countermands the instructions which we have given the operator from this office it is apt to lead to considerable confusion. We do not believe that we would be justified in reimbursing the Sorsen Asbestos Corporation for any work performed prior to the effective date of the contract, which in this case we interpret as being the date of the assignment. This contract is prepared on the short form and we believe that an engineer should visit the property prior to the performance of any work for which the operator claims reimbursement.

JFS:jp
cc Contract
Chron
WRStorms
AHKoschmann (2)

W. H. KING
W. H. King

600

DEC 23 1952

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

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen and Williams
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. King:

Reference is made to your letter of November 20, 1952, regarding the subject contract. Pursuant to what we deem to be your request, we enclose a form of assignment of the Contract to the Sorsen Asbestos Corporation. The Government's acceptance has been duly signed but it should not be delivered until the original and all the copies of the Assignment of the Contract and the Assignee's acceptance thereof are duly signed, and all blanks properly filled in.

As you will see from reading the Assignment, certain parts are left blank because this office is without the necessary information. We are referring particularly to the date and term of the lease and the dates of the approval of its transfer by the San Carlos Apache Tribal Council and by the Commissioner of Indian Affairs, Department of the Interior.

You should inform Mr. Sorsen by wire that, pending the execution by all necessary parties of both the assignment of the lease and the DMEA contract, he can proceed with the project under DMEA Contract No. Idm-E419.

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee

Approved:

J.H. Hedges

Member, Bureau of Mines

A.R. Kinkel, Jr.

Member, Geological Survey

Enclosures 6

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

600

Dec 23 1952

Mr. William W. Sorsen, President
Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Subject: Docket No. DMA-1776 - Asbestos
Sorsen and Williams
Gila County, Arizona
Contract No. DMa-2419

Dear Mr. Sorsen:

Reference is made to your letter of December 12, 1952, requesting aid in the approval of the assignment of your lease with the San Carlos Apache Tribal Council from the Sorsen-Williams Mining Company, a partnership, to the Sorsen Asbestos Corporation.

I have personally contacted the Bureau of Indian Affairs here in Washington but have not received any assurance from them as to how soon the assignment can be completed. We are forwarding to Mr. W. H. King, Executive Officer, DMA Region IV, today the necessary form for assigning your DMA assistance contract to the Sorsen Asbestos Corporation.

The transfer of the DMA contract must necessarily await the approval of the assignment of your lease. You may, however, proceed with the work program under the Sorsen-Williams Mining Company.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:ngad 12/19/52

Copy to: Admr. R. File
Docket File
Mr. Houk
Field Team, Region IV

224 New Customhouse
Denver 2, Colorado

December 16, 1952

Mr. William W. Sorsen, President
Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Re: Docket DMEA 1776X
Contract IDM-E 419

Dear Mr. Sorsen:

This is in reply to your letter dated December 12, 1952, regarding the assignment of lease now in the name of the Sorsen-Williams Mining Company to the Sorsen Asbestos Corporation.

You should not start work under Contract IDM-E 419 until this contract has been assigned to the Sorsen Asbestos Corporation.

We have not received a reply to our letter dated November 20, 1952 to Mr. Robert L. McGhee in which we requested an assignment of the lease. This assignment should be approved by the Tribal Council and by the Bureau of Indian Affairs. We also requested Mr. McGhee to advise us if the Sorsen Asbestos Corporation is an Arizona corporation.

Upon receipt of the above we will be able to assign your contract. We will also prepare an amendment extending the starting date of the contract.

Very truly yours,

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

JFS:jp
cc Contract
Chron
AHKaschmann (2)
CCMittendorf (2) w/copy incoming ltr
WSterns w/copy incoming ltr

Sorsen Williams Mining Co.
Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 6 1953

Jan. 2, 1953

Mr. Lawrence G. Houk, Cheif
Nonmetallic Minerals Division, DMEA
U. S. Dep't. of the Interior
Washington 25, D. C. 600

Re: Docket DMEA 1776-X
Contract No. Idm-E419
Asbestos, Gila Co., Ariz.

Dear Larry:

Reference is made to your letter of December 23, 1952, in which you state that we may proceed with our work program under the Sorsen Williams Mining Co. We have notified Mr. King and Mr. Storms that we have started work, and trust that at some near future date we may assign the contract to the corporation after the lease assignment has been approved.

I wish to thank you for your efforts in expediting the passage of our assignment thru the Bureau of Indian Affairs. We have not heard anything from that office yet, and hope that they find everything in order.

The weather here is exactly right for open construction work and if it holds, we should make good progress on our contract. I will keep you posted on our activities from time to time.

Sincerely yours,

Wm. W. Sorsen

Wm. W. Sorsen

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1953

224 New Customhouse
Denver 2, Colorado

January 2, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 1776, Contract Idm-E419, Sorsen and Williams (Asbestos)

This will acknowledge receipt of assignment of contract from William W. Sorsen and William C. Williams, doing business as Sorsen-Williams Mining Company, to Sorsen Asbestos Corporation, all copies of which have been signed by the Administrator, DMEA. This assignment will be held in this office until we receive approval of the transfer of the lease from Sorsen and Williams to the Sorsen Asbestos Corporation.

We also received a copy of a letter dated December 23, 1952 from Lawrence G. Houk, Chief, Nonmetallic Minerals Division, to William W. Sorsen, authorizing him to proceed with work under the Sorsen-Williams Mining Company. Your attention is called to a letter which this office wrote Mr. Sorsen on December 16, 1952, two copies of which were sent to you, in which we told Mr. Sorsen that he should not start work until the assignment of the contract had been completed. We also mentioned to Mr. Sorsen that we had not received a reply to our letter dated November 20, 1952 regarding the assignment of the lease.

When the Washington office writes an operator direct and countermands the instructions which we have given the operator from this office it is apt to lead to considerable confusion. We do not believe that we would be justified in reimbursing the Sorsen Asbestos Corporation for any work performed prior to the effective date of the contract, which in this case we interpret as being the date of the assignment. This contract is prepared on the short form and we believe that an engineer should visit the property prior to the performance of any work for which the operator claims reimbursement.

W. H. King

W. H. King

FILE COPY
SURNAME:

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

Robertson
Houk
Hollinger
Clark

DEC 23 1952

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

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen and Williams
Gila County, Arizona
Contract No. Idm-E419

Dear Mr. King:

Reference is made to your letter of November 20, 1952, regarding the subject contract. Pursuant to what we deem to be your request, we enclose a form of assignment of the Contract to the Sorsen Asbestos Corporation. The Government's acceptance has been duly signed but it should not be delivered until the original and all the copies of the Assignment of the Contract and the Assignee's acceptance thereof are duly signed, and all blanks properly filled in.

As you will see from reading the Assignment, certain parts are left blank because this office is without the necessary information. We are referring particularly to the date and term of the lease and the dates of the approval of its transfer by the San Carlos Apache Tribal Council and by the Commissioner of Indian Affairs, Department of the Interior.

You should inform Mr. Sorsen by wire that, pending the execution by all necessary parties of both the assignment of the lease and the DMEA contract, he can proceed with the project under DMEA Contract No. Idm-E419.

Sincerely yours,

Frank E. Johnson

(JHB) 12-23-52

Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

JTRobertson:gad 12/18/52
Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Houk
Legal Division (2)

Enclosures 6

FILE COPY
SURNAME:

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

DEC 23 1952

Mr. William W. Sorsen, President
Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen and Williams
Gila County, Arizona
Contract No. DMe-2419

Dear Mr. Sorsen:

Reference is made to your letter of December 12, 1952, requesting aid in the approval of the assignment of your lease with the San Carlos Apache Tribal Council from the Sorsen-Williams Mining Company, a partnership, to the Sorsen Asbestos Corporation.

I have personally contacted the Bureau of Indian Affairs here in Washington but have not received any assurance from them as to how soon the assignment can be completed. We are forwarding to Mr. W. H. King, Executive Officer, DMEA Region IV, today the necessary form for assigning your DMEA assistance contract to the Sorsen Asbestos Corporation.

The transfer of the DMEA contract must necessarily await the approval of the assignment of your lease. You may, however, proceed with the work program under the Sorsen-Williams Mining Company.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

12-23-52

LGHouk:gad 12/19/52

Copy to: Admr. R. File
Docket File
Mr. Houk
Field Team, Region IV

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

December 16, 1952

Mr. William W. Sorsen, President
Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Re: Docket DMEA 1776X
Contract IDM-E 419

Dear Mr. Sorsen:

This is in reply to your letter dated December 12, 1952, regarding the assignment of lease now in the name of the Sorsen-Williams Mining Company to the Sorsen Asbestos Corporation.

You should not start work under Contract IDM-E 419 until this contract has been assigned to the Sorsen Asbestos Corporation.

We have not received a reply to our letter dated November 20, 1952 to Mr. Robert E. McGhee in which we requested an assignment of the lease. This assignment should be approved by the Tribal Council and by the Bureau of Indian Affairs. We also requested Mr. McGhee to advise us if the Sorsen Asbestos Corporation is an Arizona corporation.

Upon receipt of the above we will be able to assign your contract. We will also prepare an amendment extending the starting date of the contract.

Very truly yours,

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

JFS:jp
cc Contract
Chron
AHKoschmann (2)
COMittendorf (2) w/copy incoming ltr
WRStorms w/copy incoming ltr

Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Dec. 12, 1952

Mr. W. H. King, Executive Officer
Field Team, Region IV
Defense Minerals Administration
U. S. Dep't. of the Interior
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 1776X, IDM-E 419 Assignment of Sorsen-Williams Mining Co. loan to Sorsen Asbestos Corporation.

Dear Mr. King:

We wish to thank you for your cooperation in expediting the approval of our loan. Yesterday our lease No. I-88-Ind.-2262 assignment papers were sent to the Commissioner of Indian Affairs in Washington for final approval. Mr. Gelvin in Phoenix does not have a directive permitting him to approve the lease or assignment thereof in Phoenix.

To refresh your memory, we are assigning our lease and our DMEA loan to Sorsen Asbestos Corporation, both are now in the name of Sorsen-Williams Mining Co.

The deadline for starting work under the DMEA contract is Dec. 20. We would like to start work immediately with your permission. If it is necessary to wait until the loan has been assigned to the Sorsen Asbestos Corporation, we would have to have a 60 day extension in our starting date.

I have notified Mr. Larry Hauck of the above facts and have asked him to check on the progress of the papers in Washington.

A stockholder in our corporation will provide funds to start work immediately contingent on your approval to proceed with the contract.

We would like to complete all of the above procedure before the holiday recess if possible.

With warmest personal regards,

Sincerely yours,

Wm. W. Sorsen, Pres.

Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

Dec. 12, 1952

Mr. Larry Hauck
Defense Minerals Administration
U. S. Dep't. of the Interior
Washington 25, D. C.

Dear Larry:

Re: Docket No. DMEA 1776X, IDM-E 419, I wish to thank you for your cooperation in expediting our loan. We have until Dec. 20 to start work on this contract. Mr. W. H. King advises me that two photostatic copies of the assignment of the lease are required to assign the loan.

To refresh yourmemory, we are assigning the lease and the loan from the Sorsen-Williams Mining Co. to the Sorsen Asbestos Corporation. Since I talked to you here in Globe, we have been wading thru the red tape necessary to bring this about. Yesterday the final papers were mailed to Washington, so they should be on somebody's desk by now.

We also received approval of the Arizona Corporation Commission yesterday to issue stock in ournew company, and have a subscriber waiting to put up the money necessary to see this exploration program thru. After a year and a half of organization we are finally ready to move.

I would appreciate it and consider it as a personal favor if you would check on the progress of our lease assignment thru the necessary channels in Washington, and expedite its speedy approval thru any means you may have at your disposal.

I assure you that dirt will begin to fly the day after we receive our approval of assignment from the DMEA in Denver. Nobody has ever been more anxious to go to work.

Sincerely yours,

Wm. W. Sorsen

Wm. W. Sorsen, Pres.

RECEIVED
DEC 17 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Sorsen Asbestos Corporation
Box 1431
Globe, Arizona

Dec. 12,1952

Commissioner of Indian Affairs
Washington, D. C.

Re: I-88-Ind.-2262 lease assignment from Sorsen-Williams Mining Co. to Sorsen Asbestos Corporation.

Dear Sir:

Yesterday the completed documents for the above contract were mailed from the Regional Office of Indian Affairs in Phoenix to your office. These papers are complete and accurate in every respect with the exception of a Typographical error in the Consent Of Surety. I herewith transmit the corrected forms, and request that the incorrect forms be sent to the Surety company so that they may be destroyed. I enclose their letter of transmittal and envelope for that purpose.

Anything that can be done by your office to expedite the approval and return of the assignment as quickly as possible would certainly be appreciated.

We wish to assign a contract we have with the DMEA to the Corporation also, and this is contingent on the final approval on the Lease assignment.

I would like to request that a copy of the letter of transmittal of the approved assignment be sent to Mr. W. H. King, Executive Officer, Field Team, Region IV, U. S. Dept't. of the Interior, Defense Minerals Administration, 224 New Customhouse, Denver 2, Colorado.

Sincerely yours,

Wm. W. Sorsen

Wm. W. Sorsen, Pres.

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

DOCKET COPY

224 New Customhouse
Denver 2, Colorado

November 20, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 24 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Sorsen and Williams (Asbestos), Docket DMEA 1776, Contract Idm-E419

This is in reply to your letter dated November 17, 1952, regarding assignment of Contract Idm-E419 to the Sorsen Asbestos Corporation.

The contract is now in the name of a partnership consisting of William W. Sorsen and William C. Williams. The contract is to be assigned to the Sorsen Asbestos Corporation. We are writing Mr. McGhee requesting photostats of the approved transfer. A photostat will be forwarded to you as soon as it is received.

If you require any more information in order to prepare this assignment please advise us.

John F. Shaw
For W. H. King

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

November 17, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 1776X (Asbestos) Sorsen Williams Mining Co., Gila County, Arizona

Enclosed are four copies of the final report on DMA-1776X.

The contract has been signed and is in effect.

W. H. King
W. H. King

for Ogden Tweto
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
11-26-52
(date)

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

224 New Customhouse
Denver 2, Colorado

December 14, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 1776X, Final Report, Sorsen-Williams Mining Company, applicant; Salt River Asbestos Deposits, Gila County, Arizona

The subject report has been approved by us and an exploration loan of $21,746.25 is being processed.

Your copies of the report and the brochure are being held here until the execution of the exploration project contract.

J. H. East, Jr.

A. H. Koschmann

CC: WRStorms w/copy of final report
CAnderson " " " 2
PTAllsman " " " "
AHKoschmann " " " "
DMA Final Report

On-Site Exam Rpt

Mining Division
Region IV

November 26, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 1776M, Sorenson-Williams Mining Company, applicant; Salt River Asbestos Deposits, Gila County, Arizona

The original application of the subject docket was for an exploration loan of $15,000 for the purpose of exploring certain areas on the property where there were outcrops of asbestos. Drifting from the surface with alternative diamond drilling was the method proposed.

After an examination by the field team the company submitted a revised application at an estimated cost of $21,746.25. The proposed program in the revised application consists of stripping approximately 2,300 feet of the outcrop with a bulldozer and three adits with a total of 450 feet.

At the Salt River Asbestos Deposits outcrops of serpentine with seams of asbestos have been uncovered on three claims. Two of these occurrences contain fiber which contain strategic quality asbestos fiber.

The examining team recommends approval of an exploration loan of $21,746.25 with which we concur.

An exploration project contract will be processed by this office.

W. H. King, for
P. T. Allsman

WHM:fwo

cc: Kesselmann, Subj, Chron

Mining Division
Denver Office
NOV 19 1951
BUREAU OF MINES
Denver, Colorado

MINING DIVISION
REGION IV

November 16, 1951

Memorandum

To : Paul T. Allsman, Denver, Colorado

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

Subject : Final Report, DMA Docket 1776X, Sorsen-Williams Mining Co.'s Salt River Asbestos Deposits, Gila County, Ariz.

Enclosed are original and 7 copies of the section on Summary, Conclusions and Recommendations by A. F. Shride of the Bureau of Mines and L. A. Stewart of the Bureau of Mines, and the section on Engineering by Stewart, for the above report.

This report has my approval.

Brochure is enclosed.

