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

224 New Customhouse
Denver 2, Colorado

February 24, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. 2789, American Fiber Company, Gila County, Arizona

Enclosed are four copies of Report of Examination on the above-mentioned docket.

We have had no reply to our letter dated January 18, 1954, and are, therefore, closing the docket as of this date.

W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

June 19, 1953.

Memorandum

To: DMEA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2789 (Asbestos), American Fiber Company, Gila County, Arizona.

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

The engineer examiner believes exploration is justified on the May and Montezuma No. 3 claims and recommends five open cuts and 350 feet of drifting at an estimated cost of $8,987.50.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

MINING DIVISION
REGION IV

June 5, 1953

Memorandum

Air Mail

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

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

Subject : Report on Docket DMEA-2789, American Fiber Co., May and Montezuma No. 3 asbestos claims, Sierra Ancha District, Gila County, Ariz.

Enclosed are original and 8 copies of a report on the above property by L. A. Stewart of the Bureau of Mines. A. F. Shride of the Geological Survey also examined this property and I understand, agrees with Stewart's report. Whether or not a separate report on geology will be submitted by the Geological Survey, we do not know.

As there seems to be a very good chance of discovering a substantial amount of asbestos fiber by the proposed exploration work, the examiner recommends that the loan be made. I concur with this recommendation.

Brochure will be submitted by the Geological Survey.

Also submitted with this transmittal letter are the following documents relating to this property:

1. Lease and Option Agreement concerning the Montezuma Nos. 1, 2, 3, and 4 claims.

2. Lease and Option Agreement concerning the Rose Nos. 1, 2, 3, 4, 5, 6, the Asbestos Nos. 1, 2, 3, 4, 5, 6, 7, 8, and 9, and the May, King, Queen, Arizona, and Arizona No. 1 claims.

3. Agreement of sale of Interest in Partnership and Consent of Remaining Partners, an agreement concerning the sale of an undivided 1/4 interest in a partnership of A. B. Houser.

CC W. H. King (8)
R. F. Robinson
DMEA-2789
DF

WRStorms:frj

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

4. Agreement of Sale of Interest in Partnership and Consent of Remaining Partners. An Agreement Concerning the Sale of an undivided 1/4 interest in a partnership by each of two partners to A. B. Heuser.

5. Agreement of Sale of Interest in Partnership and Consent of Remaining Partners and agreement concerning the sale of an undivided 3/8 interest in a partnership by A. B. Heuser to O. W. Rugg.

The original assignment of interest in leases to the American Fiber Co. is with brochure.

Applicant has sent "Owner's Consent to Lien" forms to California for owners signature and will send them directly to you when signed.

Walter R. Storms

Walter R. Storms

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

200 New Customhouse
Denver 2, Colorado

June 15, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2789, American Fiber Company, May Mine, Gila County, Arizona. Asbestos.

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

It has been recommended that the loan be approved, and all plans for exploration are contained in the engineering report. Mr. Shride is in agreement with Mr. Stewart's engineering report.

The brochure is enclosed.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (10)

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

P. O. Box 4126, University Station
Tucson 9, Arizona

June 12, 1953

Memorandum

To: A. M. Kosmann, Denver, Colorado

From: Raymond F. Robinson, Tucson, Arizona

Subject: [illegible]-2789, American Fiber Company, Sky Mine, Gila County, Arizona (asbestos)

Inclosed please find the original and 8 copies of a memorandum report on the subject docket.

Mr. Shride is in agreement with Mr. Stewart on the merit of the property as well as the manner in which exploration should be conducted.

Due to lack of time he has foregone the usual detailed geologic report.

I concur with his conclusions. The brochure is enclosed.

Raymond F. Robinson

Raymond F. Robinson
Acting District Supervisor
Arizona - New Mexico

Inclosures 9

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

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

June 12, 1953

Memorandum

To: A. H. Koschmann, Denver, Colorado

From: Andrew F. Shride, Tucson, Arizona

Subject: DMEA-2789, American Fiber Company, May Mine, Gila County, Arizona (asbestos)

The geology discussed by Mr. Stewart in the engineering report and presented on Figure 4 of the report is adequate for purposes of preparing a contract for exploration of the May and Montezuma No. 3 claims. The writer concurs with Mr. Stewart's recommendations.

The limestones which contain the lower two mineralized zones are competent limestones of the type favorable to concentrations of asbestos. The fold, that parallels the discordant portion of the diabase sill as pointed out by Mr. Stewart, and the bedding-plane adjustment associated with the folding of the limestone are geologic structures favorable to an elongate, narrow ore shoot. This ore shoot is likely to parallel the discordant contact between the limestone and the diabase. It is doubtful that asbestos will occur in minable quantities much farther north of the diabase limestone contact than the northernmost part of the present stope (i.e. 50 feet). If the limestones beds are folded to the east of

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

the May mine where the discordant portion of the sill has not been eroded conceals the favorable limestone beds or to the west on the Montezuma No. 3 claim where overburden covers the favorable beds, the known asbestos shoots may have a long dimension of several tens to a few hundred feet. Therefore, exploration by adits can be recommended.

The outcrop proposed for testing by 5 cuts is out of the area where mineralization was probably concentrated due to folding. Nevertheless, sufficient asbestos float occurs along the poorly exposed outcrop to suggest that the 5 test pits are worthwhile.

The upper two asbestos-bearing zones (one zone exists above the uppermost zone noted in the engineering report) are in limestones less favorable to asbestos localization. These zones, which are not expected to be minable except possibly in limited areas, can be adequately tested by drill holes from workings that penetrate the lower two zones.

R.E. Robinson for
Andrew F. Shride
Geologist

Enclosures 8

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA-2789, American Fiber Company

May and Montezuma No. 3 Asbestos Claims

Sierra Ancha District, Gila County, Arizona

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

June 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By Lincoln A. Stewart[1]

An application was made to the Defense Minerals Exploration Administration by the American Fiber Co. for a $27,469 loan to explore asbestos deposits on the May and Montezuma No. 3 claims. This application, docketed as DMEA-2789, proposed 525 feet of diamond drilling in 15 holes and 900 feet of drifting in 3 separate areas.

The property, held under lease and option to purchase agreement is situated in the Tonto National Forest, 104 road miles north of Globe, Gila County, Ariz.

An investigation was made by the DMEA examining team[2] on April 15 and 16, 1953. The advisability of drilling was questionable and it was thought that 900 feet of drifting was in excess of the footage required to delineate the deposits. After a conference with the examiners, the applicant suggested a modified proposal to consist of a maximum of 5 open cuts and 350 feet of drifting, the work to be on a unit cost basis for a total cost of $8,987.50.

The existing May workings has opened 2 ore zones of a deposit that has been formed adjacent to a crosscutting diabase structure that roughly parallels the mesa front and conceals the ore zones east of the workings. To the west, erosion has cut back into the mesa but the outcrop is covered with debris.

1/ Mining Engineer, Bureau of Mines
2/ Lincoln A. Stewart, Mining Engineer, Bureau of Mines and A. F. Shride, Geologist, U. S. Geological Survey.

A continuation of the same structure along which the May deposit is found, or one similar to it, is present on the side of another hill some 1,500 feet southwest of the May workings. One small prospect pit has exposed the upper part of the same sequence of beds. It is thought that exploration at a slightly lower level will expose the favorable beds which may be ore bearing.

The writer believes that exploration on the May claim has a probability of finding extensions of the deposit which might be several hundred feet long, with a possible width of at least 75 feet. Exploration of the Montezuma No. 3 claim has a possibility of opening a similar deposit. The expectable fiber probably will be semi-harsh, but of sufficient tensile strength to meet strategic specifications.

It is recommended that a loan in the amount of $8,987.50 be granted the American Fiber Co. to explore these 2 claims.

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

Engineering Report

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

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

JUNE 1953

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

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INTRODUCTION

An application was submitted to the Defense Minerals Exploration Administration for a $27,469 exploration loan by the American Fiber Co., a corporation, for its May deposit and Montezuma No. 3 prospect. This application, docketed as DMEA-2789, was received by the Tucson office of the Defense Minerals Exploration Administration on Nov. 25, 1952. The purpose of the proposed exploration was to prospect north and east for extensions of the May deposit; explore an area between two dikes 600 feet northwest of the mine; and explore an area on the Montezuma No. 3 claim about 1,500 feet southwest of the May mine.

The property is 104 road miles from Globe, Gila County, Ariz., in the rugged Sierra Ancha Mountains north of Globe. Because of a severe winter and poor access roads, examination was delayed until April 1953.

The investigation was made by the writer and A. F. Shride, geologist of the Geological Survey on April 15 and 16, 1953. Although prior arrangements had been made to meet A. B. Houser and/or O. W. Rugg at the property, neither was present at the examination. The former is president, the latter secretary-treasurer of the applicant company.

During the investigation it was noted that there was a possibility that the May claim, as located, did not fully cover the proposed exploration area. This possibility, and doubts concerning the

advisability of drilling as part of the exploration, had to await a conference with the applicant. Mr. Rugg came to the Tucson office on May 11, and after a discussion of the questionable points, stated that the company would relocate the May claim and that a revised exploration program would be submitted.