Walter R. Storms

CC P. T. Allsman (7)
C. A. Anderson
DMA-1776X
DF

WRStorms:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMA-177bX, Jorsen-Williams Mining Co.'s Salt River Asbestos Deposits

Gila County, Arizona

A. F. Shride, Geologist
U. S. Geological Survey

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

November 1951

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

J. F. Shride[1] and Lincoln A. Stewart[2]

An application was submitted to the Defense Minerals Administration by the Sorsen-Williams Mining Co. of Globe, Ariz., for a loan to explore the asbestos zone that ourcrops intermittently across 3 of their 4 mining claims. These claims are favorably located adjacent to paved U. S. Highway 60 in Salt River Canyon about 43 road miles northeast of Globe, Gila County, Ariz.

The original application did not present a clear-cut program and was referred to the field team with a recommendation from the DMA reviewing committee in Washington, D. C. that "The entire project should be studied and decision made by the field team on the location of the work, equipment needed, and the labor force which will be most efficient for the job". After an examination of the property on October 2 in company with Wm. W. Sorsen, followed by discussions with the latter on several occasions, the applicant presented an amended application. This amended application is the basis of this report.

The proposed work consists of a bulldozer cut along the outcrop of the asbestos formation with more intensive stripping of the formation at the 3 points where the asbestos showings seem to be localized. This dozer cut likewise will serve as an access road to the various workings. Adits are to be driven into the hill at

1/ Geologist, U. S. Geological Survey
2/ Mining Engineer, U. S. Bureau of Mines

each of the 3 deposits if the showings from the first stage justify the work. The bearing and length of the adits depend upon results attained as work progresses. A total of 450 feet of drifting is set up in the application.

The total cost of the project is estimated at $21,746.27, divided as follows: buildings required, $600; contract dozing and equipment depreciation, $1,420; equipment purchase, $6,412; labor, supervision, and payroll taxes, $7,602.80; supplies, $2,825; mill tests for determination of quality and analysis of fiber, $50; and 15 percent for contingencies, $2,836.47.

In Arizona, asbestos deposits are found along the bedding of certain favorable limestone members of the Mescal formation that are in proximity to intrusive diabase sills. On 3 or 4 claims held by the applicant, this condition is present, and meager prospecting has exposed the asbestos zone at 3 separate localities. Two of these occurrences contain fiber which although weathered, is of strategic quality; the third area shows shorter and harsher fiber.

Such a small amount of work has been done on the property that it can be considered only as a prospect. There is a long chance that one or more of the 3 localities mentioned above might develop a productive asbestos deposit.

Stocks of asbestos fiber in general and strategic grades in particular are critically short. Industry has been dependent upon Southern Rhodesia and Arizona as the only sources of non-ferrous

spinning fiber. Imports from the former have been declining year by year and will be further decreased in 1952. For this reason Jesse M. Weaver[3] states that everything possible should be done to increase production in Arizona.

Because of the fact that the asbestos industry of the United States is so critically short of the strategic grades of non-ferrous spinning fiber, and there is a possibility that strategic fiber can be found on the applicant's property, the writers recommend that an exploratory loan be granted to the Sorsen-Williams Mining Co. The applicant has stated that he is willing and able to pay 10 percent of the estimated $21,746.27 cost of the project.

Ordinarily the DMA insists upon a 10-year lease to protect its lien on production for that length of time. The Tribal Charter of the San Carlos Indian Reservation limits all mineral leases to a 5-year period. The applicant has such a lease, with a stated preferential option of renewal for an additional 5-year period. The attorney for the Indian Service[4] states that in his opinion a subordination agreement is not necessary between two agencies of the Government.

If the granting of this loan is jeopardized by the DMA requirements of a 10-year lease and a subordination agreement, the matter should be referred to the two Government agencies at the Washington level for clarification.

3/ Consultant, Defense Production Administration. For entire text of statement see engineering report, page 13.
4/ Wright, C. M., 128 No. Church St., Tucson. Oral communication.

DMA-1776X, SORSEN-WILLIAMS MINING CO.'S SALT RIVER ASBESTOS DEPOSITS
GILA COUNTY, ARIZONA

Engineering

Engineering Report

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

November 1951

DMA-1776X, SORSEN-WILLIAMS MINING CO.'S SALT RIVER ASBESTOS DEPOSITS
GILA COUNTY, ARIZONA

CONTENTS

	Page
Engineering report	
Introduction	1
Ownership and extent	2
Location and accessibility	2
History and production	3
Description of the deposits	3
Present status	5
Proposed exploration project	5
Discussion of the application	9
Conclusions	12
Recommendations	16

ILLUSTRATIONS

Figure		Following page
1	Location map	2
2	Map showing proposed exploration	9

INTRODUCTION

In July 1951 an application was submitted to the Defense Minerals Administration for a $15,000 exploratory loan by the Sorsen-Williams Mining Co. The purpose of the exploration was to prospect certain areas on the property where asbestos outcrops were present and to determine whether commercial deposits could be found. Although drifting from surface was set up in the application, diamond drilling was mentioned as an alternative. The estimated cost of some items appeared excessive and others were manifestly low. The docket was sent to the Field Team with a recommendation from the DMA reviewing committee in Washington, D. C., that "the entire project should be studied and decision made by the field team on the location of the work, equipment needed, and the labor force which will be most efficient for the job".

On Oct. 2 the examining team[1/] discussed the project with Mr. W. Sorsen, one of the applicants, and devoted the following day to field examination.

After a thorough discussion of the geologic problems, methods of exploration (drifting versus diamond drilling), and re-appraisal of costs, the applicant stated he would submit an amended and more definite application. On Oct. 23, Sorsen conferred with the examining team at Tucson. The amended application was received by the Tucson, Ariz., office of the Defense Minerals Administration on Nov. 1, 1951.

1/ Stewart, Lincoln A., Mining Engineer, Bureau of Mines, and Shride, A. F., Geologist, U. S. Geological Survey.

OWNERSHIP AND EXTENT

The Sorsen-Williams Mining Co., a partnership composed of Wm. H. Sorsen and Wm. C. Williams, is the bonded lessee of the Salt River group of 4 unpatented mining claims. This property is leased from the San Carlos Indian Reservation. The term of the lease is for a 5-year period of occupancy with a stated preferential option of renewal for an additional 5-year period.

The address of the Sorsen-Williams Mining Co. is Box 1431, Globe, Ariz.

LOCATION AND ACCESSIBILITY

The property lies in the northwest corner of the San Carlos Indian Reservation. According to a map published by the Department of the Interior, Office of Indian Affairs, 2/ the claims are situated in unsurveyed secs. 25 and 26, T. 5 N., R. 17 E.

The property is favorably situated, being adjacent to paved U. S. Highway 60 about 43 miles northeast of Globe, Gila County, Ariz. The claims lie along the bluff that forms the south bank of the Salt River at an altitude of about 3,600 feet.

A 2,000-foot truck trail with very little gradient could be dozed from the highway to serve all workings of the proposed project. This service road would start from the northern loop of the highway that cuts into claim No. 3, as shown on figure 1. It will be noted that the highway also swings across the southern end of the property. This segment of the highway is well up on the cliff face, some 300 to 400 feet above the level of the proposed work and will not interfere in any way with the contemplated project.

2/ Fort Apache Indian Reservation, 1936.

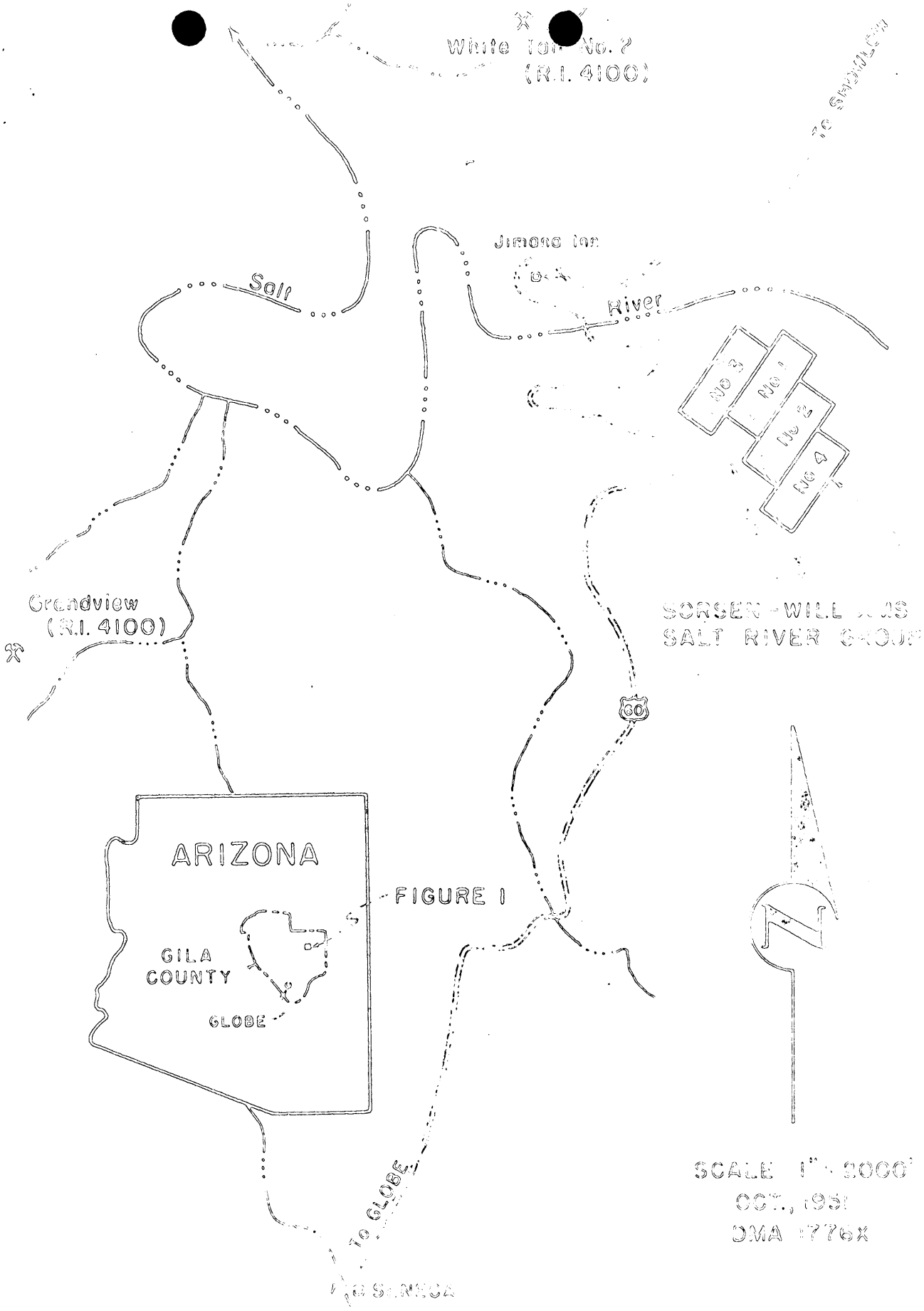


FIG. 1 LOCATION MAP, SORSEN-WILLIAMS MINING CO.
GILA COUNTY, ARIZONA

The climate at this altitude is moderate, ranging from about 100° F. in summer to 15° F. above zero in winter. Occasional snow flurries can be expected from December to March, but the highway is immediately cleared after every storm.

In this general area, two exploratory projects were conducted by the Bureau of Mines in 1943. These localities are shown on figure 1 and described in Report of Investigations 4100.[3]

HISTORY AND PRODUCTION

There is no available record of previous leases, although several old open cuts and 2 short adits indicate that this area was prospected a number of years ago. The applicant located the claims in May 1951.

There has been no production from the property.

DESCRIPTION OF DEPOSITS

Arizona asbestos is found invariably in veins within bands of serpentine. The veins vary in thickness from a fraction of an inch to several inches, and roughly parallel the borders of the enclosing serpentine. This serpentine is usually from 4 to 18 inches in thickness. The serpentine band is enclosed in limestone strata that is essentially flat lying.

Asbestos zones usually outcrop in steep cliff faces. The mines are opened by adits on the ore horizon, and mining is conducted either by modified room-and-pillar methods, or by long-wall stoping with backfill.

3/ Stewart, Lincoln A., and Landry, W. B., Arizona Asbestos Deposits, Gila County, Ariz., Bur. of Mines R.I. 4100, Aug. 1947.

Development work in asbestos mines cannot be planned as definitely as in the mining of most other minerals, as the veins pinch and swell irregularly and are erratic in size and distribution. Experience over the entire Arizona asbestos district has shown that the various commercial deposits that have been mined are relatively small.

In ~~the~~ most of the mines, the serpentine-fiber band is carried at the top of the drift, and the stopes are developed by progressively widening the opening. The barren limestone below the ore zone is removed by undercut drilling and blasting. About 40 percent of the waste can be placed in the backfill; the remainder is trammed to the dump. The material of the serpentine fiber zone is broken down by light blasts, all limestone fragments are rejected, and the remainder is removed for processing.

Arizona asbestos mines are the only sources on the American continents of iron-free chrysotile spinning fiber that meets the Navy specifications for asbestos fiber for use in covering electrical cables.

On the Sorsen-Williams property much of the limestone at the asbestos horizon has been eroded to relatively gentle slopes and the formation is obscured by talus. A number of old shallow pits and 2 short adits along the formation have traced the asbestos zone intermittently in 3 local areas within a total length of 1,800 feet.

The applicant has cleaned out some of these cuts, blasted new faces, and dug through overburden to expose local extensions of the zone. Virtually every opening shows fiber within the serpentine zone.

The fiber in the cuts on claims Nos. 3 and 2 is slightly harsh, but of fair tensile strength. The harshness probably is due to calcification caused by leaching. The meager prospecting done to date indicates one asbestos zone on claim No. 3 and two zones, some 7 inches apart on claim No. 2. The former shows from 1 to 2½ inches of total fiber. Numerous partings are present that reduce the individual fiber lengths to ½ inch or less. However, processing would produce some No. 2 strategic grade.

The 3 cuts on claim No. 1 show 2 zones about 7 inches apart that contains up to 2½ inches of total fiber. This fiber is considerably harsher than the previously mentioned occurrences; the partings are more numerous, and narrow ribbons of serpentine separate the fiber bands.

There is reason to believe that there are structural breaks between each prospected area, consequently the fiber zone will not be continuous across the 3 claims. This possibility is discussed in the geologic section of the report.

PRESENT STATUS

The property at the present is merely a prospect. Two 20-foot adits and about 10 open cuts or pits constitute all the work done to date. There are no buildings or equipment on the property.

PROPOSED EXPLORATION PROJECT

On Oct. 31, 1951 the applicant presented an amended application on Form MF-103 as follows:

October 31, 1951

"Re: U. S. A. Docket Number 1776-A, Mr. Stewart and Mr. Shride made an inspection of our property and recommended that we file an amended application. I herewith submit a revised application to comply with their suggestions."

Items 1 and 2 of Form SF-103 are as follows:

1(a) A group of 4 mining claims comprising 80 acres and known as Salt River Numbers 1, 2, 3, and 4, a new property.

(b) Lessee: Leasing from the San Carlos Apache Indian Reservation.

(c) Located in sec. 25, T. 5 S., R. 17 E., Gila and Salt River Meridian and Base, Gila County, Ariz.

2(a) Chrysotile asbestos crudes and fiberized material. By-products, asbestos shorts and serpentine plaster sand.

(b) The outcrop exposures indicate an ore body approximately 1,500 feet in length. The bands of chrysotile occur in groups with fiber lengths varying from 0 to 1½ inches, and an estimated total fiber length which will average 2 inches plus. The bands of chrysotile are separated and enclosed by serpentine, which varies in thickness from 0 to 24 inches.

The horizon in which the veins are found is located in the lower portion of the Mescal limestone. Reconnaissance indicates that there are three fault zones which cause vertical displacement of the ore body. Overburden in these zones makes it difficult to study the actual fault contacts except in one location where it is exposed.

There are two veins of asbestos, one of which is in contact between the limestone and diabase wherein the diabase is above. The other occurrence is in a prominent serpentine zone enclosed by beds of limestone approximately 12 to 16 inches thick.[4/]

Sorsen continues:

"3. (a) We intend to block out ore by two methods. A bulldozer cut will be made along the outcrop which will expose the ore and open up the property for underground exploration at the most favorable sites. Three adits will be driven at the approximate locations indicated on the attached map. The length of the individual adits will depend on the showing encountered during the course of the work. Some of the work may be in drifting off the adits.