Because of the fact that a deadline for application recommendations recently had been established, of which the applicant was unaware, the writer contacted Mr. Rugg at his office in Casa Grande on May 27. In order to expedite completion of this report, Mr. Rugg verbally made the following modified proposal:

Diamond drilling is to be eliminated;

A maximum of 5 surface cuts at $100 per cut, to test extent of mineralization along the poorly exposed outcrop for about 500 feet west of the May deposit;

A maximum of 350 feet of drifting to explore extensions of the May deposit and to explore a possible ore zone on the Montezuma No. 3 claim, at $24.25 per foot;

The total project cost thus is $8,987.50.

LOCATION AND ACCESSIBILITY

The property of the American Fiber Co. is situated in the Tonto National Forest at an altitude af 5,300 feet. It is about 40 air miles north of Globe, but 104 miles by road. The claims are reached by a 21-mile dirt road that branches south off the Globe-Young- Holbrook gravelled road at Bottle Springs, which is 13 miles northeast of Young, or 83 miles from Globe (figure 1).

The fiber is semi-harsh but has good tensile strength. Under present specifications, most of the longer grades will be accepted for strategic uses.

To the west of the mine, the outcrop swings northwestward, away from the cover of the discordant diabase. The exposures in this area are not good. A few cuts along this face would determine the extent of mineralization on this side.

Eastward from the mine, the nearly vertical diabase discordancy conceals any extension of the ore zone. Exploration drifts in this area would determine possible extension of the deposit.

Montezuma No. 3 Claim

This prospect lies about 1,400 feet southwest of the May workings on a contact between limestone and diabase that is similar to the May occurrence. The attitude and strike of the diabase "roll" suggests that it is a continuation of the same structure, but overburden is so heavy that this cannot be proved. A 20-foot open cut has exposed a mineralized zone in the floor that contains discontinuous fiber veins that show a maximum of 2 inches of weathered fiber.

Comparison of the strategraphic sequence of limestone bedding exposed in this cut with the sequence at the May suggests that the asbestos vein exposed in the cut is the upper vein of the May deposit. An exploration pit would quickly determine if the 2 lower ore zones are present.

PROPOSED EXPLORATION AND COSTS

The original proposal, for a total cost of $27,469, included 900 feet of drifting and crosscutting, and 525 feet of diamond drilling in 15 holes. This proposal has been copied in the appendix of this report as a matter of record and to document the justification of estimated cost of drifting. After the investigation, the examiners were of the opinion that diamond drilling of closely-spaced, short holes was inadvisable for exploration of a deposit that appeared to be centralized near the face of the mesa. It also was thought that 900 feet of drifting was in excess of the footage required to delineate a deposit that probably was of limited width.

After a consultation with the examiners, the applicant suggested a modified proposal as follows:

1. A maximum of 5 open cuts to test the extent of mineralization along the poorly exposed 500-foot outcrop west of theMay workings, these cuts to be on a unit cost basis of $100 each.

2. A total of 350 feet of drifting to explore for extensions of the May deposit and to explore a possible ore zone on the Montezuma No. 3 claim. The drifting was to be on a unit basis of $24.25 per feet.

Total estimated project cost	5 x $100	$500.00
	350 x $24.25	$8,487.50
		$8,987.50

DISCUSSION OF EXPLORATION PROPOSAL

May Area

The May workings have opened the 2 lower ore zones of the deposit for a length 140 feet and a maximum depth of 30 feet. This deposit has been formed adjacent to a northeastward-trending crosscutting diabase structure that roughly parallels the mesa front. From the mine eastward, the diabase cuts up across the favorable beds, thus the veins do not outcrop at the surface.

Like most deposits of the district that are adjacent to this type of diabase structure, the best mineralization is localized for a few tens of feet from the contact, with the degree of mineralization decreasing away from the contact. The stope of the May workings has not been carried far enough into the hill to determine the commercial width of the ore body.

Near the contact, the ore beds dip northeastward (into the mesa) at 15°, flattening to 2° to 3° at 40 feet from the contact.

Erosion has cut back into the mesa west of the mine, but the outcrop is covered with debris. A few cuts spaced at approximately 75 to 100 feet for about 500 feet are justified to expose the favorable beds and thus determine whether exploration drifting should be attempted in this area.

East of the mine, exploration by drifting into the hill at some predetermined location, say 200 feet from the mine workings, is logical. There may be 10 to 20 feet of diabase to penetrate

before reaching the limestone contact. By projection from the May workings, the level of the ore zone can be roughly established, and by starting the adit a few feet lower, it may be possible to carry a tramming grade into the deposit. Assuming that ore is present, the first adit can determine the depth of commercial mineralization. Possibly 100 to 125 feet will be necessary. If this exploration gives favorable results, a second adit 200 to 300 feet further eastward can test possible continuation of the deposit along the axis of mineralization.

Montezuma No. 3 Claim

A 20-foot cut near the east end line of the claim has exposed a vertical limestone-diabase contact similar to that at the May deposit. It is thought that the vein exposed in the floor of the cut corresponds to the upper of the 3 veins present at the May deposit where the lower zones contain the better mineralization. An adit driven at a level to expose the lower zones is a feasible exploration.

As geologic conditions appear to be the same for about 1,000 feet westward, an exploration drift located approximately 300 to 600 feet west of the east end line would test the central area of possible lateral extent.

About 300 to 400 feet east of the west end line of the claim, the diabase rises and cuts out the favorable beds.

CONCLUSIONS

May Area

The little work that has been done at the May mine indicates that an ore deposit is present, adjacent to a discordant diabase sill that cuts off the favorable limestone beds within the face of the mesa. Erosion has removed all but a "shell" of this discordancy to the east of the workings. There is a probability that the deposit will continue eastward on the north side of the diabase "roll" for several hundred feet or until the geologic structure changes.

The deposit opened by the existing workings contains from 1 to 3 inches of total fiber in each of the 2 veins, throughout most of the stoped width of up to 50 feet from the contact. It is possible that the ore zones will be of commercial thickness for an additional 25 to 50 feet of width.

Northwestward from the mine workings a few shallow surface cuts can expose the favorable beds and indicate whether further exploration is justified on this side.

Although the fiber of this deposit is semi-harsh, it has good tensile strength, and the longer grades would be acceptable for strategic uses.

Exploration by drifting to determine lateral extensions of the deposit is justified.

Montezuma No. 3 Area

It is thought there is a possibility that a deposit similar to the May occurrence exists here. Only 1 ore zone has been exposed but the 2 lower veins may be present. Exploration by drifting is likewise justified here.

The manager of the company, Robert Leturno, has had several years experience in asbestos mining. He is thought capable of directing the work of this moderate proposal.

It will be noted on figure 3 that the axis of the discordant diabase is close to and parallels the south side line of both the May and Montezuma No. 3 claims. If an ore body is found, it will be adjacent to and north of the diabase "roll". It may extend for several hundred feet laterally on each claim, but the probable width will be on the order of 100 feet. Thus each claim is of sufficient size to encompass the possible deposit.

RECOMMENDATIONS

Thewriter is of the opinion that exploration is justified on the May and Montezume No. 3 claims for the following reasons:

1. There is a probability that the May deposit will extend for a considerable distance eastward, and open cuts on the westward continuation of the faverable beds will determine the extent of mineralization in that direction;

2. There is a possitility that a deposit similar to the May occurrence can be found on the Montezuma No. 3 claim;

3. The fiber to be found in either of these areas probably will be semi-harsh, but of quality that will be acceptable for strategic uses.

Therefore it is recommended that the Defense Minerals Exploration Administration grant an exploratory loan to the American Fiber Co. in the amount of $8,987.50.

It is suggested that the contract specify:

A maximum of 5 open cuts, at a unit cost of $100 each, be excavated on the westward extension of the May outcrop at a spacing of 75 to 100 feet;

Total maximum footage of drifting, 350 feet at a unit cost of $24.25;

The location and ultimate length of the first exploratory drift on the May and on the Montezuma No. 3 claims be determined by the examiners. The location of any additional drifting be determined by the findings as work progresses.

Allow 30 days to start work and 10 months to complete the project.

APPENDIX

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

ORIGINAL APPLICATION

June 1953

American Fiber Company
% Bryant & Carnell
112 N. Broad St.
Globe, Arizona

September 22, 1952

Mr. W. H. King
Executive Officer, DMEA
U. S. Bureau of Mines
New Customhouse Bldg.
Denver 2, Colorado

Dear Mr. King:

Find enclosed an application for a Defense Minerals Exploration Administration loan.

The company is prepared to contract the proposed work on a unit basis. We bid $24.25 per feet on the 900 feet of drifting and crosscutting ($21,825.00), and $10.75 per foot for the diamond drilling ($5,643.75 for 525 feet), or a total for the project of $27,468.75. Time to complete the project, 18 months.

Cost for the project, if approved, will be as follows;

American Fiber Company (10%)	$2,746.88
Defense Minerals Exploration (90%)	24,721.87
Total	$27,468.75

Yours truly,

/s/ O. W. Rugg

O. W. Rugg
American Fiber Company

COPY

COST ESTIMATE OF PROPOSED DEVELOPMEN WORK

DRIFTING

Basis:

5' x 6' Drift.
3.5 Feet advance per round.
25 Work days per month.

Labor

1 Miner, 3 muckers. Miner and Mucker to drill and blast on one shift, 2 muckers to clean out drift, lay pipe and track on second shift.

All machinery and equipment to be furnished by American Fiber Company. Defense Minerals Administration is not to purchase any machinery or equipment. Salvagable supplies will consist of mine track, and one and two inch pipe, which will remain as the property of the American Fiber Company.

In this estimate 40% of the list price is charged to the project for these salvagable supplies.

Rentalof Equipment from American Fiber Company:

Item	Present Value
105 cuft. IR compressor	$3,800.00
J-50 Jackhammer	365.00
IR Jackleg	200.00
IR Line Oiler	20.00
Water Trailer with 500 gal. tank	350.00
Mine car	150.00
3/4 inch Air Hose	30.00
1/2 inch water hose	20.00
Water Gooseneck	8.00
Total	$4,943.00

Rental Basis per Month:

$$\frac{\$4,943.00}{60 \text{ Months}} = \$82.38$$

Rental Basis per Foot:

3.5 Feet per day x 25 days = 87.5 Feet per month.

$$\frac{\$82.38}{87.5} = \underline{\$0.94 \text{ per foot}}.$$

Labor:

1 Miner at $12.75 per shift	$12.75
3 Muckers at $11.75 per shift	35.25
Total	$48.00

(Includes insurance, overtime, and payroll taxes)
On advance of 3.5 feet per day.

$$\frac{\$48.00}{3.5} = \underline{\$13.71 \text{ per foot}}$$

Supplies:

	Per foot.
Rails, ties, spikes, fishplates, and bolts	$1.55
2 Inch Air Line, including valves and fittings	0.60
1 Inch water Line, including valves and fittings	0.35
Total	$2.50

Defense Minerals Administration to pay 40% of this price.

$2.50 x 40% = <u>$1.00 per foot</u>

4 Timken detachable bits per round at $0.56 each. This also includes sharpening of dull bits.

$$\frac{\$0.56 \times 4}{3.5} = \underline{\$0.64 \text{ per foot.}}$$

Steel breakage, 1 five foot piece per two rounds at $8.00 each.

$$\frac{\$8.00}{7.0} = \underline{\$1.14 \text{ per foot}}.$$

Blasting - 12 holes per round.

Powder 28 pounds at $0.21 per pound	$5.88
Caps - 12 at $0.02 each	0.24
Fuse - 96 feet at $0.012/ft.	1.15
Total	$7.27

$$\frac{\$7.27}{3.5} = \underline{\$2.08 \text{ per foot}}.$$

Gasoline and Oil for Compressor.
12 gallons at $0.305/gal., plus 1 qt. oil at $0.30 = $3.96
Includes running compressor for blowing smoke from heading.

$$\frac{\$3.96}{3.5} = \underline{\$1.14 \text{ per foot.}}$$

Water for drilling and wetting down muckpile. Calculated on using a truck one day per month to haul approximately 4,000 gallons of water. Truck hire at $35.00 per day, including driver.

$$\frac{\$35.00}{87.5} = \underline{\$0.40 \text{ per foot}}.$$

Machine oil for drilling at $0.35 per quart.

$$\frac{\$0.35}{3.5} = \underline{\$0.10 \text{ per foot}}$$

Picks, shovels, flatsheet, wrenches, jimcrow, bars, moils, carbide, leading sticks, and other small tools needed for the job.

<u>$0.35 per foot.</u>

Normal repairs on machinery including breakage. This item has not been considered in the above costs.

<u>$0.30 per foot</u>

<u>SUMMARY OF DIRECT COSTS, DRIFTING</u>

		Per Foot.
Rental of equipment		$0.94
Labor		13.71
Supplies		7.35
	Total	$22.00

<u>Engineering and Supervision:</u>

Estimated at $300.00 per month for part time engineer, and part time supervisor.

$$\frac{\$300.00}{87.5} = \underline{\$3.42 \text{ per foot}}$$

<u>TOTAL COST PER FOOT OF DRIFT</u>

Direct Costs	$22.00
Indirect Costs	3.42
	$25.42

DIAMOND DRILLING

Basis:

Rate of drilling 20 feet per day.

25 Working days per month

Number of holes 15, averaging 35 feet deep.

Drilling to be contracted at the following approximate prices;
Per foot hole $7.35, using "M" series core barrel, with an AX bit.
Per foot reaming $4.00
Cementing at $10.00 per hour, project to furnish materials for cementing.
Contractor to furnish all drill equipment, and personnel for operation of same.

The project is to clear and level the drill sites, furnish truck to move the rig from hole to hole, and supply water necessary for drilling.

Estimated Direct Costs for Diamond Drilling:

$$\frac{525}{20 \text{ ft/day}} = 26.25 \text{ days.}$$

$$\frac{26.25 \text{ days}}{25 \text{ days / month}} = \underline{1.05 \text{ months Minimum.}}$$

MAXIMUM TIME SIX (6) WEEKS

Rental, truck to haul water, and to move rig. 27 Days at $35.00 per day . . . . . (including gasoline, oil, and driver)	$945.00
Rental, two water tanks, one for standby, and one for truck at $30.00 per month each, six weeks	90.00
Labor, clearing sites for drill (estimated)	300.00
Total	$1,335.00

Three ore horizons are to be cored. Due to the shallow depth of the holes it is not advisable to use a plugged bit during the drilling.

Estimate:

15% of the footage drilled will be reamed.
5 hours cementing time.

15 - 35 Foot holes at $7.35 per foot	$3,858.75
525 x 15% reaming = 79 feet at $4.00 perfoot . . .	316.00
5 hours cementing	50.00
Total to Contractor	$4,224.75

SUMMARY OF DIRECT COSTS, DRILLING

	Total	Per Foot
Labor, and rentals	$1,335.00	$2.54
Drill Contractor	4,224.75	8.05
Total	$5,559.75	$10.59

Engineering and Supervision:

Estimated at $225.00 for engineering services during the drilling.

TOTAL COST PER FOOT OF DRILLING

Direct Costs	$10.59	$5,559.75
Indirect Costs	0.43	225.00
	$11.02	$5,784.75

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PROPOSED DEVELOPMENT WORK

I. MAY MINE	COST
12 Diamond Drill holes, averaging 35 feet	
12 x 35 x $11.02	$4,628.40
2 - 200 Foot Drifts, exact locations to be determined after diamond drilling completed	
2 x 200 x $25.42	10,168.00
1 - 200 foot crosscut to join drifts for ventilation, and to facilitate mining.	
200 x $25.42	5,084.00
Total for May Mine	$19,880.40

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

224 New Customhouse
Denver 2, Colorado

February 24, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. 2789, American Fiber Company, Gila County, Arizona

Enclosed are four copies of Report of Examination on the above-mentioned docket.

We have had no reply to our letter dated January 18, 1954, and are, therefore, closing the docket as of this date.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

June 19, 1953.

Memorandum

To: DMEA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2789 (Asbestos), American Fiber Company, Gila County, Arizona.

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

The engineer examiner believes exploration is justified on the May and Montezuma No. 3 claims and recommends five open cuts and 350 feet of drifting at an estimated cost of $8,987.50.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

MINING DIVISION
REGION IV

June 5, 1953

Memorandum

Air Mail

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

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

Subject : Report on Docket DMEA-2789, American Fiber Co., May and Montezuma No. 3 asbestos claims, Sierra Ancha District, Gila County, Ariz.

Enclosed are original and 8 copies of a report on the above property by L. A. Stewart of the Bureau of Mines. A. F. Shride of the Geological Survey also examined this property and I understand, agrees with Stewart's report. Whether or not a separate report on geology will be submitted by the Geological Survey, we do not know.

As there seems to be a very good chance of discovering a substantial amount of asbestos fiber by the proposed exploration work, the examiner recommends that the lease be made. I concur with this recommendation.

Brochure will be submitted by the Geological Survey.

Also submitted with this transmittal letter are the following documents relating to this property:

1. Lease and Option Agreement concerning the Montezuma Nos. 1, 2, 3, and 4 claims.

2. Lease and Option Agreement concerning the Rose Nos. 1, 2, 3, 4, 5, 6, the Asbestos Nos. 1, 2, 3, 4, 5, 6, 7, 8, and 9, and the May, King, Queen, Arizona, and Arizona No. 1 claims.

3. Agreement of sale of Interest in Partnership and Consent of Remaining Partners, an agreement concerning the sale of an undivided 1/4 interest in a partnership of A. B. Houser.

CC W. H. King (8)
R. F. Robinson
DMEA-2789
DF
WRStorms:frj

4. Agreement of Sale of Interest in Partnership and Consent of Remaining Partners. An Agreement Concerning the Sale of an undivided 1/4 interest in a partnership by each of two partners to A. B. Houser.