"Approximately 2300 feet of open cut will be made with a bulldozer, and approximately 450 feet of tunnel will be driven.

"The total cost of the project will be $21746.27.

"3. (b) The project can be started within 30 days of the approval date of this loan, and will be completed within 180 days of that date.

"4. See map.

"5. None.

"6. Tool house and compressor shed.	$300.00
2 tent houses	300.00
"7. (a) Bulldozer-10 days @ $80 plus $100 moving-in charge. TD9 and ripper	900.00

4/ Answers to questions 1 and 2 have been abstracted by the writer from information in the original application.

"7. (b)	Portable compressor-160 cu. ft. (2nd hand)	$3000.00
	2-45# jackhammers	600.00
	2-Pneumatic jacklegs	392.00
	2-½ ton mine cars (2nd hand)	200.00
	2-flat cars (2nd hand)	60.00
	600 feet track-12# rail	500.00
	600 feet 2" black pipe @ .35	210.00
	900 feet ½" galv. pipe @ .25	150.00
	Pipe fittings	50.00
	Air receiver 4x7 (2nd hand)	200.00
	2-Pressure tanks	160.00
	8-sets Carboloy interset steel	320.00
	200 feet 3/4" air hose	150.00
	200 feet ½" water hose	100.00
	2-line oilers	40.00
	Misc. small tools	50.00
	Picks and shovels	30.00
	Water pump-gasoline powered	200.00
"7. (c)		
	½ ton pickup	360.00
	3 Kw light plant	160.00
"8.	2-miners @ $12	
	4-muckers @ $10	3840.00
	Engineer and Supt. @ $400/mo.	1600.00
	Mechanic, Night foreman & Watchman @ $300/mo.	1200.00
	Insurance, O.A.B. & S.S. 14.5%	962.80
"9.	Mine timber and track ties	200.00
	Nails, spikes, fishplates and misc.	25.00
	Blasting-powder, fuse & caps	800.00
	Drilling- 2¢/ foot of hole	200.00
	Gas, oil & lube for compressor, light plant, water pump, and pickup	1600.00
	Engineering- Registered Mining Engineer in charge	
	Assaying- All tests will be run to determine quality & analysis of fiber.	50.00
	Accounting- Supt. will keep books	
	Contingencies - 15%	2830.47
	Total estimated expenditure	21746.27

"10. (a) $2174.63

"(b) Yes.

"11. We have a five year lease with the San Carlos Indian Agency which has been fully approved by the Tribal Council, and the Regional Director of Indian Affairs. This lease is now going thru channels in Washington.

"A subordination agreement is not necessary as both parties are within the Dept. of the Interior.

"We have discussed the clause in the lease which limits the contract to five years, but they are unable to extend the time without higher authority, as their Tribal Charter definitely limits all leases to a 5 year period. However, they do give us preference to renew the lease at its termination.

"I will forward four copies of this lease under separate cover.

"Yours sincerely,

"/s/ Wm. W. Sorsen
Wm. W. Sorsen #1682
Sorsen-Williams Mining Co.
Box 1431
Globe, Arizona"

DISCUSSION OF THE APPLICATION

Item 3 (a). The limestone beds favorable for asbestos mineralization are so situated that the bulldozer cut will serve the dual purpose of exposing the ore horizon and likewise be utilized as a service road for most of the work. The only exception is on claim No. 3 where a switchback will be necessary to follow the ore horizon (fig. 2). The locations, bearing, and lengths of the proposed adits will be dependent upon findings as the work progresses. This phase of the work must be left flexible to meet conditions encountered when more of the outcrop is exposed. It may be that this work would be justified at only one or two locations.

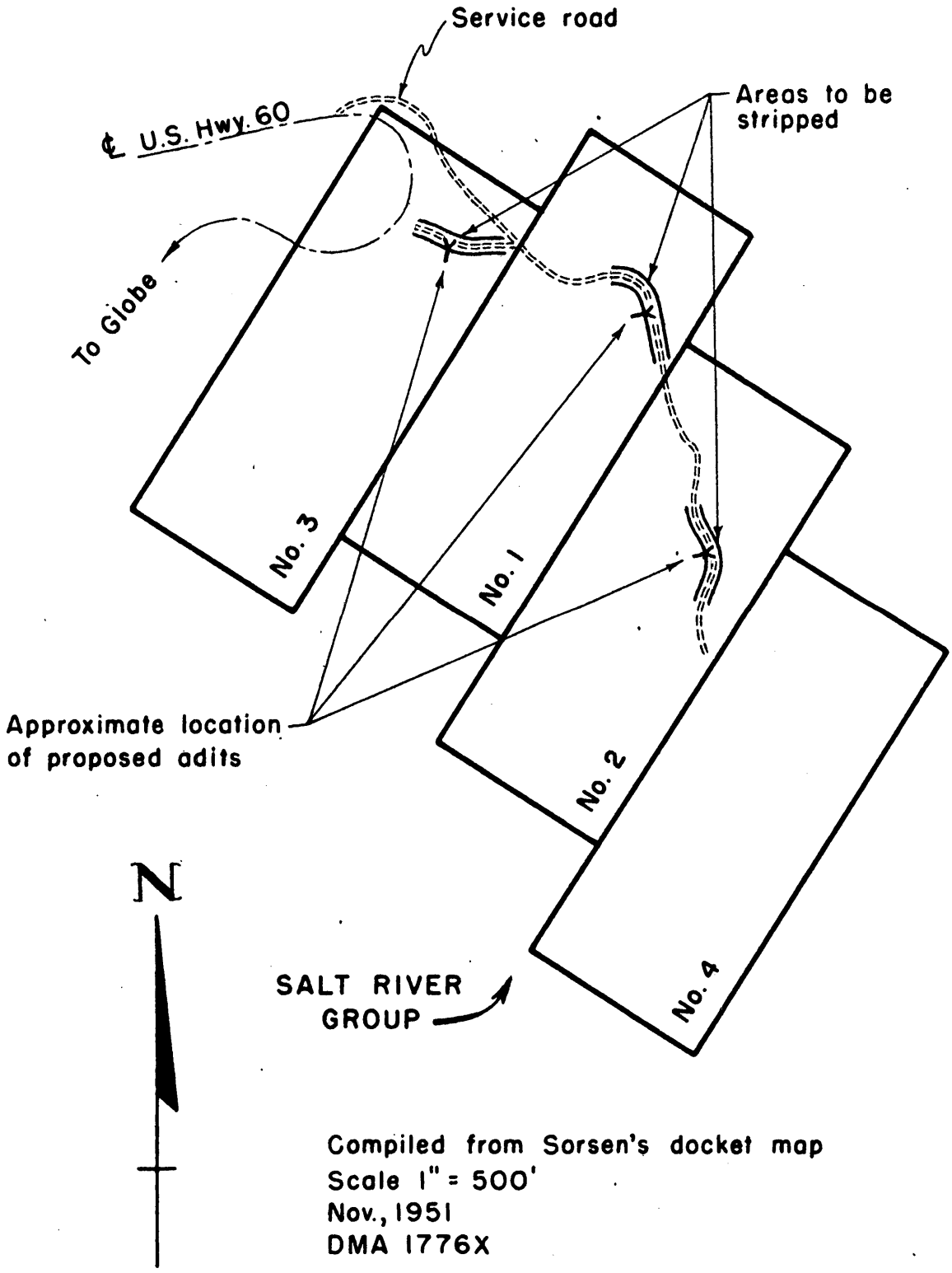


FIG. 2 - SORSEN-WILLIAMS MINING CO.
PROPOSED EXPLORATION

Item 3(b). The applicant has estimated 6 months for completion of the project, allowing for unforeseeable delays. It is probable that the job will be finished in less time.

Item 4. The map of the proposed work has been redrafted as figure 2 of this report. The original map furnished with the docket confused exploration and development work.

Item 5. There are no existing buildings or facilities on the property.

Item 6. A small tool house is to be built for protection of the small tools and equipment. Any necessary major repairs will be done in Globe, which is only a 1-hour drive from the property.

No facilities for living accommodations are included for the laborers for the reason that there is a tourist court on the highway near the Salt River bridge, less than a mile from the property. There is another tourist court at Seneca, on the highway about 5 miles toward Globe. Both these places have a small store in connection. Indian laborers that work in this area set up their own camps in a park near Seneca.

Item 7 (a). The contract price of $[illegible] per day of use, plus $100 moving-in charge for bulldozer, has been verbally made by 2 independent contractors. Both have agreed to allow reasonable stand-by privileges without additional charge.

Item 7(b). Applicant states that the second-hand 160 cfm compressor is available for purchase. It is said to be in good working condition. One of the 45-pound jackhammers listed is second-hand and available, as are the 2 mine cars, the 2 flat cars (timber dollies) and the 4-ft. by 7-ft. air receiver.

The remainder of the equipment is to be purchased new. The estimated purchase prices appear to be reasonable.

Item 7(c). To be furnished by applicant: ½-ton 1949 Chevrolet pickup. This is in good condition. It will be used to make the run between Globe and the property, will haul supplies, small equipment, etc. The applicant's proposed rental of $60 per month seems reasonable. The writer is of the opinion that the customary assignment of 5-year depreciation should be modified in the case of small automotive equipment that is in constant project use.

The 3-KW light plant is new equipment. Based on 6 months project life the proposed rental (or depreciation) is 160 divided by 6 or $26.67 per month. Cost of such a plant is about $1,000. Sixty months depreciation would equal about $17.50 per month. The plant will be used for mine lighting, blasting circuit, operation of small tools, etc.

Item 8. Applicant proposes to use 2 shifts in the drifting work, 1 miner and 2 muckers per shift. Assuming an advance of approximately 4 feet per shift, he has calculated the mining labor at 60 working days, roughly 3 months. The daily wage of $12 for miners and $10 for muckers is the rate at which he expects to hire Indians. Mining leases on Indian Reservations are predicated on using Indian labor where possible.

Supervision is based on 4 months, and includes extra time of 1 month for procuring, moving, and installing equipment and facilities, dozing the outcrop, etc., before mining operations start. The mechanic who will do the repair work has been set up on night shift so that supervision of a night mining crew is possible. This man will be required to live in one of the tent houses on the project, thus becoming night watchman as well.

Payroll taxes have been estimated at 14.5 percent of gross pay roll with rates as follows: compensation and occupational disease insurance, 11.0 percent; unemployment insurance, 2 percent; and social security 1½ percent. These are the rates paid by a similar, newly opened asbestos mining operation a few miles down the river, and undoubtedly will be applied to this project.

Item 9. Supplies. The estimated cost of the various items listed appear to be in line with the proposed work. The item of 2 cents per foot of hole is an estimate to cover drill steel replacement, repair parts for drilling equipment, etc., and is a reasonable figure.

CONCLUSIONS

The Sorsen-Williams Mining Co.'s property is easily accessible from a paved highway. The proposed exploratory dozer cut along the asbestos zone will become a service road to the workings. Outcrops containing asbestos have been uncovered on 3 of the claims. It is thought that there are 3 separate, discontinuous areas of mineralization. Stripping of the overburden by dozer work will show the outcrop length of each deposit.

The meager prospecting work done to date has shown 1 to 2½ inches of total fiber in 1 zone on claim No. 3 and 3½ inches of total fiber in 2 zones, some 7 inches apart, on claim No. 2 (fig. 2). In each of these localities, some of the fiber is long enough to pass specifications for Arizona No. 2 crude. It is thought that the slight harshness is due to calcification (surface weathering) and that the fiber is basically of the soft variety. As such, it is probable that the quality may improve at depth.

Jesse M. Weaver[5] examined the outcrop samples of these 2 areas and stated[6] that the fiber was of a quality that would be acceptable to the asbestos stockpile.

The third asbestos outcrop is on claim No. 1 where two zones, 7 inches apart, contain a total fiber length of 2½ inches. This fiber is shorter and harsher than at the other localities. It is not of strategic grade in length or quality, but there is a remote possibility that the quality and length of this fiber might improve at depth.

Knowing that the United States asbestos industry was critically short of supplies, the writer asked Jesse M. Weaver[7] to furnish a statement of fact that could be incorporated in this report. The following is a direct quotation:[8]

"The supply of asbestos, particularly of all grades of textile-length chrysotile asbestos fiber, has been less than the American asbestos textile industry has required for the past several years.

5/ Consultant to the Emergency Procurement Service and to the Defense Production Administration.
6/ Oral communication, Nov. 2, 1951.
7/ Previously mentioned, footnote No. 5.
8/ Written communication, Nov. 6, 1951.

This statement applies to the principal sources of supply, Canada and Southern Rhodesia, upon which the industry has depended. Canada has been unable to supply the normal demand and is not in position to supply the larger quantities now needed for defense purposes. Southern Rhodesia, from which the commercially nonferrous asbestos has come and upon which source American Industry has been almost wholly dependent due to the small production in Arizona, is failing as a source of supply. Imports from Southern Rhodesia have been declining year by year, and the decrease in 1951 will be about 1,500 tons less than in 1950. The principal producer in Southern Rhodesia has stated that the 1952 supply will be further decreased. This is sufficient reason to do everything possible to get more production in Arizona.

"Verification of the critical shortage of asbestos fiber is easily and quickly obtainable by communicating with the asbestos section of National Production Authority which is in charge of Mr. Harry Sharpe, the Director of Miscellaneous Metals and Minerals, and Mr. Ray Coultrap, Chief of the Asbestos Section. Also by supporting evidence obtainable from Mr. F. G. Rockwell of Defense Production Administration."

The estimated project cost is $21,746.27. A bulldozer cut will rapidly expose the full outcrop length of each of the 3 deposits. The intervening spaces will be dozed to complete the service road. If exploratory adits are justified at this stage, further stripping will

be done to facilitate the portal work. The direction and length of the adits will be dependent upon results obtained as the work progresses, but the total footage of adit work is not to exceed 450 feet.

Owing to Tribal Charter limitation, the applicant could secure only a 5-year mineral lease from the San Carlos Indian Reservation. However, a preferential option of renewal is stated. If the BIA considers a 10-year lease necessary for favorable consideration of this application, the legal department of the Indian Service at Washington should be consulted.

The attorney for the Indian Service 9/ states that in his opinion, a subordinate agreement is not necessary between 2 agencies of the Government. He states "Legal title to Reservation land is vested in the United States Government in trust for the San Carlos Indians, and as beneficiaries of that trust, the Indians are forbidden by law to give a lien, trust, mortgage or any interest in the land superior to theirs, except to a lease holder for a stated time".

Sorsen is a registered mining engineer with a background of a number of years of varied mining experience. It is believed he will conduct the project in a competent and efficient manner.

Under the terms of the lease "all ores or minerals mined on said land shall be cleaned and prepared for market thereon - - - ". However, the applicant has a written agreement with the Tribal Council

9/ Wright, J. A. 128 No. Church St., Tucson, Ariz.

that the first 30 tons of production is exempt from this clause. If the exploration discloses commercial ore, the company expects to build a small milling plant and operate the property with the aid of private capital.

Calculations indicate that, at present market prices, an average asbestos mine in this district will produce ore in which the total fiber content of the 4 crude grades has a value of approximately $275 per ton of mill rock. A production of 1,200 to 1,400 tons of this grade of ore from the applicant's property would repay the Government loan. If equipment is available for fiberizing and blending, the value of fiber produced would be increased.

RECOMMENDATION

Such a small amount of work has been done on the property that it can be considered only as a prospect. There is a long chance that one or more of the 3 localities might develop a productive asbestos deposit. Because of the fact that the asbestos industry of the United States is so critically short of the strategic grades of non-ferrous spinning fiber and there is a possibility that strategic fiber can be found on this property, it is recommended that an exploratory loan be granted to the Sorsen-Williams Mining Co.

Unlike many exploration programs that require virtual completion before demonstration of results, the merit or lack of merit of this project should become apparent in the early stages of the work. The program can be terminated whenever geologic conditions become unfavorable.

The applicant has stated that he is willing and able to pay 10 percent of the estimated $21,746.27 cost of the project.

MINING DIVISION
REGION IV

September 23, 1952

Memorandum

Air Mail

To : W. H. King, Acting Chief, Mining Div., Region IV

From : L. A. Stewart, Mining Engineer, Tucson, Ariz.

Subject : Revision of Exploration Project Contract, Sorsen-Williams Asbestos, DMA-1776X, Gila County, Ariz.