5. Agreement of Sale of Interest in Partnership and Consent of Remaining Partners and agreement concerning the sale of an undivided 3/8 interest in a partnership by A. B. Houser to O. W. Rugg.

The original assignment of interest in leases to the American Fiber Co. is with brochure.

Applicant has sent "Owner's Consent to Lien" forms to California for owners signature and will send them directly to you when signed.

Walter R. Storms
Walter R. Storms

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

June 15, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2789, American Fiber Company, May Mine, Gila County, Arizona. Asbestos.

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

It has been recommended that the loan be approved, and all plans for exploration are contained in the engineering report. Mr. Shride is in agreement with Mr. Stewart's engineering report.

The brochure is enclosed.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (10)

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

June 12, 1953

Memorandum

To: A. H. Koschmann, Denver, Colorado

From: Raymond F. Robinson, Tucson, Arizona

Subject: AMA-2789, American Fiber Company, Hey Mine, Gila County, Arizona (asbestos)

Inclosed please find the original and 8 copies of a memorandum report on the subject docket.

Mr. Shride is in agreement with Mr. Stewart on the merit of the property as well as the manner in which exploration should be conducted.

Due to lack of time he has foregone the usual detailed geologic report.

I concur with his conclusions. The brochure is enclosed.

Raymond F. Robinson

Raymond F. Robinson
Acting District Supervisor
Arizona - New Mexico

Inclosures 9

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

June 12, 1953

Memorandum

To: A. H. Koschmann, Denver, Colorado

From: Andrew F. Shride, Tucson, Arizona

Subject: IMLA-2789, American Fiber Company, May Mine, Gila County, Arizona (asbestos)

The geology discussed by Mr. Stewart in the engineering report and presented on Figure 4 of the report is adequate for purposes of preparing a contract for exploration of the May and Montezuma No. 3 claims. The writer concurs with Mr. Stewart's recommendations.

The limestones which contain the lower two mineralized zones are competent limestones of the type favorable to concentrations of asbestos. The fold, that parallels the discordant portion of the diabase sill as pointed out by Mr. Stewart, and the bedding-plane adjustment associated with the folding of the limestone are geologic structures favorable to an elongate, narrow ore shoot. This ore shoot is likely to parallel the discordant contact between the limestone and the diabase. It is doubtful that asbestos will occur in minable quantities much farther north of the diabase limestone contact than the northernmost part of the present stope (i.e. 50 feet). If the limestones beds are folded to the east of

the Hey mine where the discordant portion of the sill has not been eroded conceals the favorable limestone beds or to the west on the Montezuma No. 3 claim where overburden covers the favorable beds, the known asbestos shoots may have a long dimension of several tons to a few hundred feet. Therefore, exploration by adits can be recommended.

The outcrop proposed for testing by 5 cuts is out of the area where mineralization was probably concentrated due to folding. Nevertheless, sufficient asbestos float occurs along the poorly exposed outcrop to suggest that the 5 test pits are worthwhile.

The upper two asbestos-bearing zones (one zone exists above the uppermost zone noted in the engineering report) are in limestones less favorable to asbestos localization. These zones, which are not expected to be minable except possibly in limited areas, can be adequately tested by drill holes from workings that penetrate the lower two zones.

R F R Brison for

Andrew F. Shride
Geologist

Enclosures 8

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA-2789, American Fiber Company

May and Montezuma No. 3 Asbestos Claims

Sierra Ancha District, Gila County, Arizona

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

June 1953

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By Lincoln A. Stewart[1]

An application was made to the Defense Minerals Exploration Administration by the American Fiber Co. for a $27,469 loan to explore asbestos deposits on the May and Montezuma No. 3 claims. This application, docketed as DMEA-2789, proposed 525 feet of diamond drilling in 15 holes and 900 feet of drifting in 3 separate areas.

The property, held under lease and option to purchase agreement is situated in the Tonto National Forest, 104 road miles north of Globe, Gila County, Ariz.

An investigation was made by the DMEA examining team[2] on April 15 and 16, 1953. The advisability of drilling was questionable and it was thought that 900 feet of drifting was in excess of the footage required to delineate the deposits. After a conference with the examiners, the applicant suggested a modified proposal to consist of a maximum of 5 open cuts and 350 feet of drifting, the work to be on a unit cost basis for a total cost of $8,987.50.

The existing May workings has opened 2 ore zones of a deposit that has been formed adjacent to a crosscutting diabase structure that roughly parallels the mesa front and conceals the ore zones east of the workings. To the west, erosion has cut back into the mesa but the outcrop is covered with debris.

1/ Mining Engineer, Bureau of Mines
2/ Lincoln A. Stewart, Mining Engineer, Bureau of Mines and A. F. Shride, Geologist, U. S. Geological Survey.

A continuation of the same structure along which the May deposit is found, or one similar to it, is present on the side of another hill some 1,500 feet southwest of the May workings. One small prospect pit has exposed the upper part of the same sequence of beds. It is thought that exploration at a slightly lower level will expose the favorable beds which may be ore bearing.

The writer believes that exploration on the May claim has a probability of finding extensions of the deposit which might be several hundred feet long, with a possible width of at least 75 feet. Exploration of the Montezuma No. 3 claim has a possibility of opening a similar deposit. The expectable fiber probably will be semi-harsh, but of sufficient tensile strength to meet strategic specifications.

It is recommended that a loan in the amount of $8,987.50 be granted the American Fiber Co. to explore these 2 claims.

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

Engineering Report

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

JUNE 1953

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

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ILLUSTRATIONS

Figure		Following page
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4	Plan and section of May and Montezuma No. 3 deposits	5

INTRODUCTION

An application was submitted to the Defense Minerals Exploration Administration for a $27,469 exploration loan by the American Fiber Co., a corporation, for its May deposit and Montezuma No. 3 prospect. This application, docketed as DMEA-2789, was received by the Tucson office of the Defense Minerals Exploration Administration on Nov. 25, 1952. The purpose of the proposed exploration was to prospect north and east for extensions of the May deposit; explore an area between two dikes 600 feet northwest of the mine; and explore an area on the Montezuma No. 3 claim about 1,500 feet southwest of the May mine.

The property is 104 road miles from Globe, Gila County, Ariz., in the rugged Sierra Ancha Mountains north of Globe. Because of a severe winter and poor access roads, examination was delayed until April 1953.

The investigation was made by the writer and A. F. Shride, geologist of the Geological Survey on April 15 and 16, 1953. Although prior arrangements had been made to meet A. B. Houser and/or O. W. Rugg at the property, neither was present at the examination. The former is president, the latter secretary-treasurer of the applicant company.

During the investigation it was noted that there was a possibility that the May claim, as located, did not fully cover the proposed exploration area. This possibility, and doubts concerning the

advisability of drilling as part of the exploration, had to await a conference with the applicant. Mr. Rugg came to the Tucson office on May 11, and after a discussion of the questionable points, stated that the company would relocate the May claim and that a revised exploration program would be submitted.

Because of the fact that a deadline for application recommendations recently had been established, of which the applicant was unaware, the writer contacted Mr. Rugg at his office in Casa Grande on May 27. In order to expedite completion of this report, Mr. Rugg verbally made the following modified proposal:

Diamond drilling is to be eliminated;

A maximum of 5 surface cuts at $100 per cut, to test extent of mineralization along the poorly exposed outcrop for about 500 feet west of the May deposit;

A maximum of 350 feet of drifting to explore extensions of the May deposit and to explore a possible ore zone on the Montezuma No. 3 claim, at $24.25 per foot;

The total project cost thus is $8,987.50.

LOCATION AND ACCESSIBILITY

The property of the American Fiber Co. is situated in the Tonto National Forest at an altitude of 5,300 feet. It is about 40 air miles north of Globe, but 104 miles by road. The claims are reached by a 21-mile dirt road that branches south off the Globe-Young- Holbrook gravelled road at Bottle Springs, which is 13 miles northeast of Young, or 83 miles from Globe (figure 1).

The 24 claims are aligned to cover limestone outcrops around the hills, and according to the claim map furnished with the application, the property is in secs. 10, 11, 14, 15. 21, and 22, T. 7 N., R. 15 E.

The road from Bottle Springs to the mine is impassable for weeks at a time during periods of heavy snow and mud.

OWNERSHIP AND EXTENT

The property of the American Fiber Co. consists of 24 unpatented mining claims, which are held subject to the terms of 2 lease-and-option-to-purchase agreements that were assigned to the corporation by A. B. Houser, O. W. Rugg, and Robert Leturno. The 2 agreements are each for a 20-year period, the first, covering 20 claims, is dated January 9, 1950, the second concerning 4 claims is dated July 7, 1950.

The claims are recorded at the Gila County Courthouse at Globe, Ariz., at the following Book and Page numbers:

Claim Name	Record of Mines Book	Page
Rose No. 1	43	380
Rose No. 2	43	381
Rose No. 3	43	382
Rose No. 4	43	383
Rose No. 5	43	575
Rose No. 6	43	576
Asbestos No. 1	27	446
Asbestos No. 2	27	447
Asbestos No. 3	27	448
Asbestos No. 4	29	149
Asbestos No. 5	29	150
Asbestos No. 6	29	151
Asbestos No. 7	29	152
Asbestos No. 8	29	153
Asbestos No. 9	40	42

Claim Name	Record of Mines Book	Page
May	27	241
(relocated)	49	491
Queen	27	441
King	27	440
Arizona	33	423
Arizona No. 1	35	160
and also		
Montezuma No. 1	49	167
Montezuma No. 2	49	168
Montezuma No. 3	49	168
Montezuma No. 4	49	176

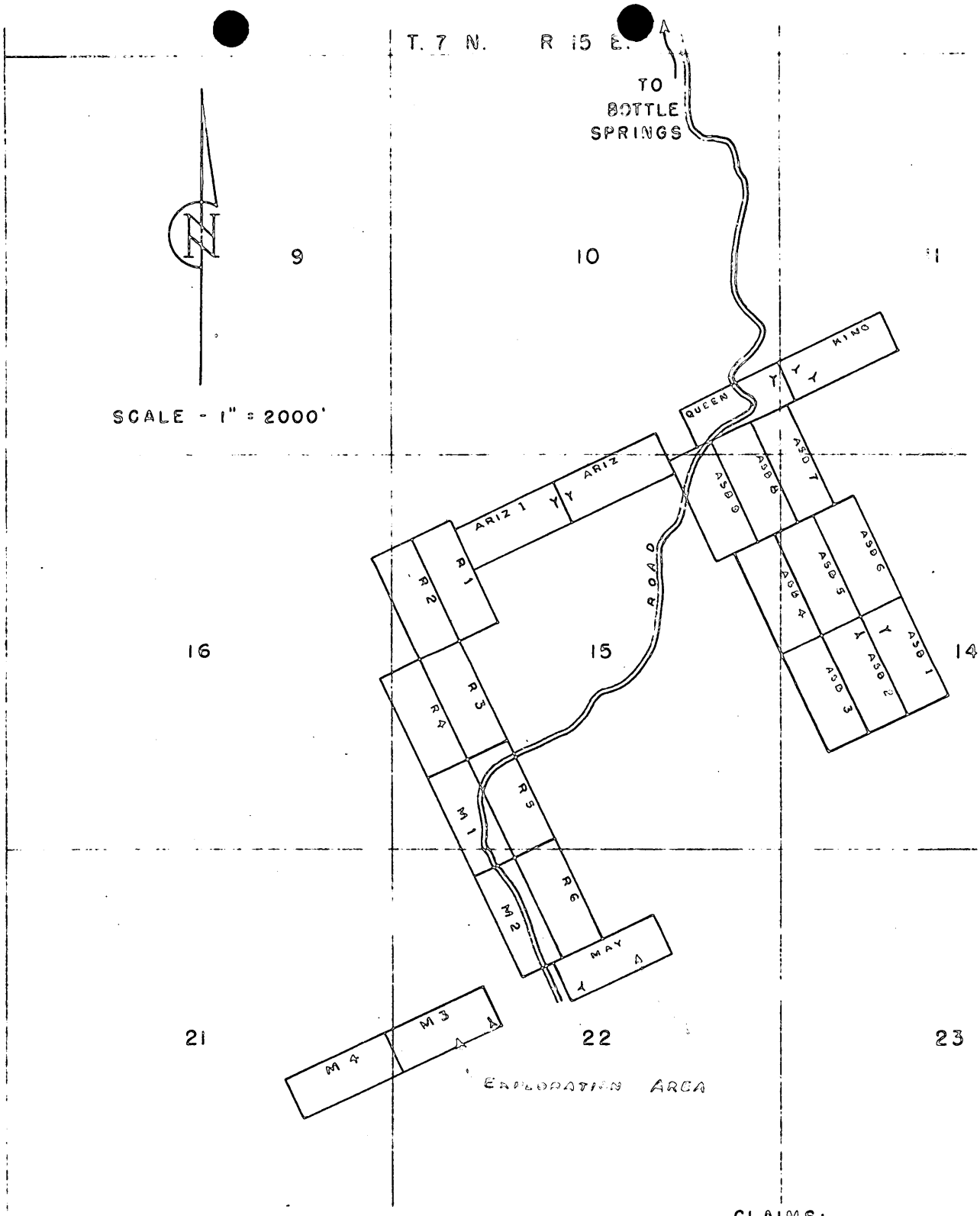
It will be noted above that the May claim recently was relocated so that its alignment conforms to the side of the Mesa and now adequately covers the proposed exploration area.

For general arrangement of the 24 claims, see figure 2.

HISTORY AND PRODUCTION

The nucleus of this group of claims was first located in 1915 by Earl Pierce and H. P. Whitman. At various times other claims were added. Approximately 3 tons of No. 1 and 7 tons of No. 2 crude fiber were produced prior to 1921. In 1928, the Emsco (E. M. Smith) Asbestos Co. of Los Angeles, purchased the property and constructed a fiber-cleaning mill. The amount of production is not known. Operations ceased during the depression and the property reverted to Pierce who worked the property in a desultory fashion during the following years. The claims are locally known as the Rock House group.

The present owners became interested in the property in 1950. A small fiberization plant was erected near Young, Ariz. and about 30 tons of fiber was produced during the year. The May deposit was opened in June 1952 and produced about 100 tons of mill rock, 73



CLAIMS:

ARIZ - ARIZONA
ASB - ASBESTOS
M - MONTEZUMA
R - ROSE

COPIED FROM DOCKET MAP

DMEA 2789

FIGURE 2. - CLAIM MAP - AMERICAN FIBER CORP.
GILA COUNTY, ARIZONA

tons of which was trucked 16 miles to the mill of the American Asbestos Cement Corp. This ore produced 13 tons of fiberized asbestos and about 6 tons of crudes; the latter was sold to the Government warehouse at Globe in October 1952.

In 1951, the corporation constructed a mill building and recently completed installation of machinery. They are currently testing the mill, using the 25 tons of ore that was stockpiled on the mine dump.

DESCRIPTION OF THE DEPOSITS

May Deposit

The mineralized units in the exploration area are massive limestone beds about 35 to 46 feet below the bottom of the Algal member of the Mescal formation and approximately 16 to 27 feet above a concordant diabase sill. Parallel to and just within the side line of the May claim, this underlying sill cuts up across the limestone bedding along the south end of the mesa (figure 3). The mine is located at a point where erosion exposed the mineralized beds.

Three asbestos zones are present, the upper of which shows only an inch of total fiber and has not been mined. The middle and lower zones are respectively at 5 and 8 feet below the upper zone. The mine workings carry the middle vein at the top of the stope (figure 4). The total fiber of the two latter zones varies from $1\frac{1}{2}$ to 3 or more inches, and averages about 2 inches for each zone.

The fiber is semi-harsh but has good tensile strength. Under present specifications, most of the longer grades will be accepted for strategic uses.

To the west of the mine, the outcrop swings northwestward, away from the cover of the discordant diabase. The exposures in this area are not good. A few cuts along this face would determine the extent of mineralization on this side.

Eastward from the mine, the nearly vertical diabase discordancy conceals any extension of the ore zone. Exploration drifts in this area would determine possible extension of the deposit.

Montezuma No. 3 Claim

This prospect lies about 1,400 feet southwest of the May workings on a contact between limestone and diabase that is similar to the May occurrence. The attitude and strike of the diabase "roll" suggests that it is a continuation of the same structure, but overburden is so heavy that this cannot be proved. A 20-foot open cut has exposed a mineralized zone in the floor that contains discontinuous fiber veins that show a maximum of 2 inches of weathered fiber.

Comparison of the strategraphic sequence of limestone bedding exposed in this cut with the sequence at the May suggests that the asbestos vein exposed in the cut is the upper vein of the May deposit. An exploration pit would quickly determine if the 2 lower ore zones are present.

PROPOSED EXPLORATION AND COSTS

The original proposal, for a total cost of $27,469, included 900 feet of drifting and crosscutting, and 525 feet of diamond drilling in 15 holes. This proposal has been copied in the appendix of this report as a matter of record and to document the justification of estimated cost of drifting. After the investigation, the examiners were of the opinion that diamond drilling of closely-spaced, short holes was inadvisable for exploration of a deposit that appeared to be centralized near the face of the mesa. It also was thought that 900 feet of drifting was in excess of the footage required to delineate a deposit that probably was of limited width.

After a consultation with the examiners, the applicant suggested a modified proposal as follows:

1. A maximum of 5 open cuts to test the extent of mineralization along the poorly exposed 500-foot outcrop west of theMay workings, these cuts to be on a unit cost basis of $100 each.

2. A total of 350 feet of drifting to explore for extensions of the May deposit and to explore a possible ore zone on the Montezuma No. 3 claim. The drifting was to be on a unit basis of $24.25 per foot.