Enclosed are original and 8 copies of my report on the proposed revision of contract. Upon my return to Tucson from the Globe trip last Friday evening I phoned Storms and told him of the unit cost proposal. This met his approval, but we are in hopes this will reach Denver in time so that he can give an official approval, and thus expedite this project.

To avoid further delay we are also enclosing 9 unmarked copies of Figure 2 that can be used in making up the new contract.

Lincoln A. Stewart, Mining Engineer
Arizona-New Mexico Branch
Mining Division, Region IV

CC W. H. King (8)
DMA-1776X
DF

LAStewart:fri

Enclosed is copy of long form contract that you sent us. Re last paragraph, we will send these prints in a later mail.

LAS

MINING DIVISION
REGION IV

September 23, 1952

Memorandum

Air Mail

To : Field Team DMEA Region IV

From : Lincoln A. Stewart, Mining Engineer, Tucson, Ariz.

Subject : Revision of Exploration Project Contract, William W. Sorsen and William C. Williams, DMEA-1776X

During the recent field trip to the Gila County asbestos district with L. G. Houk, a conference was held with William Sorsen the evening of September 16 and a visit was made to the property the following day. It is evident that an erroneous statement was made by Jack L. Neal to Howard I. Young in a letter dated August 12. Stage 1 has not been completed.

The applicants have dozed a truck trail to the outcrop on Claim No. 1 where they have stripped and opened the deposit by a quarry face about 100 feet long. From this cut they have produced 30 or 40 tons of mill rock that has not been milled to date. The entire length of this portion of the vein has not been delineated. A switchback truck trail has been dozed to the outcrop area on claim No. 3. No rock work has been done to expose this part of the vein. See attached figure 2.

The soil over the limestone bedding that contains the asbestos veins is usually shallow. Clean faces must be shot off to expose the mineralization below the immediate surface weathering. The term "bench cut" will be used to signify this work.

On the original Stage I, there remains to be done: - Construction of 800 feet of truck trail to the outcrop on claim No.2; bench cutting of an estimated 300 feet of this outcrop; bench cutting of the outcrop on claim No. 3, this may have a length up to 700 feet; bench cutting of an additional 50 feet on each end of the present cut on No. 1 claim.

The applicants were willing to set up both stages of the proposed work on a unit cost basis. They have agreed to construct the remaining 800 feet of truck trail for a flat rate of $300 for the job. This figure is based on the cost of the dozer work done

CC W. H. King (orig. & 8)
DMEA-1776X
DF

LAStewart:frj

several months ago when approximately 1,200 feet of trail was made at a cost of a little more than $300. Sorsen contacted the dozer contractor and found that the present cost would be $12 per hour for the dozer, fully operated and maintained, as compared with $10 per hour on the previous work. No rock cuts were necessary on the original work. Two or three rock points will have to be drilled and blasted ahead of the dozer on the new work. Thus the bid of $300 for the 800 feet of road is reasonable.

The applicants have estimated that the bench cuts can be drilled, shot and cleaned for $1.35 per cubic yard. In order to determine the volume of rock excavated, Sorsen will lay out a base line above each area and will make cross sections of the original surface. Cross section overlays will be made at the end of each pay period, from which yardage can be calculated. As he is a registered mining engineer and has surveying equipment, the monthly progress should be easy to check.

Relative to Stage II, the work at the open cut has indicated that fractured ground can be expected near surface. Differing from most asbestos outcrops in the district, the general hillside slopes here are gentle rather than steep. These two factors will necessitate timbered entries, possibly 40 feet or more in length to reach solid rock.

Applicants have calculated the all inclusive unit cost bid as follows:

Timbered (and lagged) drifts at $33.00 per foot: rock drifts at $25.00 per foot.

The project, then, can be set up on a unit cost basis as follows:

STAGE I

Truck trail, 800 feet, dozer work and necessary blasting job---$300.00

	Estimated linear feet	
Bench cuts to fully expose asbestos veins		
Outcrop, claim No. 3 - possibly extending into claim No. 1----------	700	
Claim No. 1, additional 50 feet on each end of present cut----------	100	
Outcrop claim No. 2----------	300	
Total length, bench cutting----------	1,100	
Estimated 2.25 cu. yds/linear ft. 1100x2.25x$1.35----------		3,341.25
Total cost, Stage I, allowable maximum----------		$3,641.25

STAGE II

Timbered drifts 5 x 7 at $33.00 per foot	
Rock drifts 5 x 7 at $25.00 per foot	
Allowable maximum----------	$17,808.75
Total allowable cost of project----------	$21,450.00

Note that this amount, plus the $300 expended by the applicant to doze the access road to part of the property, equals the amount already set up on the long form contract.

It is suggested that Stage II be set up with an allowable maximum cost rather than on an authorized footage basis, as the proportion of timbered and rock drifting is unknown.

Sorsen states that the lease with the San Carlos Indian Reservation became effective June 10, 1952, thus there is more than 4 years effective time remaining, without consideration of a probable renewal of the lease. Stage I can begin within 30 days of notification to proceed. If Stage II follows the preliminary stage with only a reasonable delay, the project can be completed within 10 months.

Lincoln A Stewart

Lincoln A. Stewart, Mining Engineer
Arizona-New Mexico Branch
Mining Division, Region IV

FILE COPY
SURNAME:

140

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

NOV 17 1952

Defkane
Mittendorf

Air Mail

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

Re: Sorsen and Williams (Asbestos)
Docket No. DMEA-1776

My dear Mr. King:

Reference is made to your memorandum to Mr. C. O. Mittendorf, dated November 3, in which you state that the contract in this case is to be assigned to the Sorsen Asbestos Corporation and ask whether the form of assignment set forth in Bowles-Heflin Mining Company, Docket No. DMA-1309X, Contract Idm-E192, may be satisfactorily used in this case.

The answer is in the affirmative, provided that the assignment be preceded by the necessary "Whereas" clauses reciting the date, parties, docket and contract numbers, general nature of the Exploration Project Contract, stating the legal nature of the assignor and assignee, referring to the real property covered by the exploration contract, and reciting the assignment of the leases thereof. In addition, in the body of the document, the Operator should consent to any and all future amendments of the exploration project contract.

If you will advise us of all pertinent facts, including whether or not the lease referred to in the contract is also being assigned, this office will be glad to draw the assignment for you if requested so to do.

The Operator states that the Tribal Council has approved the transfer of the lease to the Corporation, but the approval of the Bureau of Indian Affairs must also be secured before the assignment may be made. This can be obtained by writing to Mr. Ralph M. Gelvin, Area Director, P. O. Box 7007, Phoenix, Arizona.

AEKane/em 11/12/52
Copy to: Mails and Files
Adm. R. File
Op/ Comm.
J.H. Hedges
L. P. Thayer

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

E. J. McKnight

Member, Geological Survey

11-17-52

L. Houk A.E. Kane JLHofflund chron. pending

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 5 1952

224 New Customhouse
Denver 2, Colorado

AIR MAIL
November 3, 1952

ans 11/12/52 atkane/em

Memorandum

To: C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

From: W. H. King, Executive Officer, Field Team, Region IV

Subject: Contract No. IDM-E419, Docket No. DMEA 1776X--Sorsen and Williams

Enclosed is a copy of a letter from Robert E. McGhee, requesting that contract IDM-E419 be assigned to the Sorsen Asbestos Corporation.

Will the assignment and release that was prepared for contract IDM-E192, Docket DMA1309X, Bowles-Heflin Mining Company be satisfactory for use in this case? If so, we can prepare the assignment and release and send it to the operator for signature.

If this assignment and release is not satisfactory, please prepare a suitable agreement. We would appreciate an early reply.

W. H. King
W. H. King

RECEIVED
NOV - 7 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosure

C
O
P
Y

ROBERT E. McGHEE, Attorney at Law
149 South Broad Street
Globe, Arizona

Mr. W. H. King
Defense Minerals Exploration Adm.
224 New Customhouse
Denver 2, Colorado

Re: No. IDM-E419
Docket No.DMEA 1776X

Dear Sir:

Mr. William W. Sorsen and William C. Williams have received their approved Exploration Project Contract and plan to commence operation at an early date.

They have organized a corporation known as the Sorsen Asbestos Corporation to handle the operation. The Tribal Council has approved a transfer of lease to the corporation and arrangements are being made for a bond under the corporate name.

According to your letter of September 23, 1952, a formal assignment and release must be executed by all parties concerned. We would like to know if you have a form for the assignment, or if an ordinary legal assignment is sufficient.

Postage is enclosed for air mail.

Yours very truly,

/s/ Robert E. McGhee

C
O
P
Y

Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

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

224 New Customhouse
Denver 2, Colorado

October 23, 1952

REGISTERED #50847

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract IDM-E 419, Docket DMEA 1776X, Sorsen and Williams (Asbestos)

Enclosed are the original and two copies of Contract IDM-E 419. Copies of this contract 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

cc 10-27

FILE COPY
SURNAME:

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

OCT 20 1952

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-1776 - Asbestos
Corsen and Williams
Salt River Asbestos Deposits
Gila County, Arizona

Dear Mr. King:

Please find herewith the original and five copies of a contract covering the subject exploration project with register number and effective date as shown.

The Owner's Consent to Lien is hereby waived. By striking from Article 2(b) of the contract form the words "...and the Owner's Consent to Lien is attached", the waiver is completed. No other document is necessary.

After signing of the contract, one copy is to be given to the operator, one copy retained for your files, one copy for the Regional Finance Officer, and the remaining copies, including the original, are to be returned to this office as soon as possible.

Sincerely yours,

C. O. Mittendorf

Administrator

10-20-52

Enclosures 6

LGHouk:gad 10/17/52

Copy to: Adm. R. File
Operating Committee (2)
Docket File
Dr. Bowles, 3510
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

224 New Customhouse
Denver 2, Colorado

October 10, 1952

REGISTERED #88658

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Docket DMEA 1776X, Sorsen and Williams, Salt River Asbestos

Enclosed are six copies of a contract between the Government and a partnership consisting of William W. Sorsen and William C. Williams. Also enclosed is a copy of a lease from the San Carlos Apache Tribal Council to Messrs. Sorsen and Williams.

All copies of the contract have been signed by the applicants. The Executive Officer, Region IV, is taking annual leave so has not signed this contract. Please assign a contract number and prepare a waiver of Owner's Consent to Lien.

We are forwarding all copies of this contract to you for final action without the Executive Officer's signature because we believe that it is essential to process these asbestos contracts without delay. Mr. King will be in the office next week and will be able to sign the contract for the Government.

John F. Shaw
For W. H. King

Enclosures

RECEIVED
OCT 14 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

FILE COPY
SURNAME:

Robertson

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

600

Joe

SEP 17 1952

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

Subject: Docket No. DMEA-1776 - Asbestos
Screen and Williams
Salt River Asbestos Deposits
Gila County, Arizona

Dear Mr. King:

Please find enclosed a photostatic copy of a lease between San Carlos Apache Tribal Council and Messrs. Screen and Williams which you sent to this office in letter dated July 1, 1952.

In accordance with your request contained in letter of September 9, 1952, we now return the copy of lease to your office.

Sincerely yours,

C. O. Mittendorf (fw) 9-17-52

Administrator

Enclosure

JTRobertson:gad

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Dr. Bowles, 3522
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

224 New Customhouse
Denver 2, Colorado

September 9, 1952

Memorandum

To: C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: DMEA Docket 1776, Sorsen-Williams Mining Co. (Asbestos)

Please return the copy of the lease between the San Carlos Apache Tribal Council and Messrs. Sorsen and Williams, which was sent to you on July 1, 1952.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
SEP 16 1952

FILE COPY
SURNAME:

Houk
Hoffland

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

SEP 2 1952

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

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen-Williams
Salt River Asbestos Deposits
Gila County, Arizona

Dear Mr. King:

Reference is made to your memorandum of August 8, 1952, on the subject docket.

The Defense Materials Procurement Agency has indicated its approval of the waiver by Defense Minerals Exploration Administration of the Owner's Consent to Lien on Indian lands.

Inasmuch as the Operator has already completed Stage 1 of the proposed contract, it is recommended that a new contract be drawn up and submitted for approval to this office. The proposed contract should be on a unit cost basis, using the short form contract, and purchases of equipment and installations eliminated from the contract, if it is practical.

Sincerely yours,

W. F. Fuller (NB)
ACTING Chairman, Operating Committee

9-2-52

Approved:

C. N. Johnson (NB)
Member, Bureau of Mines

D. M. Lemmon (NB)
Member, Geological Survey

LGHouk:gad 8/27/52

Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Dr. Bowles, 3510
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Houck
Hoffman

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

SEP 2 1952

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

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen-Williams
Salt River Asbestos Deposits
Gila County, Arizona

Dear Mr. King:

Transmitted herewith is a copy of a letter referred to this office by the Defense Materials Procurement Agency on the subject application for exploration assistance for asbestos on the Sorsen-Williams group of claims in Arizona.

You will note in the second paragraph of the enclosed letter that the Sorsen-Williams Mining Company have already completed Stage 1, called for in the contract which has already been drawn up, and they have actually started production. In the light of this information, we believe, it will be necessary to make a re-examination of the property or at least a re-drafting of the contract to eliminate Stage 1 and point the new work toward the exploration of new areas. It might be well to advise the Operators that any funds spent prior to the granting of the contract for exploration are for their own account.

The Defense Materials Procurement Agency has indicated its approval of the waiver by DMEA of the Owner's Consent to Lien on Indian lands. It is hoped that with the waiving of this lien the several applications for exploration for asbestos, which have been pending in the field for sometime, can be processed.

Sincerely yours,

N. F. Fellows (JB)
ACTING Chairman, Operating Committee

Approved:

C. N. Johnson (JB)
Member, Bureau of Mines

J. M. Lemmon (JB)
Member, Geological Survey

Enclosure

LGHouk:gad 8/26/52

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Dr. Bowles, 3510
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

J.H. 9-2-52

FILE COPY
SURNAME:

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

Houk
Hoffman
Johnson
Mitten

SEP 2 1952

Arizona Asbestos Producers
Association
Post Office Box 662
Globe, Arizona

Subject: Docket No. DMEA-1776 - Asbestos
Sorsen-Williams
Salt River Asbestos Deposits
Gila County, Arizona

Gentlemen:

Reference is made to your letter of August 12, 1952, addressed to the attention of Mr. Howard I. Young, and referred to this office for reply.

Please note that the Sorsen-Williams Mining Company's application docket number is DMEA-1776 and not DMPA.

The Defense Minerals Exploration Administration is now authorized to waive the Owner's Consent to Lien on Indian lands. Since the Sorsen-Williams Mining Company have already completed Stage 1, it will be necessary to revise the proposed contract to eliminate this stage. Now that the Defense Minerals Exploration Administration may waive Owner's Consent to Lien on Indian lands, it is hoped that the other applications may be processed to completion in the near future by the DMEA Denver Office.

Sincerely yours,

C. O. Mittendorf (for)
Acting Administrator

9-2-52

LOHouk:gad 8/26/52

Copy to: Mr. Howard I. Young, Deputy Admin. DMPA
Administrator's Reading File
Mr. W. H. King, Region IV
Docket File
Dr. Bowles, 3510
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

GSA FORM 14
1-25-50

GENERAL SERVICES ADMINISTRATION

ROUTING SLIP

TO	NAME	BUILDING, ROOM NUMBER, ETC.
1.	DMFA	
2.	Docket Control Center	
3.	Dept of Interior	
4.		
5.		

FOR

- [ ] APPROVAL
- [ ] AS REQUESTED
- [ ] CORRECTION
- [ ] FILING
- [ ] FULL REPORT
- [ ] HANDLE DIRECTLY
- [ ] PREPARE REPLY FOR SIGNATURE OF: _____
- [ ] IMMEDIATE ACTION
- [ ] INITIALS
- [ ] NECESSARY ACTION
- [ ] NOTE AND RETURN
- [ ] READ AND DESTROY
- [ ] _____
- [ ] RECOMMENDATION
- [ ] SEE ME
- [ ] SIGNATURE
- [ ] YOUR COMMENT
- [ ] YOUR INFORMATION
- [ ] _____

ANSWER OR ACKNOWLEDGE BEFORE _____

FROM DMPA CONTROL CENTER JC

DATE 8/18

REMARKS

51-3164

is forwarded to you for action, since payment of this pur-
chase order is to be made through your office.

A copy of this letter has been forwarded to the above mentioned firm.

Very truly yours,

Fiscal Deputy Director

Enclosure:

ROUTING SLIP

OFFICE OF THE ADMINISTRATOR

DATE 8/18/52

TO Mr. Young - Dem PG

FROM JESS LARSON

PLEASE TAKE THE ACTION INDICATED BELOW:

1 [ ] PREPARE REPLY FOR MY SIGNATURE
2 [ ] SEE ME ABOUT ATTACHED
3 [ ] FOR CORRECTION AND RETURN
4 [ ] RETURN WITH YOUR COMMENTS
5 [ ] INVESTIGATE AND REPORT
6 [✓] ANSWER AND FURNISH ME COPY OF YOUR REPLY
7 [ ] NECESSARY ACTION
8 [ ] NOTE AND RETURN
9 [ ] FOR CONCURRENCE AND RETURN
10 [ ] APPROVAL
11 [ ] YOUR INFORMATION
12 [ ] FILING
13 [ ] SIGNATURE
14 [ ] IMMEDIATE ACTION

COMMENT

Arizona Asbestos Producers Association

D. E. GREEN, President
BARRY De ROSE, Vice-President
JACK L. NEAL, Secretary-Treasurer

Post Office Box 662

GLOBE, ARIZONA

August 12, 1952

AUG 19 1952

Defense Materials Procurement Agency
Washington 25, D. C.

Attention: Mr. Howard I. Young

Dear Mr. Young,

Regarding D.M.E.P.A. Docket # 1776-X. We understand this contract is in the Central Office in Washington pending final approval, and has been there for four weeks. Apparently no immediate action is anticipated. We understand the necessity for a Subordination Agreement is the cause for the delay.

The Sorsen-Williams Mining Co. who lease the Salt River Group of Asbestos claims have started operations on the property and have already completed stage one called for in the contract and have made a very favorable showing having produced one ton of mill rock per day since starting operation. They have been mining for ten days by open pit methods and have produced ten tons of ore with two men.

This property merits immediate inspection by field team representatives and immediate action in Washington.

This property can become an important producer within six months, but exploration funds are imperative. These operators are using funds set aside for mill construction to do exploration work with.

The Indian Service seems unwilling to subordinate to the Bureau of Mines. Would it be possible for the Bureau of Mines to alter their requirements to fit this condition? There are several other contracts being held up for this reason also, so this is really a test case.

ARIZONA ASBESTOS PRODUCERS ASSN. MEMBER

Very truly yours,

Jack L. Neal

Jack L. Neal Sec. Trea.

August 13, 1952

Mr. L. G. Houk, Chief, Non-Metallic Minerals Divn., calling
Mr. W. H. King, Field Team, Region IV

Mr. Houk: Mr. King this is Houk in Washington.
I am calling about Sorsen & Williams - DMEA-1776. How is that coming.

Mr. King: We can't do much about it. He does not have long enough time. There is an Indian Reservation and we are sending in a letter - sending in a report, memorandum report by our field engineer and what they recommend.

Mr. Houk: He can qualify if you delete the installations and equipment.

Mr. King: If I recall it we will have to determine whether it can be completed within the time limit of his contract.

Mr. Houk: You have the other alternative that you can waive the Owner's Consent to Lien.

Mr. King: He has only four years to go. I don't remember the details but it is in the mail.

Mr. Houk: Did you send the contracts back?

Mr. King: We will have to call you back. Do you want us to send it if we didnt?

Mr. Houk: We should do something about this man. We can give him a contract on the short form; so much for drifting, and so much for bulldozing work.

Mr. King: Was there some bulldozing on that?

Mr. Houk: I think there was bulldozing and some adit work.

Mr. King: I believe, it seems to me that they recommended some drifting and diamond drilling.

Mr. Houk: They could both be put on a unit basis.

Mr. King: Our problem is whether or not we could give him a contract because of the time limit.

Mr. Houk: Because of the four years? The project was only a few months in length - 5 or 6 months.

Mr. King: It wasn't a very long one.

Mr. Houk: If they found any asbestos in there they could get it out in a matter of two years.

Mr. King: You asked some time ago about that. We wrote in the last day or so to get the field recommendation on it. I know that it is on its way to you.

Mr. Houk: Would it be worth my while to call Storms or Stewart in Tucson?

Mr. King: The report went out yesterday or today. We have sent you Stewart's report.

Mr. Houk: Either Sorsen and Williams will go along on a short form basis.

Mr. King: I can't get the information right now - everyone is at lunch.

Mr. Houk: I will wait for the report. Maybe I can call Storms and see if he will go along on a short form contract. We will wait until we hear from you.

Mr. King: I will have to ask you to wait because I can't find it right now, that is my problem.

Mr. Houk: How are the rest of those asbestos deals coming in Arizona?

Mr. King: Just a minute. He claims the Apache Asbestos, DMEA-2284. Evidently the Bu. Mines and Survey have decided to recommend a denial on that.

Mr. Houk: I thought they were going along on a program. Apache - we wrote to Senator McFarland. The applicant requested to hold up the application until August 4th.

Mr. King: The whole thing is in here. I'll read you part of it. "Enclosed copies of a separate section on geology will be submitted by the Survey. Our letter of today is being written. Original and three copies of the final report on DMEA 2550, Bear Canyon." Here is what we have planned to do. We recommend that an exploration loan in the amount of $26,220; Government participation $22,598 be granted. "The Washington office of the DMEA has been unable to reach a satisfactory agreement with the Bureau of Indian Affairs - to be held in abeyance until a satisfactory agreement is reached." That is what we have planned to say today.

Mr. Houk: How about Metate DMEA-2005?

Mr. King: I don't have that at the moment.

Mr. Houk: It isn't too important. $7,250.

Mr. King: I don't remember what has happened to that.

Mr. Houk: Do you think we will get many more applications from Arizona area?

Mr. King: We may get a few. There have been some inquiries in the mill.

Metate - that we sent back to have it reworked. That is the one we sent back and asked them to reconcile their differences.

The Bu. Mines and Survey recommended it first and the Survey decided they wouldn'T go along. We had to get them together to agree on it. Sorsen and Williams, I hope they are giving you the right information on it.

Mr. Houk: We will try to work up a contract on it. I have hopes of clearing it and as soon as we get that information we will right a letter on it.

Goodbye.

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

224 New Customhouse
Denver 2, Colorado

August 8, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 1776X, W. W. Sorsen and W. C. Williams (Asbestos), Gila County, Arizona

A copy of the memorandum dated July 10, 1952 from the Chief Counsel to the Acting Administrator regarding docket number DMA-1776X was sent to our Tucson Office. We are enclosing four (4) copies of a memorandum from Lincoln A. Stewart, Bureau of Mines engineer.

Under the present rule the applicant can not qualify for an Exploration Project Contract. Please advise us if there is some other possible alternative, otherwise we will cancel the above application.

W. H. King

W. H. King

Enclosure

RECEIVED
AUG 15 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Mining Division
Date Rec'd.
AUG 8 - 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

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

BUREAU OF MINES
MINING DIVISION
REGION IV

BUREAU OF MINES
Denver, Colorado TUCSON, ARIZONA

August 6, 1952

Memorandum

To : W. H. King, Acting Director, Mining Div., Region IV

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

Subject : DMA Docket 1776X, W. W. Sorsen and W. C. Williams (Asbestos), Gila County, Ariz.

In answer to your memorandum of July 29, with attached letter from Mr. Hofflund, I am enclosing an answer from our Mr. L. A. Stewart. As all asbestos leases on Indian lands seem to be made for only a five year period, it would seem that no loans would be made to holders of such leases. As Stewart says, this is going to cut down on the asbestos exploratory program very drastically.

It also would be very difficult to predict that an undiscovered asbestos deposit could be worked out in five years (or four years as in the case of Sorsen and Williams).

Walter R. Storms

Walter R. Storms, Chief
Arizona-New Mexico Branch
Mining Division, Region IV

CC W. H. King (6)
DMA-1776X
DF

FOR VICTORY
BUY UNITED STATES SAVINGS BONDS AND STAMPS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

MINING DIVISION
REGION IV

TUCSON, ARIZONA

August 5, 1952

Memorandum

To : Walter R. Storms, Chief, Arizona-New Mexico Branch, Mining Div., Region IV, Tucson, Arizona

From : Lincoln A. Stewart, Mining Engineer, Tucson, Arizona

Subject : DMEA-1776X, W. W. Sorsen and W. C. Williams

The following discussion seems pertinent relative to Mr. J. L. Hofflund's memorandum of July 10, 1952 to Acting Aministrator in which he denies approval of subject contract.

The San Carlos Reservation grants leases only for a 5-year period but in the original Sorsen-Williams lease a preferential option of renewal was stated. It is our understanding that this statement later was deleted from the lease but that does not alter the fact that it is the practice of the Tribal Council to grant renewals of the 5-year lease period to operators in good standing. Therefore, it is likely that the applicant can get renewal at the expiration of his present lease.

The only buildings to be erected in Stage I are a temporary tool shed at $100 and a tent house at $150. If Stage II is approved the only additional buildings will be a combination tool shed-compressor house at $300 and one more tent house. Upon termination of the lease the buildings and improvements become the property of the lessor, as stated by Mr. Hofflund, but the tools, pumping outfits and mining equipment remain the property of the lessee and may be removed, providing the lease payments agreed upon have been met. A bond of $1,500 has been posted by Sorsen to protect the tribe from such irregularities as failure to pay annual rental, royalties, etc. This would appear to be sufficient to protect the Government during the estimated 6 months operation under DMEA funds.

The examining team cannot conscientiously state "That there is little likelihood that production from a discovery would extend for a period beyond 4 years". If a significant discovery is made the productivity of the deposit could be greater than 4 years.

CC W. H. King
DMEA-1776X
DF

If this application is denied on the basis of the applicant having only a 5-year tenancy with no allowance made for renewals of the lease, then all applications for asbestos exploration on the San Carlos Reservation will be similarly denied and presumably the same will be true of the adjoining Ft. Apache Reservation. Asbestos deposits of these 2 reservations have furnished a large part of the production of Arizona asbestos, therefore denial of all applications because of restrictive interpretation of DMEA procedure could considerably decrease the potential for exploration in the Gila County asbestos district.

Lincoln A. Stewart

LINCOLN A. STEWART, Mining Engineer
Arizona-New Mexico Branch
Mining Division, Region IV

COPY

DN 235 BUREAU MINES 8-8-52 8-10 AM

C O MITTENDORF

WE WILL TELEPHONE YOU AUGUST 11 , 1952 RELATIVE TO THE FOLLOWING—

MEMO DATED JULY 10, 1952 FROM CHIEF COUNSEL TO ACTING ADMINISTRATOR DMEA 1776X. IS STATEMENT IN SECOND PARAGRAPH OF LAST PAGE APPLICABLE TO PROPOSED CONTRACTS INVOLVING STATE LAND.

LEGALITY OF PAYMENT ON BASIS OF AGREED UNIT COSTS IN FIRST PARAGRAPH UNDER STATE I, DOCKET NUMBER DMEA 2366, CONTRACT IDM-E378, ATHLETIC MINING COMPANY.

FINAL DECISION RE $2500 ALLOTMENT FOR PREPARATORY WORK ON CONTRACT IDM-E374/////// IDM-E371 DOCKET DMEA 1303, YUMA METALS, INC.

REFERRING TO CONTRACT IDM-E381 DOCKET DMEA 2135 SUNNYSIDE URANIUM COMPANY UNDER IXXX OPERATING EQUIPMENT TO BE FURNISHED BY OPERATOR, DEPRECIATION IS ALLOWED ON MICXXX MISCELLANEOUS EQUIPMENT AND REPAIR PARTS. STATEMENT SHOULD BE INCLUDED THAT DEPRECIATION IS ONLY ALLOWABLE FOR MONTHS DSXXX DURING WHICH EACH ITEM OF EQUIPMENT IS IN USE. MONTHLY DEPRECIATION SHOULD BE SHOWN FOR EACH ITEM. NO COMPRESSOR RENTAL FOR SHAFT SINKING. LEGALITY OF STATEMENT AHEAD OF SUMMARY.

CONTRACT IS SIGNED BY ACTJXXX ACTING ADMINISTRATOR, MUST BE SENT TO HOLLYWOOD, CALIFORNIA AND AKRON, OHIO FOR APPLICANT'S SIGNATURE. HOW SHOULD THIS BE HANDLED.

DECISION ON GOVERNMENT PARTICIPATION IN DMEA 2181, FRED STAATS, SEE OUR MEMORANDUM DATED JULY 30, 1951xxx 1952.

DECISION ON MORTGAGEE'S SUBORDINATION AGREEMENT, ORD MERCURY MINE, DMEA 2445 SEE MEMORANDUM DATED JULY 25, 1952.

W H KING

FILE COPY
SURNAME:

Robertson
Houk
F.G. Johnson

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

JUL 2 8 1952

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

Subject: Docket No. DMEA-177
Chrysotile Asbestos
Sorsen-Williams Mine
Gila County, Arizona

Dear Mr. King:

With your letter of July 1, 1952 you enclosed six copies of a proposed contract together with a copy of a lease, which were to be passed upon by our Legal Division. The Chief Counsel has now submitted to me his memorandum on the subject and a copy of it is submitted herewith for your information.

The memorandum is offered for your guidance and may enable you to reach a decision on this exploration application and the six copies of unsigned proposed contract are returned to you.

Sincerely yours,

SIGNED

7/25

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures - 7
JTRobertson:mp 7/16/52
cc: Docket File
Adm. Reading File
Dr. Oliver Bowles, 3522
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

140

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

Rutin

July 10, 1952

Memorandum

To: Acting Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: W. W. Sorsen and W. C. Williams - Docket No. DMEA-1776X

We have reviewed the contract prepared in the field (Region IV), covering the above described project and cannot approve it.

1. The applicant's lease is for a term of 5 years, with only about 4 years remaining under it. In this regard, paragraph 2 of DMEA Circular 20 states that "Only in cases where there is little likelihood that production from a discovery would extend for as long a period as ten years (as in some projects for exploration for mica) should the Government accept a leasehold for a lesser period than ten years, without the Owner's Consent to Lien attached."

We have been informed by the Indian Bureau that the tribal constitution of the lessor (San Carlos Apache Tribe) prohibits the granting of leases for terms greater than 5 years. Therefore, it is most unlikely that the applicant can obtain a lease for a greater term than he now holds.

2. In regard to the Owner's Consent to Lien, we have also been informed by the Indian Bureau that the granting of liens on tribal lands is prohibited by statute, and, therefore, that an Owner's Consent to Lien cannot be expected.

Paragraph 3 (c) of the lease prohibits the removal of buildings and improvements in any case, and prohibits the removal of tools, equipment, etc. in the event that the lessee is in default on payments under the lease. Paragraph 4 (b) of DMEA Circular 20 prohibits the waiver of an Owner's Consent

to Lien if the contract calls for the installation of facilities, buildings, fixtures, equipment or other items, and the lease prohibits the removal of them. As the contract provides for the installation of a temporary building and some purchased equipment, the Owner's Consent to Lien cannot be waived.

The proposed contract could qualify for approval if it is administratively determined that there is little likelihood that production from a discovery would extend for a period beyond 4 years, the duration of the lease, and installations and equipment are deleted from the contract.

This opinion is based, in part, upon informal advices from the Indian Bureau. We have been trying, for several months, to obtain a written opinion from the Indian Bureau on the several questions involved in connection with exploration project contracts which have been proposed for Indian lands, but have not yet succeeded in obtaining it.

If, when we receive a written opinion from the Indian Bureau any information therein is at variance with the information we now have, we shall promptly notify you.

J. L. Hofflund
Chief Counsel

HCRubin/ema
cc: Mails & Files
L. G. Houk
H. C. Rubin
J. L. Hofflund
Chron.
Pending

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

224 New Customhouse
Denver 2, Colorado

July 1, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract, Docket DMEA 1776X, (Asbestos), William W. Sorsen and William C. Williams

Enclosed are six copies of a proposed contract between the Government and William W. Sorsen and William C. Williams. Also enclosed is a copy of a lease between the San Carlos Apache Tribal Council and William W. Sorsen and William C. Williams. The copies of this contract and this lease are being sent to you so that a Subordination Agreement may be obtained from the Washington Office of the Bureau of Indian Affairs.

This is in accordance with the instructions in a memorandum dated February 25, 1952, from J. L. Hofflund, Chief Counsel, to Acting Administrator, DMEA, in which he states that the matter of obtaining Owner's Consent to Lien Agreements pertaining to exploration contracts covering Indian owned lands would be handled by Mr. H. M. Critchfield, Chief of the Lands Branch of the Bureau of Indian Affairs, Room 4444, Interior Building.