Total estimated project cost	5 x $100	$500.00
	350 x $24.25	$8,487.50
		$8,987.50

DISCUSSION OF EXPLORATION PROPOSAL

May Area

The May workings have opened the 2 lower ore zones of the deposit for a length 140 feet and a maximum depth of 50 feet. This deposit has been formed adjacent to a northeastward-trending crosscutting diabase structure that roughly parallels the mesa front. From the mine eastward, the diabase cuts up across the favorable beds, thus the veins do not outcrop at the surface.

Like most deposits of the district that are adjacent to this type of diabase structure, the best mineralization is localized for a few tens of feet from the contact, with the degree of mineralization decreasing away from the contact. The stope of the May workings has not been carried far enough into the hill to determine the commercial width of the ore body.

Near the contact, the ore beds dip northeastward (into the mesa) at 15°, flattening to 2° to 3° at 40 feet from the contact.

Erosion has cut back into the mesa west of the mine, but the outcrop is covered with debris. A few cuts spaced at approximately 75 to 100 feet for about 500 feet are justified to expose the favorable beds and thus determine whether exploration drifting should be attempted in this area.

East of the mine, exploration by drifting into the hill at some predetermined location, say 200 feet from the mine workings, is logical. There may be 10 to 20 feet of diabase to penetrate

before reaching the limestone contact. By projection from the May workings, the level of the ore zone can be roughly established, and by starting the adit a few feet lower, it may be possible to carry a tramming grade into the deposit. Assuming that ore is present, the first adit can determine the depth of commercial mineralization. Possibly 100 to 125 feet will be necessary. If this exploration gives favorable results, a second adit 200 to 300 feet further eastward can test possible continuation of the deposit along the axis of mineralization.

Montezume No. 3 Claim

A 20-foot cut near the east end line of the claim has exposed a vertical limestone-diabase contact similar to that at the May deposit. It is thought that the vein exposed in the floor of the cut corresponds to the upper of the 3 veins present at the May deposit where the lower zones contain the better mineralization. An adit driven at a level to expose the lower zones is a feasible exploration.

As geologic conditions appear to be the same for about 1,000 feet westward, an exploration drift located approximately 300 to 600 feet west of the east end line would test the central area of possible lateral extent.

About 300 to 400 feet east of the west end line of the claim, the diabase rises and cuts out the favorable beds.

CONCLUSIONS

May Area

The little work that has been done at the May mine indicates that an ore deposit is present, adjacent to a discordant diabase sill that cuts off the favorable limestone beds within the face of the mesa. Erosion has removed all but a "shell" of this discordancy to the east of the workings. There is a probability that the deposit will continue eastward on the north side of the diabase "roll" for several hundred feet or until the geologic structure changes.

The deposit opened by the existing workings contains from 1 to 3 inches of total fiber in each of the 2 veins, throughout most of the stoped width of up to 50 feet from the contact. It is possible that the ore zones will be of commercial thickness for an additional 25 to 50 feet of width.

Northwestward from the mine workings a few shallow surface cuts can expose the favorable beds and indicate whether further exploration is justified on this side.

Although the fiber of this deposit is semi-harsh, it has good tensile strength, and the longer grades would be acceptable for strategic uses.

Exploration by drifting to determine lateral extensions of the deposit is justified.

Montezuma No. 3 Area

It is thought there is a possibility that a deposit similar to the May occurrence exists here. Only 1 ore zone has been exposed but the 2 lower veins may be present. Exploration by drifting is likewise justified here.

The manager of the company, Robert Leturno, has had several years experience in asbestos mining. He is thought capable of directing the work of this moderate proposal.

It will be noted on figure 3 that the axis of the discordant diabase is close to and parallels the south side line of both the May and Montezuma No. 3 claims. If an ore body is found, it will be adjacent to and north of the diabase "roll". It may extend for several hundred feet laterally on each claim, but the probable width will be on the order of 100 feet. Thus each claim is of sufficient size to encompass the possible deposit.

RECOMMENDATIONS

Thewriter is of the opinion that exploration is justified on the May and Montezume No. 3 claims for the following reasons:

1. There is a probability that the May deposit will extend for a considerable distance eastward, and open cuts on the westward continuation of the favorable beds will determine the extent of mineralization in that direction;

2. There is a possibility that a deposit similar to the May occurrence can be found on the Montezuma No. 3 claim;

3. The fiber to be found in either of these areas probably will be semi-harsh, but of quality that will be acceptable for strategic uses.

Therefore it is recommended that the Defense Minerals Exploration Administration grant an exploratory loan to the American Fiber Co. in the amount of $8,987.50.

It is suggested that the contract specify:

A maximum of 5 open cuts, at a unit cost of $100 each, be excavated on the westward extension of the May outcrop at a spacing of 75 to 100 feet;

Total maximum footage of drifting, 350 feet at a unit cost of $24.25;

The location and ultimate length of the first exploratory drift on the May and on the Montezuma No. 3 claims be determined by the examiners. The location of any additional drifting be determined by the findings as work progresses.

Allow 30 days to start work and 10 months to complete the project.

APPENDIX

DMEA-2789, AMERICAN FIBER COMPANY
MAY AND MONTEZUMA NO. 3 ASBESTOS CLAIMS
SIERRA ANCHA DISTRICT, GILA COUNTY, ARIZONA

ORIGINAL APPLICATION

June 1953

American Fiber Company
% Bryant & Carnell
112 N. Broad St.
Globe, Arizona

September 22, 1952

Mr. W. H. King
Executive Officer, DMEA
U. S. Bureau of Mines
New Customhouse Bldg.
Denver 2, Colorado

Dear Mr. King:

Find enclosed an application for a Defense Minerals Exploration Administration loan.

The company is prepared to contract the proposed work on a unit basis. We bid $24.25 per foot on the 900 feet of drifting and crosscutting ($21,825.00), and $10.75 per foot for the diamond drilling ($5,643.75 for 525 feet), or a total for the project of $27,468.75. Time to complete the project, 18 months.

Cost for the project, if approved, will be as follows;

American Fiber Company (10%)	$2,746.88
Defense Minerals Exploration (90%)	24,721.87
Total	$27,468.75

Yours truly,

/s/ O. W. Rugg

O. W. Rugg
American Fiber Company

C O P Y

COST ESTIMATE OF PROPOSED DEVELOPMEN WORK

DRIFTING

Basis:

5' x 6' Drift.
3.5 Feet advance per round.
25 Work days per month.

Labor
1 Miner, 3 muckers. Miner and Mucker to drill and blast on one shift, 2 muckers to clean out drift, lay pipe and track on second shift.

All machinery and equipment to be furnished by American Fiber Company. Defense Minerals Administration is not to purchase any machinery or equipment. Salvagable supplies will consist of mine track, and one and two inch pipe, which will remain as the property of the American Fiber Company.

In this estimate 40% of the list price is charged to the project for these salvagable supplies.

Rentalof Equipment from American Fiber Company:

Item	Present Value
105 cuft. IR compressor	$3,800.00
J-50 Jackhammer	365.00
IR Jackleg	200.00
IR Line Oiler	20.00
Water Trailer with 500 gal. tank	350.00
Mine car	150.00
3/4 inch Air Hose	30.00
1/2 inch water hose	20.00
Water Gooseneck	8.00
Total	$4,943.00

Rental Basis per Month:

$$\frac{\$4,943.00}{60 \text{ Months}} = \$82.38$$

Rental Basis per Foot:

3.5 Feet per day x 25 days = 87.5 Feet per Month.

$$\frac{\$82.38}{87.5} = \underline{\$0.94 \text{ per foot}}.$$

Labor:

1 Miner at $12.75 per shift	$12.75
3 Muckers at $11.75 per shift	35.25
Total	$48.00

(Includes insurance, overtime, and payroll taxes)
On advance of 3.5 feet per day.

$$\frac{\$48.00}{3.5} = \underline{\$13.71 \text{ per foot}}$$

Supplies:

	Per foot.
Rails, ties, spikes, fishplates, and bolts	$1.55
2 Inch Air Line, including valves and fittings	0.60
1 Inch water Line, including valves and fittings	0.35
Total	$2.50

Defense Minerals Administration to pay 40% of this price.

$2.50 x 40% = $\underline{\$1.00 \text{ per foot}}$

4 Timken detachable bits per round at $0.56 each. This also includes sharpening of dull bits.

$$\frac{\$0.56 \times 4}{3.5} = \underline{\$0.64 \text{ per foot.}}$$

Steel breakage, 1 five foot piece per two rounds at $8.00 each.

$$\frac{\$8.00}{7.0} = \underline{\$1.14 \text{ per foot}}.$$

Blasting - 12 holes per round.

Powder 28 pounds at $0.21 per pound	$5.88
Caps - 12 at $0.02 each	0.24
Fuse - 96 feet at $0.012/ft.	1.15
Total	$7.27

$$\frac{\$7.27}{3.5} = \underline{\$2.08 \text{ per foot}}.$$

Gasoline and Oil for Compressor.
12 gallons at $0.305/gal., plus 1 qt. oil at $0.30 = $3.96
Includes running compressor for blowing smoke from heading.

$$\frac{\$3.96}{3.5} = \underline{\$1.14 \text{ per foot.}}$$

Water for drilling and wetting down muckpile. Calculated on using a truck one day per month to haul approximately 4,000 gallons of water. Truck hire at $35.00 per day, including driver.

$$\frac{\$35.00}{87.5} = \underline{\$0.40 \text{ per foot}}.$$

Machine oil for drilling at $0.35 per quart.

$$\frac{\$0.35}{3.5} = \underline{\$0.10 \text{ per foot}}$$

Picks, shovels, flatsheet, wrenches, jimcrow, bars, moils, carbide, loading sticks, and other small tools needed for the job.