If this contract is satisfactory and Owner's Consent to Lien is obtained, it would expedite matters if the contract number were assigned before returning all six copies to this office for signature.

W. H. King
W. H. King

Enclosures

JUL 7 - 1952

William W. Sorsen
Consulting Mining Engineer
P. O. Box 1431
Globe, Arizona

C
O
P
Y

June 11, 1952

Dr. Oliver Bowles, Commodity Specialist
Construction and Chemical Materials Branch
U. S. Department of the Interior
Bureau of Mines
Washington 25, D. C.

Dear Dr. Bowles:

Today I received my lease, thanks to your help.

My partner, Wm. C. Williams will arrive from Idaho this week. We intend to incorporate to finance the construction of our mill, and carry out our program of development which will be in addition to the work we have outlined in our application designated as D. M. A. Docket No. 1776-X.

I anticipate that we will have started operations on the property within 30 days.

Mr. Lincoln Stewart told me that the Subordination Agreement would have to be ironed out at the Washington level. Any assistance you can supply in this direction would be appreciated.

Sincerely yours,

/s/ William W. Sorsen

William W. Sorsen
Sorsen-Williams Mining Co.
Box 1431
Globe, Arizona

William W. Sorsen
Consulting Mining Engineer
P. O. Box 1431
Globe, Arizona

C
O
P
Y

June 11, 1952

Mr. John East
U. S. Dep't. of The Interior
Bureau of Mines
224 New Customhouse
Denver 2, Colorado

Dear Mr. East:

Today I received an executed copy of my mining lease (designated as Contract No. I-88-Ind-2262). I am having a photostatic copy made which will be forwarded to you as soon as I receive it.

Re; D. M. A. Docket No. 1776-X, I understand that the subordination agreement which is required, will have to be executed at the Washington level.

Dr. Oliver Bowles and Mr. Jesse M. Weaver have both helped to expedite this lease in Washington, and it is my hope that they will supply the necessary push, if it is needed, to assist in obtaining the subordination agreement.

If there is anything I can do to personally expedite the execution of the loan contract, I would appreciate your assistance in informing me of the details.

Sincerely yours,

William W. Sorsen
Sorsen-Williams Mining Co.
Box 1431
Globe, Arizona

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

Re: Pending Contracts

Dear Mr. King:

In reviewing reports of Region IV, we note there have been no changes in the status of the projects listed below since your February report:

DMEA - 467 - Noel Nash (Pb, Zn, Cu)
1470 - Dutchman Leasers (Pb, Zn, Cu)
1776 - Bowen Williams Mining Co. (Asbestos)
1779 - Thomas E. Martin (Pb, Zn)
1897 - Emmet Irwin & Co. (Pb, Zn)
1938 - Anaconda Lead & Silver Co. (U, Cu)
2048 - Morris O. Mitts (V)
2133 - W. N. Sparks (U, Va)
2232 - Navajo Uranium Co. (U, Va)

These projects are listed in your reports as "pending contracts". Inasmuch as there have been no changes in their status indicated in your reports for three months, we feel that some action should be taken to dispose of them. If you have not done so already, it is suggested that followup letters be sent to the applicant.

Steps should be taken to expedite completion of these contracts, or to close out these cases, and not keep them in a pending status indefinitely.

Sincerely yours,

FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

Charles H. Merrill
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

FEJohnson/bih 6/12/52
cc to: Mails & Files - Admr.'s Reading File
Operating Committee - FEJohnson
Messrs. Lemon R-5216 GSA - Hedges R-4604
Selfridge - Ellis
Houk - Moulds

OFFICE OF THE ADMINISTRATOR

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

224 New Customhouse
Denver 2, Colorado

December 14, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 26 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 1776X, Final Report, Sorsen-Williams Mining Company, applicant; Salt River Asbestos Deposits, Gila County, Arizona

The subject report has been approved by us and an exploration loan of $21,746.25 is being processed.

Your copies of the report and the brochure are being held here until the execution of the exploration project contract.

Paul T. Allsman, Alternate

A. H. Koschmann

Copy of this memo to Non-Metallic Minls. Div.
2/13/52 - BL

4/14/52 MARCH REPORT FROM B/M, REGION IV

Requested copies of lease andland. Sub. Agree. not yet received.

FILE COPY
SURNAME:

Guthrie

140

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

December 6, 1951

Memorandum

To: Executive Officer, DMA Field Team, Region IV

From: Chief Counsel

Subject: Leases and Landlord's Subordination Agreements on Indian Lands (Docket No. DMA-1776X - Sorsen-Williams Mining Co.)

Reference is made to your memorandum to me of November 30 to which you attached a copy of a mining lease (not an original or duplicate original), dated June 6, 1951, from the San Carlos Apache Tribal Council to William W. Sorsen and William C. Williams. The form on the lease for the approval of the U. S. Department of the Interior is left in blank, and apparently has not been executed.

Your first inquiry is whether the lease is valid without the approval of the Interior Department. It is not. It may be, of course, that the original lease does bear this approval, and you indicate that you have sent for a photostatic copy of that document. Your assumption that a Landlord's Subordination Agreement is required in this case as in other cases, is correct. At least the subordination agreement should be required unless and until some showing is made that for reasons unknown to this office the Tribal Council is without authority and cannot obtain authority to execute one.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

N.S
R+R

JLHofflund/bjl

Copy to: Repts. & Records
J. L. Hofflund
R. R. Guthrie
Chron.

BL

FILE COPY
SURNAME:

Barr
Ron
Moon

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

J 1 2 , 1 1

Code 370

[illegible]
[illegible]
[illegible]
[illegible]

Subject: [illegible]-1[illegible]-[illegible];
[illegible] Asbestos

Gentlemen:

Your [illegible] in reference to
[illegible] East, Jr., [illegible], [illegible],
Denver 2, Colorado, who is [illegible] of
the [illegible] Zone, [illegible], [illegible].

Very truly yours,

[illegible]
[illegible]

[illegible]

cc: Reports and Records Unit
Mr. Barr
Field Team, Region IV
DMA Files

Dna 1773

8.3.6.

FILE COPY
SURNAME:

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

July 5, 1951

Subject: DMA-1776X
Re: Exploration Loan

Mr. Wm. W. Sorensen
Partner
Sorsen & Williams Mining Company
Box 1431
Globe, Arizona

My dear Mr. Sorensen:

Receipt is acknowledged of your application and attachments for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1776X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on July 3, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1776X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
>Files
Barr
Lyon

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

224 New Customhouse
Denver, Colorado

June 27, 1951

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA applications

We are enclosing the following applications which have been received in this office.

C. D. or N. N. Nolton
PO Drawer 7
Hillsboro, New Mexico

Harriet Sweeting
PO Box 1725
Clifton, Arizona

Louis Schrade
PO Box 154
Mayer, Arizona

R. L. Brown
Box 1783
Nogales, Arizona

Albert W. Albrecht
4465 Lime Street
Riverside, California

Sorsen Williams Mining Co.
Box 1431
Globe, Arizona

DMA
1776 X

Wm. H. Burnett
298 American National Bank Building
Hutchinson, Kansas

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 1951
LANDON F. STROBEL
Executive Secretary

P. T. Allsman, Alternate

Enclosures

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1776 X

Commodity Chrysotil. Asbestos

Total Amount $15,000.00

Govt. Participation 90%

1. Name and Address of Applicant Sorsen-Williams Mining Co.
Box 1431, Globe, Ariz.

2. Location of Property Sec 25 T5N, R17E, G+SRB+M.
45 miles north of Globe, Gila County, Ariz.

3. Mineral or metal Chrysotil. asbestos Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination ✓

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? No - to be forwarded

Does the lease have sufficient time to run to cover a future productive period? Not stated

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes -

a) MF-201? _____

b) MF-202 Being prepared by San Carlos Reservation Tribal Council.

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes - will use gasoline or diesel engines

Is a field check needed on any of these points? Yes

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes -

Is a field check needed on this point? Yes

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? No - work outlined but reasons for location of adits not given.

If not, are there sufficient data given so that you can describe the project? No If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No - location of adits shown but geologic conditions not indicated -

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes -

If not, what part of it is? whether all 3 adits are necessary for exploration not definitely indicated.

Is this part a worthwhile exploration project? apparently, yes

d) Are the cost estimates detailed? No - appears optimistic

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? None given.

f) Should more information be requested from applicant? Yes by field team

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes - although more contemplated

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes - some probative development will be necessary

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes -

b) Sufficient data? Yes - If so, attach a draft.

c) Are rents and charges reasonable? Yes - but program excessive

d) Is a field check needed? Yes to determine just what is required

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes.

e) Is a field check needed? Yes - engineering & bookkeeping might be reduced.

14. Exhibit E (question 23-c)*

a) Is it applicable? No - no facilities or structures on property

b) Sufficient data? No -

c) Reasonable? —

d) Field check needed? Yes -

15. In your judgment, can the proposed work be done in the proposed time? Full program - No - Can be completed within 2 yr. limitation

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Check geologic conditions & whether the location of the adits is proper for exploring the area. Check advisability of diamond drilling & is advisable - location of holes & whether drilling should provide underground work. Check equipment needed & whether it should be purchased or rented. Check cut off between exploration & development.

Reviewed by: Roswell McCarty 6/8/51

J J Nutter 7/13/51

Date 7/10/51

INT.-DUP. SEC., WASH., D.C. 99009

7/10/51

Docket No: DMA 1776 X

Section 10 - Exhibit "A"

The project is rather inadequately described although 3 adits are suggested & possibly some diamond drilling. The reason for locating the adits is not discussed nor the particular points of attack by the drills. The prospect work along the outcrop is described, briefly, with some mention of the material exposed & the lengths of fibre found in them.

With a considerable production heretofore obtained in this general area the project is worthy of serious consideration. The field team should examine the property & determine the best means of exploring it & discuss with the applicants the entire problem with special emphasis on the distinction to be made between "exploration" & "development." The tentative costs should also be determined.

Section 11 - Exhibit "B"

No construction of facilities or structures is planned but some protection will probably have to be furnished for equipment & supplies.

Section 12 Exhibit "C"

The equipment suggested can probably be reduced somewhat by careful planning and co-ordinating of operations. The rental of equipment from the applicant should be investigated to ascertain that it is in proper condition & can be ~~used~~ installed & used at a saving over the purchase of new equipment. The rates as given appear reasonable, if the equipment is in good condition.

7/10/81

(2)

DMA 1776 X

Section 12 (cont)

This entire subject should be discussed by the field team with the applicant.

Section 13 Exhibit "D"

The labor force listed appears proper for a program as outlined although the bookkeeper can probably be eliminated by having the engineer handle such work. It is possible that the work being on an Indian reservation may require more in the way of bookkeeping than the usual exploration project + thus would be allowable. The driving of such long adits would require proper engineering which would be allowable.

The wage + salary rates appear reasonable

Section 14 Exhibit "E"

The inclusion of $1200 for Repair + maintenance when no facilities are presently on the property needs explanation. It is probably an entry in the wrong place + includes the maintenance of equipment to be used. This is a comparatively small item + can be discussed + corrected by the field team + the applicant.

(3)
7/10/51

DMA. 1776 X

Section 16. Recommendations.

This application should be referred to the field team for investigation. For many years there has been intermittent production from this area with enough continuity to lend encouragement for additional exploration.

Whether the applicants property deserves exploration assistance & whether the plans proposed are proper can only be determined by a field investigation. The entire project should be studied & decision made by the field team on the location of the work, the equipment needed & the labor force which will be most efficient for the job. Likewise the question of living accomodations for the crew will also need study.

RMB

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

Mr. J. H. East, Jr.
224 New Customhouse Bldg.
Denver 2
Colorado

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant Sorsen-Williams Mining Co., Box #1131, Globe, Ariz.

Docket No. DMA-1776-X

Commodity Chrysotile Asbestos

Amount $15,000

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

RW:mas

For Bureau of Mines
cc: Mr. Moon
Mr. Barr

For Geological Survey

Shipments & Royalties

DMEA - 1776
Idm - E 419

Asbestos Fiber Sales by Sorsen Asbestos Corporation Gila County Arizona
DMEA Docket No. 1776 Contract Idm 419
Product purchased by Phillips Asbestos Mines Globe, Arizona

Date 1953	No 1 Crude Lbs	Amount received	No 2 Crude Lbs	amount received	No 3 Lbs	Amount received	No 4 & No 5 + Filter Lbs	Amount	Gross Total Amount	Net Proceeds after 10% Milling Chg.	Net Proceeds	Net Proceeds after 10% milling	DMEA Royalty Payment
February 1	114	85.50	400	180	400	80	480	60	405.50	365.00			
February 13	135	101.25	435	195.75	370	61.88	380	28.50	387.38	348.65			
Feb 27	135	101.25	153	68.85	300	56.25	275	55	281.35	253.21		1006.56	48.04
2/1 to 2/27	384	288.00	988	444.60	1030	198.13	1135	143.50	1074.23	966.86		966.86	48.84
March 17	76	57	500	237.50	593	111.91	2180	163.14	569.55	512.60			
March 23	281	210.75	470	211.50	343	64.31	500	50	536.56	482.90		995.50	49.78
3/7 to 3/23	357	267.75	970	449.00	936	176.22	2680	213.14	1106.11	995.50		995.50	49.78
4/28 to 5/14	284	213.00	556	264.10	649	121.69	2647	246.17	844.96	760.46		760.46	38.02
5/19 to 5/28	611	458.25	617	277.65	926	173.63	3336	333.60	1243.13	1118.82		1118.82	49.72
6/18 to 8/3	1214	910.50	1386	623.70	1280	240	2717	271.70	2045.90	1841.31		1841.31	(81.80)
									Correction June 18		Payment for error Correction		15.99
8/11 to 9/16	1633	1224.75	2376	1069.20	1821	341.44	1724	172.40	2807.79	2527.01		2527.01	126.35
	4483	$3362.25	6893	$3128.25	6642	$1251.11	14239	$1380.51	$9122.12	8209.96			($410.50)

Recapitulation

Total Sales
Feb 1 through Sept 16 (1953)

			Value per Pound
No. 1 Crude	4483 lbs	$3362.25	$ 0.750
No 2 Crude	6893 lbs	$3128.25	$ 0.453
No 3	6642 lbs	$1251.11	$ 0.188
No 4 No 5 & filter	14239 lbs	$1380.51	$ 0.096
All kinds Gross	32257 lbs	$9122.12	
Net proceeds after milling		8209.96	