$0.35 per foot.

Normal repairs on machinery including breakage. This item has not been considered in the above costs.

$0.50 per foot

SUMMARY OF DIRECT COSTS, DRIFTING

		Per Foot.
Rental of equipment		$0.94
Labor		13.71
Supplies		7.35
	Total	$22.00

Engineering and Supervision:

Estimated at $300.00 per month for part time engineer, and part time supervisor.

$$\frac{\$300.00}{87.5} = \underline{\$3.42 \text{ per foot}}$$

TOTAL COST PER FOOT OF DRIFT

Direct Costs	$22.00
Indirect Costs	3.42
	$25.42

DIAMOND DRILLING

Basis:

Rate of drilling 20 feet per day.

25 Working days per month

Number of holes 15, averaging 35 feet deep.

Drilling to be contracted at the following approximate prices;
Per foot hole $7.35, using "M" series core barrel, with an AX bit.
Per Foot reaming $4.00
Cementing at $10.00 per hour, project to furnish materials for cementing.
Contractor to furnish all drill equipment, and personnel for operation of same.

The project is to clear and level the drill sites, furnish truck to move the rig from hole to hole, and supply water necessary for drilling.

Estimated Direct Costs for Diamond Drilling:

$$\frac{525}{20 \text{ ft/day}} = 26.25 \text{ days.}$$

$$\frac{26.25 \text{ days}}{25 \text{ days / month}} = \underline{1.05 \text{ months Minimum.}}$$

MAXIMUM TIME SIX (6) WEEKS

Rental, truck to haul water, and to move rig. 27 Days at $35.00 per day . . . . . (including gasoline, oil, and driver)	$945.00
Rental, two water tanks, one for standby, and one for truck at $30.00 per month each, six weeks	90.00
Labor, clearing sites for drill (estimated)	300.00
Total	$1,335.00

Three ore horizons are to be cored. Due to the shallow depth of the holes it is not advisable to use a plugged bit during the drilling.

Estimate:

15% of the footage drilled will be reamed.
5 hours cementing time.

15 - 35 Foot holes at $7.35 per foot	$3,858.75
525 x 15% reaming = 79 feet at $4.00 perfoot . . .	316.00
5 Hours cementing	50.00
Total to Contractor	$4,224.75

SUMMARY OF DIRECT COSTS, DRILLING

	Total	Per Foot
Labor, and rentals	$1,335.00	$2.54
Drill Contractor	4,224.75	8.05
Total	$5,559.75	$10.59

Engineering and Supervision:

Estimated at $225.00 for engineering services during the drilling.

TOTAL COST PER FOOT OF DRILLING

Direct Costs	$10.59	$5,559.75
Indirect Costs	0.43	225.00
	$11.02	$5,784.75

-o- -o- -o- -o- -o-

PROPOSED DEVELOPMENT WORK

I. MAY MINE	COST
12 Diamond Drill holes, averaging 35 feet	
12 x 35 x $11.02	$4,628.40
2 - 200 Foot Drifts, exact locations to be determined after diamond drilling completed	
2 x 200 x $25.42	10,168.00
1 - 200 foot crosscut to join drifts for ventilation, and to facilitate mining.	
200 x $25.42	5,084.00
Total for May Mine	$19,880.40

II. AREA BETWEEN TWO DIKES

	COST
3 Diamond Drill holes, averaging 35 feet	
3 x 35 x $11.02	$1,157.10
1 - 100 foot Drift, exact location to be determined after diamond drilling completed	
100 x $25.42	2,542.00
Total for Dikes	$3,699.10

III. MONTEZUMA NO. 3 CLAIM

	COST
100 Foot Drift along vein. Starting point from face of open cut on map.	
100 x $25.42	$2,542.00
2 - 50 Foot crosscuts from face of drift, along vein. One to southwest, other to northeast.	
2 x 50 x $25.42	2,542.00
Total for Montezuma Claim .	$5,084.00

SUMMARY OF DEVELOPMENT WORK

		COST
I.	May Mine	$19,880.40
II.	Area Between Two Dikes	3,699.10
III.	Montezuma No. 3 Claim	5,084.00
	Total Development Work . . .	$28,663.50

900 Feet Drifting at $25.42 per foot	$22,878.00
525 Feet Drilling at $11.02 per foot	5,785.50
Total	$28,663.50

-o- -o- -o- -o-

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

224 New Customhouse
Denver 2, Colorado

January 18, 1954

Mr. O. W. Rugg
American Fiber Corp.
138 W. Oak St.
Globe, Arizona

Re: Docket No. DMEA 2789

Dear Sir:

This will acknowledge receipt of your letter dated January 5, 1954.

The pending application was made by the American Fiber Company. We could not process this application and contract with the American Fiber Corporation.

We do not understand the ownership situation as pointed out in our letter of November 10, 1953, and can not say in advance that the course suggested in your letter of January 5 would solve the difficulty.

If we receive no answer to this letter before February 18, 1954, we will presume that you are no longer interested in this exploration project, and will close the docket.

Very truly yours,

W H King

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

HMC:es

cc: Docket
American Fiber Co.
c/o Bryant & Cornell
112 N. Broad St., Globe, Ariz.
Mittendorf
Storms
Koschmann (2)
Connors
Chron.

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

American Fiber Company
c/o Bryant & Carnell
112 North Broad Street
Globe, Arizona

Re: Docket No. DMEA-2789

Gentlemen:

We have received no reply to our letter dated November 10, 1953 in which we requested that you clear the discrepancies in the ownership of your lease on the May and Montezuma No. 3 claims.

If we receive no answer to this letter before January 10, 1954, we will presume that you are no longer interested in this exploration project and will close the docket.

Very truly yours,

W H King

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

HMC:cwm

cc: Docket
Administrator, DMEA
WRStorms
AHKoschmann (2)
Chron.
HMConnors

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

224 New Customhouse
Denver 2, Colorado

May 19, 1953.

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-2789 (Asbestos), American Fiber Co.'s May Asbestos Mine, Gila County, Arizona.

Enclosed for your information are two copies of a memorandum dated May 11, 1953 from a Bureau of Mines engineer regarding Docket No. DMEA-2789.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1953

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

224 New Customhouse
Denver 2, Colorado

May 19, 1953.

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

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W. H. King
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 20 1953

C
O
P
Y

Tucson, Arizona

May 11, 1953.

Memorandum

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

From: Lincoln A. Stewart, Mining Engineer, Tucson, Arizona.

Subject: American Fiber Co., DMEA-2789 (Asbestos), Gila County, Arizona.

Mr. O. W. Rugg, Sec.-Treas. of above company, called at this office this morning. Shride and I explained to him that it would be advisable to check the location of the May and Montezuma claims on which exploration had been requested. The location monument of the May claim indicates that it was originally laid out north and south, thus the interesting part of the claim is off their property. There may also be a conflict with another owner's claim lying between the May and Montezuma.

The apparent trend of the May ore body suggests that an improvement could be made in the method of exploration. We discussed this with Rugg. He will check the location of the Montezuma claim, if necessary will square it up with the strike of the diabase "roll", and relocate the May claim to cover the area desired.

He will see to this as soon as possible and probably offer a revised program that will be more acceptable for exploration.

/s/ Lincoln A. Stewart

C
O
P
Y

Tucson, Arizona

May 11, 1953.

Memorandum

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

From: Lincoln A. Stewart, Mining Engineer, Tucson, Arizona.

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/s/ Lincoln A. Stewart

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

224 New Customhouse
Denver 2, Colorado

April 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 30 1953

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2789, American Fiber Company, May Mine, Gila County, Arizona (Asbestos)

Enclosed for your information are two copies of a letter dated April 20, 1953, from the Chief of the Mining Methods Branch, which will explain the delay in making a field examination on the property of the American Fiber Company.

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 27, 1953

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Defense Minerals Administration
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W. H. King

W. H. King

Enclosures

COPY

MINING DIVISION
REGION IV

April 20, 1953

Mr. O. W. Rugg,
P. O. Box 1146
Casa Grande, Ariz.

Re: American Fiber Co.
DMEA-2789

My dear Mr. Rugg:

According to the schedule set on the phone call from you, Shride and I examined your property on April 15 and 16. Mr. Houser, who was to be there, failed to arrive. Mr. Leturno was of great help.

We found what appears to be the original location monument of the May claim containing papers dated in 1915. This notice claims 1,500 feet in a northerly direction, whereas the claim map submitted with the application shows the May claim lying in an easterly direction. Measurements from the location monument indicate that part of the May mine and much of the proposed exploration would not be on your property. A further complication is the possibility that there could be an overlap of some of Fritz's claims.