Deducted DME Royalty @ 5% $410.50 Royalty to 9/16/53

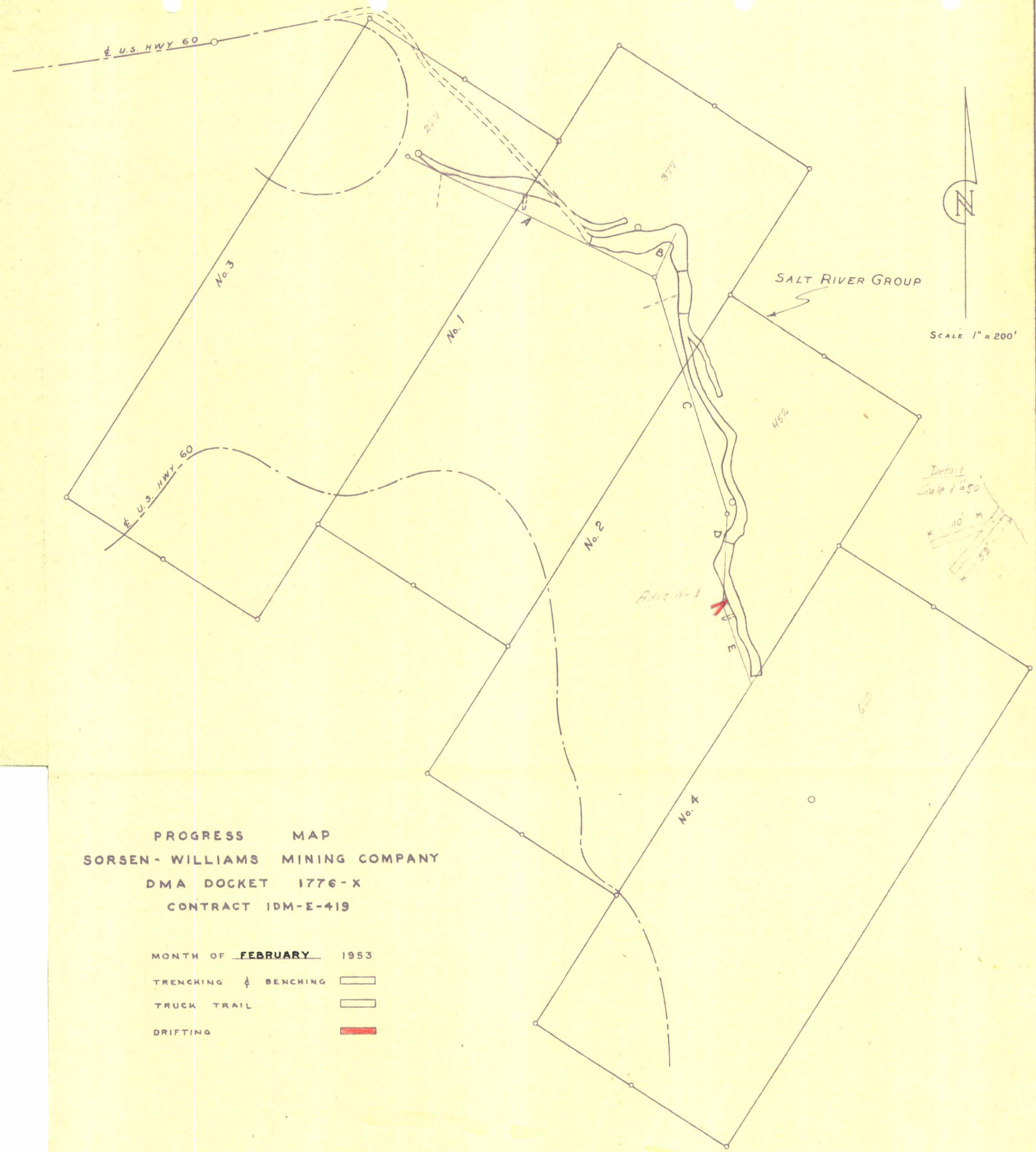
9/16/53	555		447		430		273			
10/2/53	369		1245		885		1151			
10/15/53	176		648		491		635			
	1100	$825.00	2350	$1053.00	1806	338.63	2059	$2059.00	$2422.53	
							Milling & handling		242.25	
							Net		$2180.28	
									5%	
							DMEA Royalty Settlement Oct 22 1953		$109.02	not received 12/15/53 See Chambers

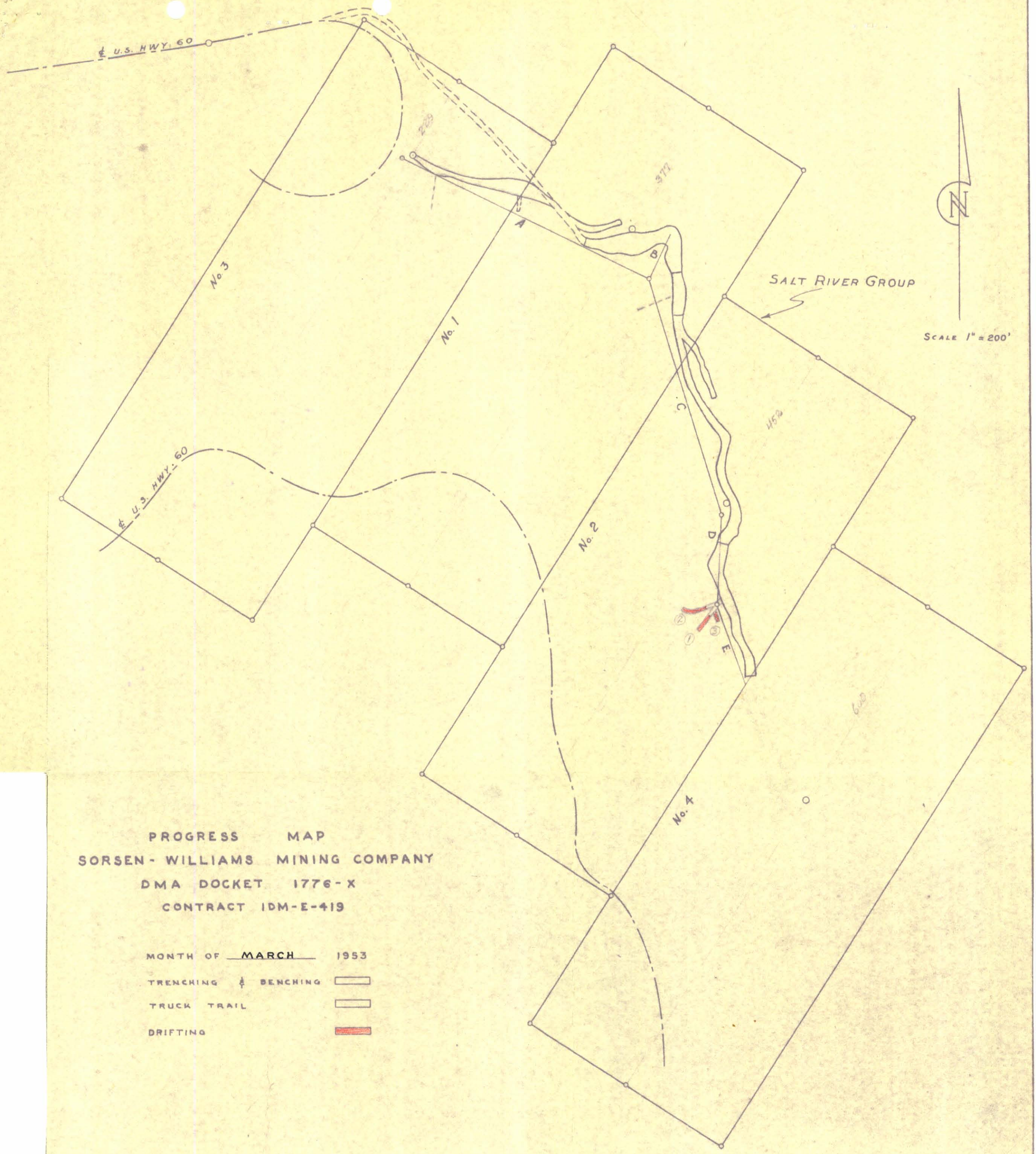
Phillips report Dec 19, 1953

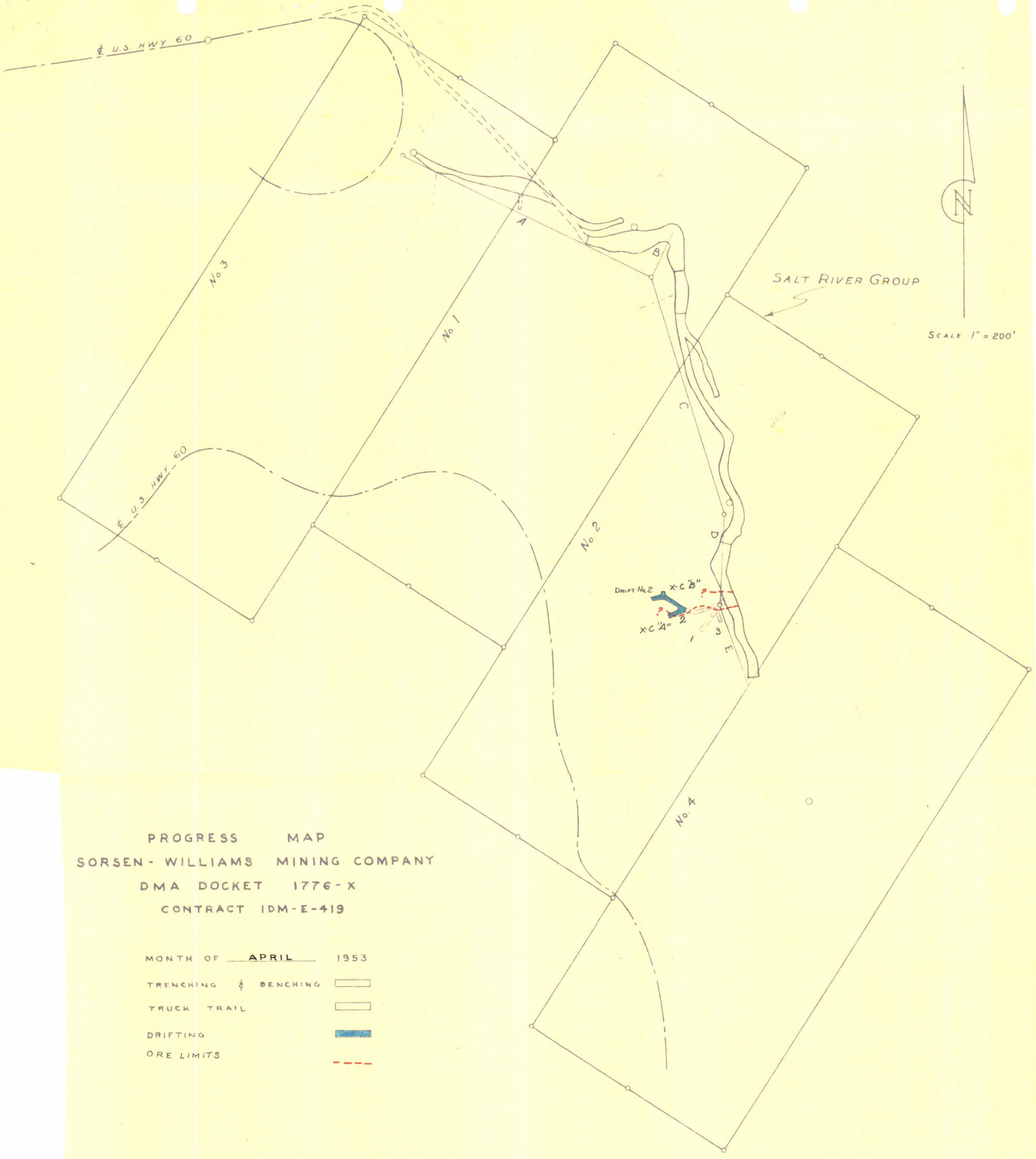
10/23/53	No 1 987 lbs	@ .75	740.25	
	No 2 2765 lbs	@ .45	1054.25	
	No 3 1547 lbs	@ .1875	290.06	
	No. 4 2537 lbs	@ .10	253.78	
			2338.34	2113.43
		Milling	234.63	5%
			2113.43	$105.67 DMEA Royalty

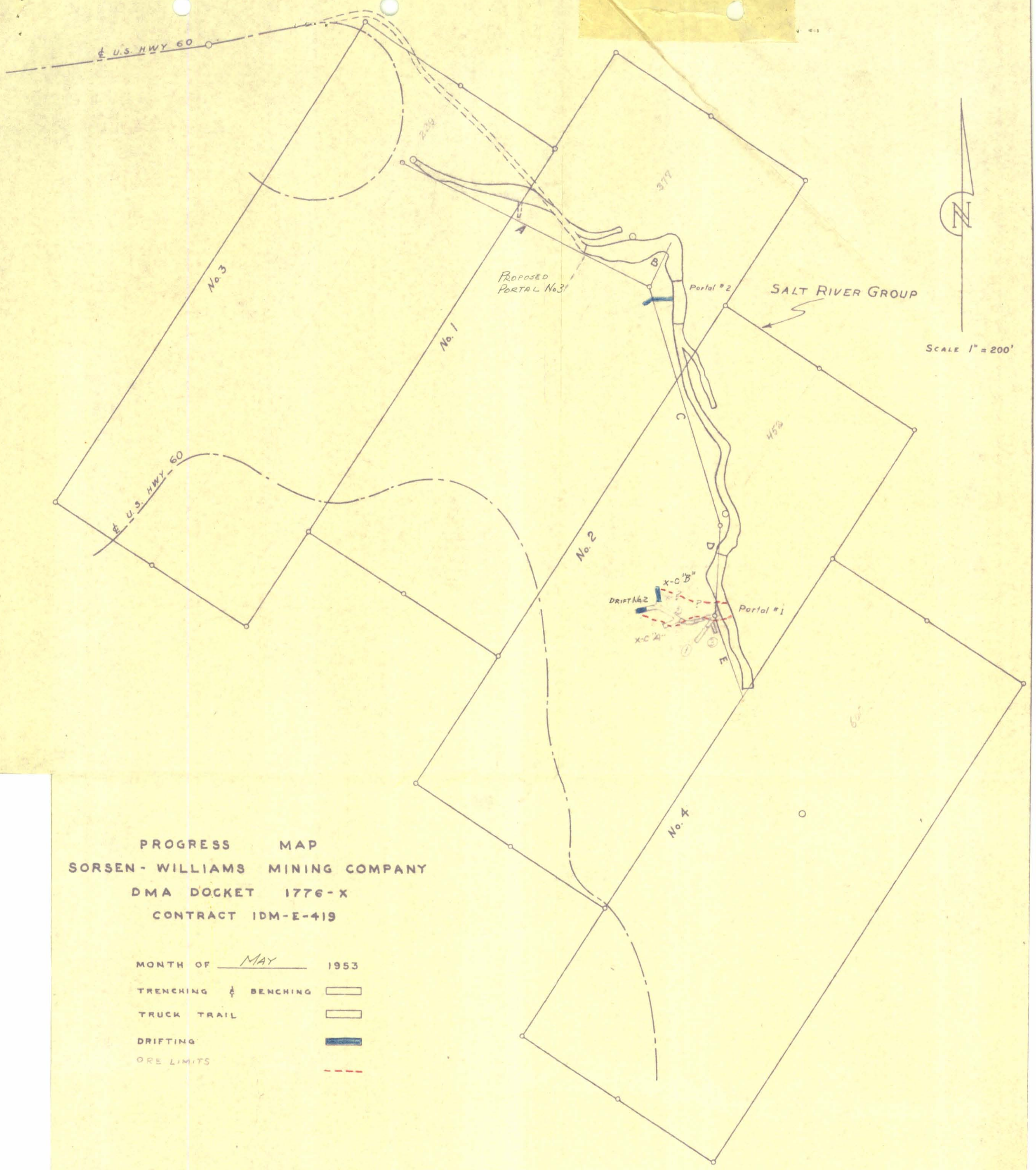
Tabulated by Jasper T. Robertson
Code 600

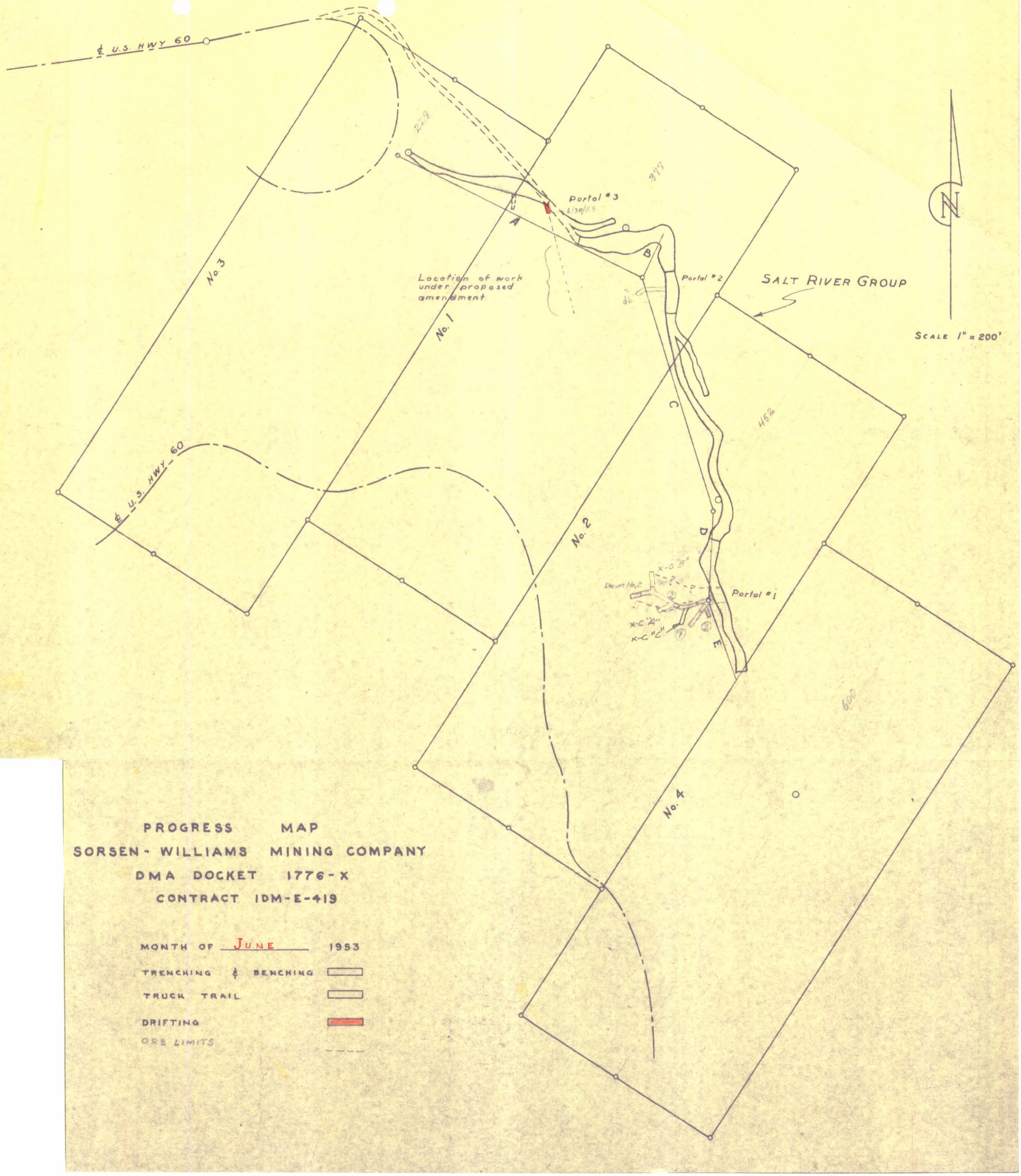
			Total
DMEA Royalty Rec'd to 9/16/53	410.50		
DMEA Royalty Rec'd to 10/22/53	109.02	519.52	
DMEA Royalty Phillips 10/19/53	105.67	625.19	
		625.19	

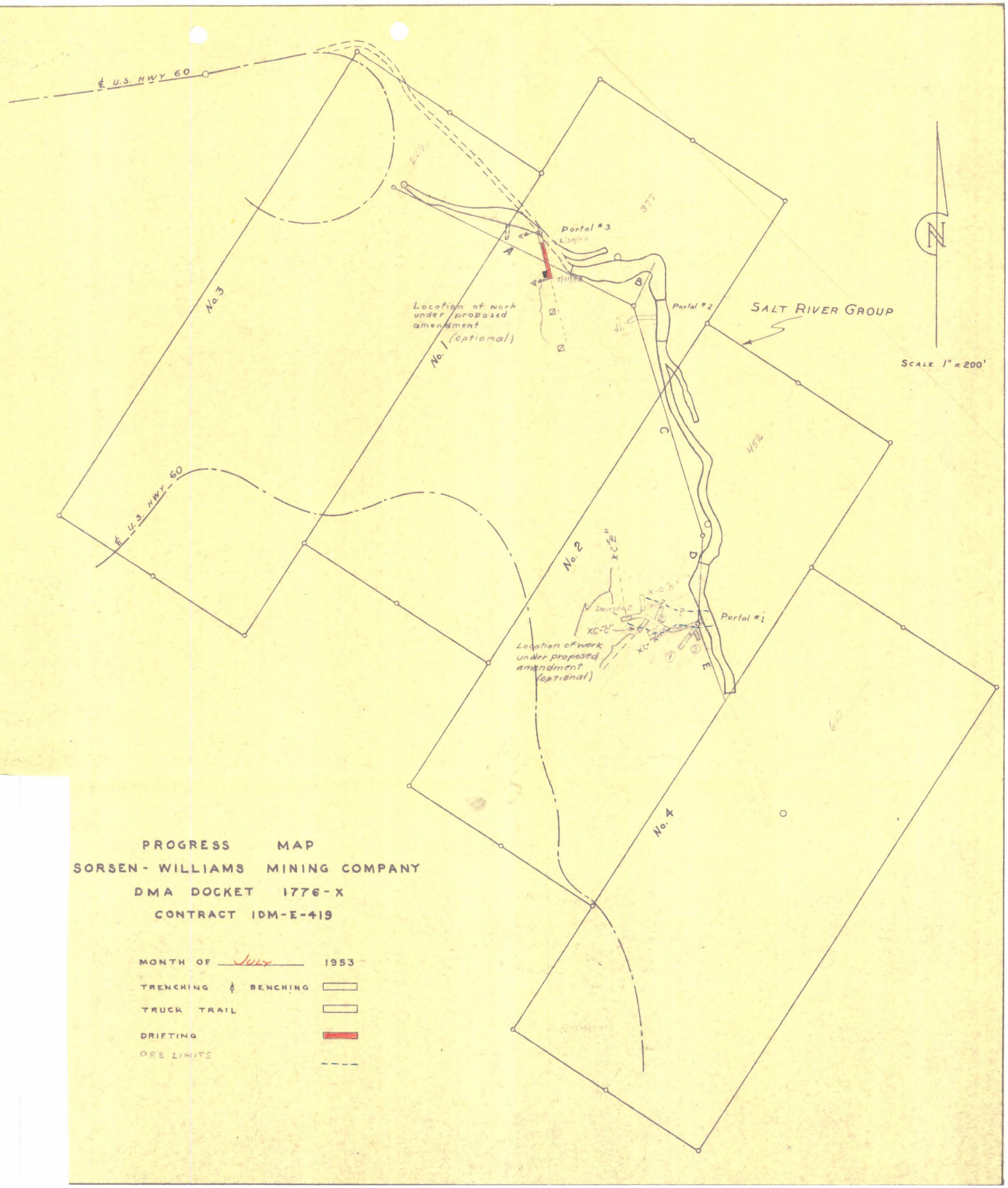

℄ U.S. HWY 60
℄ U.S. HWY 60
No. 3
No. 1
No. 2
No. 4
A
B
C
D
E
SALT RIVER GROUP
N
SCALE 1" = 200'
Detail
Scale 1" = 50'
40'
52'
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776 - X
CONTRACT IDM-E-419
MONTH OF FEBRUARY 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING

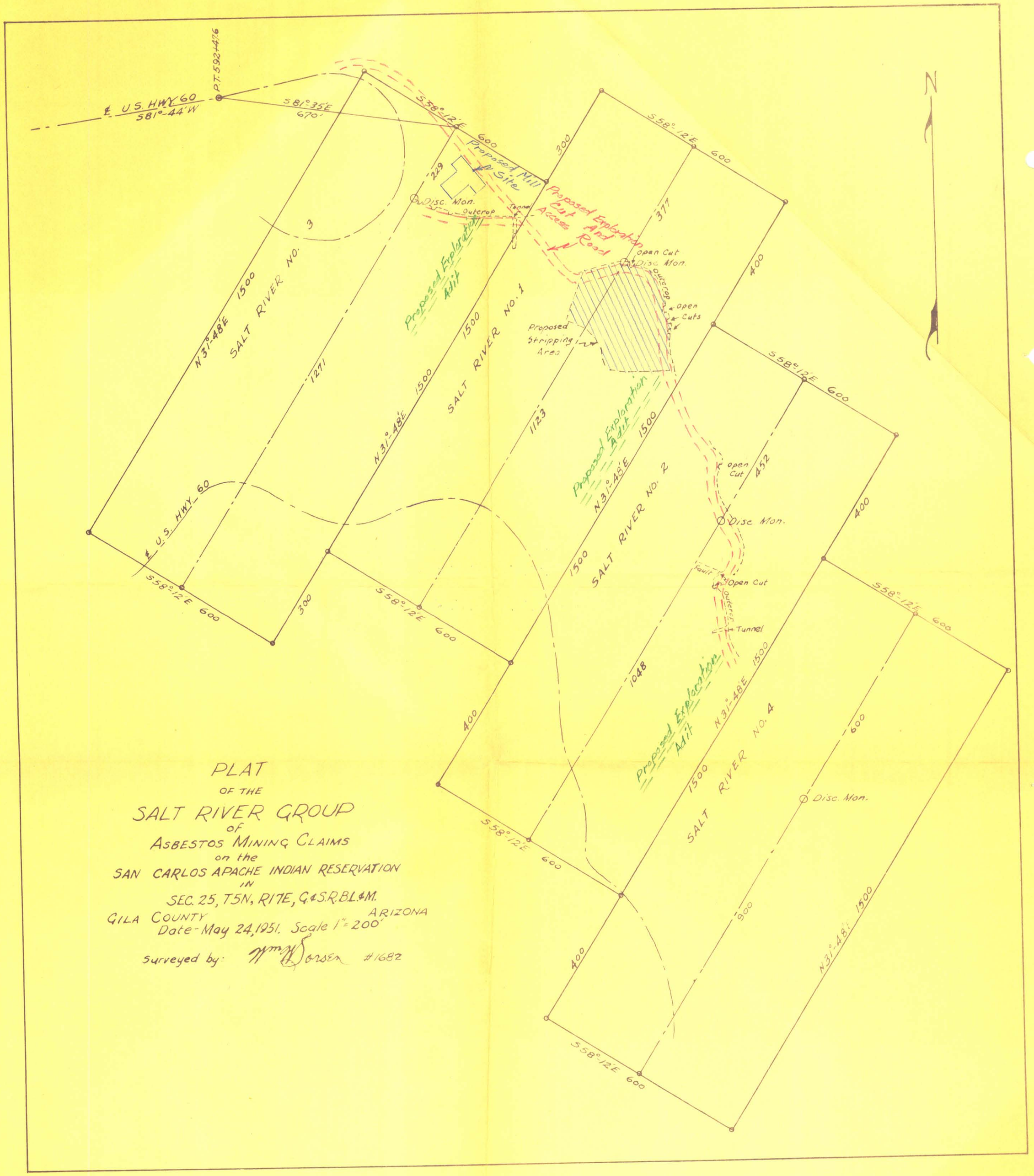

℄ U.S. HWY. 60
℄ U.S. HWY. 60
No. 3
No. 1
No. 2
No. 4
SALT RIVER GROUP
SCALE 1" = 200'
N
A
B
C
D
E
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776 - X
CONTRACT IDM-E-419
MONTH OF MARCH 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING


℄ U.S. HWY 60
℄ U.S. HWY 60
No. 3
No. 1
No. 2
No. 4
A
B
C
D
E
SALT RIVER GROUP
N
SCALE 1" = 200'
DRIFT No. 2
X-C "B"
X-C "A"
?
?
1
2
3
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776-X
CONTRACT IDM-E-419
MONTH OF APRIL 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING
ORE LIMITS


℄ U.S. HWY 60
℄ U.S. HWY 60
No. 3
No. 1
No. 2
No. 4
239
379
458
A
B
C
D
E
PROPOSED PORTAL No. 3
Portal #2
SALT RIVER GROUP
N
SCALE 1" = 200'
X-C "B"
DRIFT No. 2
Portal #1
X-C "A"
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776-X
CONTRACT IDM-E-419
MONTH OF MAY 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING
ORE LIMITS

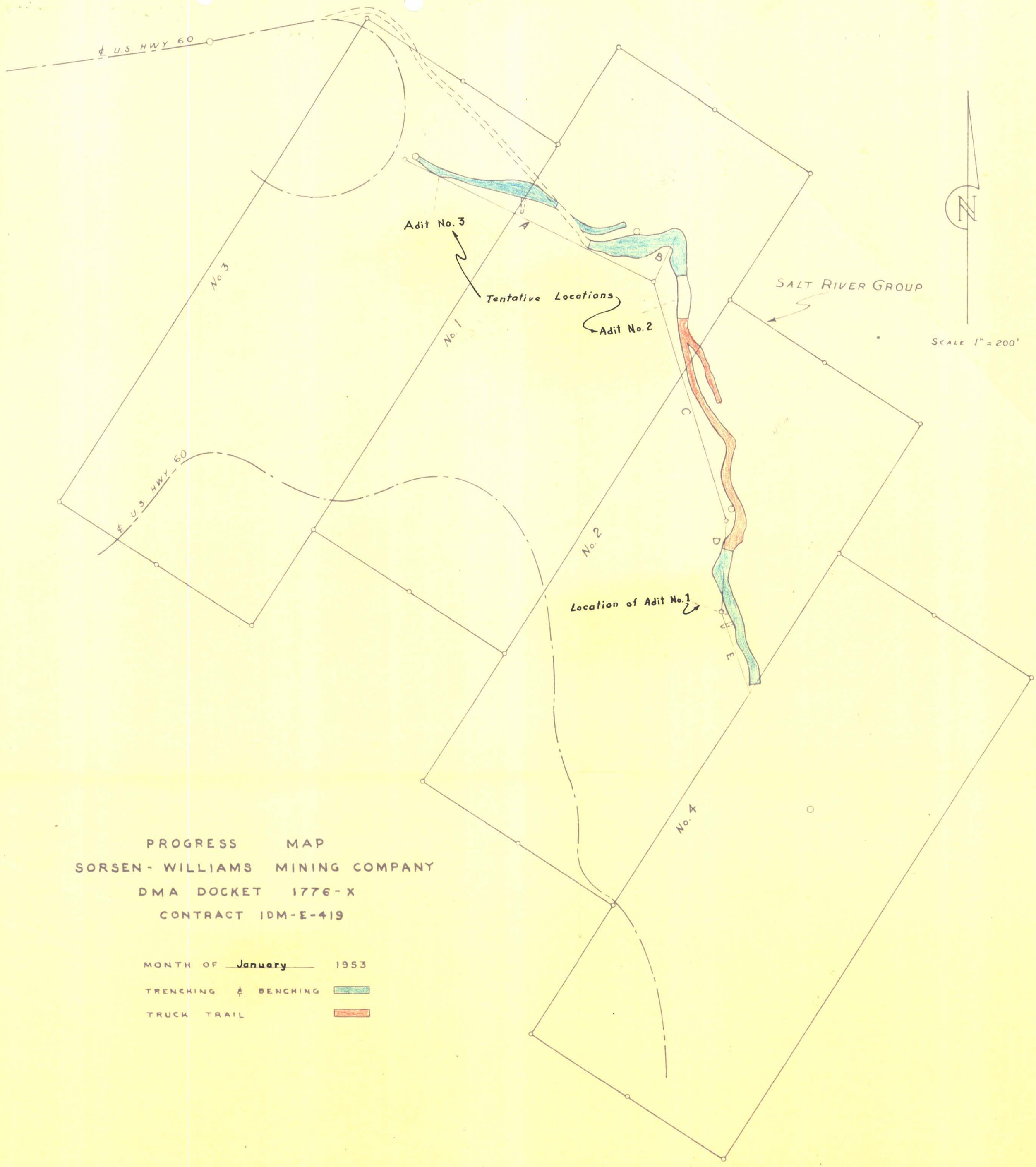

℄ U.S. HWY 60
℄ U.S. HWY 60
No. 3
No. 1
No. 2
No. 4
Portal #3
6/30/53
Portal #2
Portal #1
Location of work under proposed amendment
SALT RIVER GROUP
SCALE 1" = 200'
N
A
B
C
D
E
229
377
452
600
X-C "B"
Drift No. 2
X-C "A"
X-C "C"
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776-X
CONTRACT IDM-E-419
MONTH OF JUNE 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING
ORE LIMITS


℄ U.S. HWY 60
No. 3
No. 1
No. 2
No. 4
Portal #3
Portal #2
Portal #1
Location of work under proposed amendment (optional)
Location of work under proposed amendment (optional)
SALT RIVER GROUP
SCALE 1" = 200'
N
A
B
C
D
E
PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776-X
CONTRACT IDM-E-419
MONTH OF JULY 1953
TRENCHING & BENCHING
TRUCK TRAIL
DRIFTING
ORE LIMITS



PLAT
OF THE
SALT RIVER GROUP
of
ASBESTOS MINING CLAIMS
on the
SAN CARLOS APACHE INDIAN RESERVATION
IN
SEC. 25, T5N, R17E, G&S.R.B.L.&M.
GILA COUNTY ARIZONA
Date - May 24, 1951. Scale 1" = 200'

Surveyed by: Wm H Jorsen #1682



PROGRESS MAP
SORSEN - WILLIAMS MINING COMPANY
DMA DOCKET 1776 - X
CONTRACT IDM-E-419

MONTH OF January 1953

TRENCHING & BENCHING

TRUCK TRAIL