Before we can process the application we need to know the exact status of ownership. Shride and I would like to discuss this phase with you and/or Mr. Houser. You may wish to modify the original exploration proposal in light of these circumstances. Unfortunately Shride will be tied down by other commitments until about May 1. Can we arrange a meeting early in May to discuss your exploration program? If Shride is available before that date I will let you know so we can expedite your application at the earliest possible date.

Sincerely yours,

Lincoln A. Stewart, Mining Engineer
for Walter R. Storms, Chief
Mining Methods Branch
Mining Division, Region IV

cc W.H. King
DMEA-2789
DF

LAStewart:frj

COPY

MINING DIVISION
REGION IV

April 20, 1953

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P. O. Box 1146
Casa Grande, Ariz.

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DMEA-2789

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Sincerely yours,

Lincoln A. Stewart, Mining Engineer
for Walter R. Storms, Chief
Mining Methods Branch
Mining Division, Region IV

cc W.H. King
DMEA-2789
DF

LAStewart:frj

American Fiber Company
% Bryant & Carnell
112 N. Broad St.
Globe, Arizona

September 22, 1952

Dmea - 2789

Mr. W. H. King
Executive Officer, DMEA
U. S. Bureau of Mines
New Customhouse Bldg.
Denver 2, Colorado

Dear Mr. King;

Find enclosed an application for a Defense Minerals Exploration Administration loan.

The Company is prepared to contract the proposed work on a unit basis. We bid $24.25 per foot on the 900 feet of drifting and crosscutting ($21,825.00), and $10.75 per foot for the diamond drilling ($5,643.75 for 525 feet), or a total for the project of $27,468.75. Time to complete the project, 18 months.

Cost for the project, if approved, will be as follows;

American Fiber Company (10%)	$ 2,746.88
Defense Minerals Exploration (90%)	24,721.87
Total	$27,468.75

Yours truly,

O. W. Rugg

O. W. Rugg
American Fiber Company

AFC-1

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DMA 2

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. Dmea-2789
Metal or Mineral
Date Received 11-24-52
Estimated Cost
Participation (Government %)

Defense Minerals Administration
NOV 24 1952

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: American Fiber Company
% Bryant & Carnell
112 N. Broad St.
Globe, Arizona

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. A Arizona Corporation.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract May and Montezuma No. 3 are the claims upon which the development is planned. They are located in Sections 21 and 22, Township 7 N., Range 15 E.

(*b*) State any mine name by which the property is known. Pierce Rockhouse Claims, May Mine.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Purchase under contract.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

AFC-2

5. *The exploration project.*—(*a*) [redacted]e the mineral or minerals for which you wi[redacted] explore Chrysotile asbestos.

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections i[redacted]d) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 18 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes.

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Sept 22, 1952

American Liber Co.
(Applicant)

By Alex Ruzzy

Sec

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

1 (c)

A.R. Houser, President
Box 685
Eloy, Arizona

O. W. Rugg, Sec., Tres.
% Arizona Flour Mills
Casa Grande, Arizona

Robert Leturno, Mgr.
Box 62
Young, Arizona

3 (d)
Attatched.

3 (f)
See report.

4 (a to e)
See report.

5 (b)
See report.

5 (d)
Robert Leturno, the manager, has had approximately 5 years experience in mining asbestos in this area. He has contracted, leased, and mined in some of the larger properties in this district. It will be necessary to secure the services of an engineer on a part time basis.

6 (a to h)
See report.

7 (b)
The Corporation will contract the work outlined in the report, on a per foot basis. Defense Minerals Exploration Administration will pay 90% of the unit price.

Box 54
Young, Arizona
Sept. 15, 1952

Mr. A. B. Houser
American Fiber Company
Box 685
Eloy, Arizona

Dear Mr. Houser;

Enclosed is a cost estimate outlining a proposed development program for the May Mine, and two prospects in the vicinity of the May Mine.

The total cost for the project is estimated to be $28,663.50. This cost is for 900 feet of drifting and crosscutting, and 525 feet of diamond drilling. Time estimated to complete the project is 18 months.

Respectfully submitted,

L. J. Brewer

L. J. Brewer

AFC-4

A DEVELOPMENT PROGRAM FOR THE MAY MINE AND MONTEZUMA No. 3 CLAIM
Rockhouse Claims, Fluorine Mining District
Gila County, Arizona

Location:

The claims are approximately 104 miles from Globe, Arizona. The property is reached by traveling the Young-Holdbrook road some 83 miles from Globe to Bottle Springs, and turning south at Bottle Springs on a secondary road another 21 miles.

Globe is the mining center for this area. Several local firms stock mining supplies. A branch line of the Southern Pacific Railroad runs through the town. Sufficient mining labor may be secured in Globe or Miami.

History and Production:

This ground was first located for asbestos by Messrs. E. V. Pierce and H. P. Wightman in 1915. Approximately seven tons of Crude No. 2 and three tons of Crude No. 1 were shipped prior to 1921.

Early in 1928, the Emsco (E. M. Smith) Asbestos Company, purchased the property. The King and Queen mines were operated and a mill was installed. Operations ceased during the depression and the property reverted to Mr. Pierce. The rate of production is not known.

Mr. Houser became interested in the property in 1950. A small fiberizing mill was erected near Young, and some 30 tons of fiber was produced during the year.

In June, 1952 the May Mine was opened. In June and July 93.5 tons of ore was mined, from an area of 1,600 square feet in the plane of the upper and lower vein. This gives a production of one ton of mill feed for slightly over 17 square feet in the plane of the veins. The fiber content per ton of ore milled averaged 24.89% on 73.5 tons treated. The following data is compiled from mill runs:

		CRUDES TONS				TONS	
Date	Tons Ore	#1	#2	#3	Mine Run	Fiberized	5 Sand
6/12	11.5				0.60	2.75	4.00
6/18	6.0				0.20	1.10	2.50
6/26	10.5				0.55	2.15	3.95
6/30	7.0	0.05	0.25	0.05		1.00	2.90
7/12	5.5	0.05	0.35	0.15		1.05	3.25
7/18	7.5	0.25	0.40	0.20		1.20	2.85
7/24	7.5	0.20	0.40	0.20		1.10	3.10
7/28	8.5	0.15	0.40	0.20		1.40	4.40
7/31	9.5	0.10	0.30	0.20		1.25	4.65
Total	73.5	0.80	2.10	1.00	1.35	12.95	31.60
	20.0	On Dump to be milled.					
	93.5						

AFC-5

Mine Run is a mixture of Nos. 1, 2, and 3 Crudes. The fiberized asbestos was in the higher No. 4 bracket and 9.00 tons was sold at $200.00 per ton. No. 5 Sand contains 5, 6, and 7 grades of fiber and is sold for $25.00 per ton.
No price can be placed on the crudes as none have been sold as of this date. However, samples have been submitted and accepted for the Government stock pile. (See attached photostats).

Claims:

There are 24 claims in the group. None are patented. This group of claims are located in Sections 10,11,14,15,16,21, and 22, Township 7 North, Range 15 East. (See claim map).

The claims are recorded in the office of the County Recorder of Gila County, Globe, Arizona, in Books of Mines, in the Booksand at the Pages as follows:

Name	Book	Page
Rose No. 1	43	380
Rose No. 2	43	381
Rose No. 3	43	382
Rose No. 4	43	383
Rose No. 5	43	575
Rose No. 6	43	576
Asbestos No. 1	27	446
Asbestos No. 2	27	447
Asbestos No. 3	27	448
Asbestos No. 4	29	149
Asbestos No. 5	29	150
Asbestos No. 6	29	151
Asbestos No. 7	29	152
Asbestos No. 8	29	153
Asbestos No. 9	40	42
May	27	241
King	27	440
Queen	27	441
Arizona	33	423
Arizona No. 1	35	160
Montezuma No. 1	49	167
Montezuma No. 2	49	168
Montezuma No. 3	49	168
Montezuma No. 4	49	176

Ore Reserves:

Blocked ore is nonexistant except in pillars. Due to a modified longwall method of mining with close back-filling, development work is not carried ahead of extraction in any of the mines in this district. Consequently, only one face on the ore is exposed at any time. It is estimated that there are 200 tons of possible ore in the May Mine.

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service
Washington 25, D. C.

August 22, 1952

AIR MAIL

In reply refer to: EPO

American Asbestos Cement Corp.
115 West Oak Street
Globe, Arizona

Gentlemen:

Reference is made to your letters both dated July 25, and your wire of August 18, 1952. Reference is also made to our telegram dated August 21, 1952 which reads as follows:

> "Reurwire August 18 four samples crudes namely 1HM, H1C and H2C and 2HM meet minimum requirements of Stockpile Specifications. Letter of instruction follows."

The samples as furnished by you represent material meeting the requirements of National Stockpile Specification P-3, dated June 29, 1950 to the following classifications:

No. 1HM equal to No. 1 Crude Grade
No. 2HM equal to No. 2 Crude Grade
No. H1-C equal to No. 1 Crude Grade
No. H2-C equal to No. 2 Crude Grade

Please note that sample No. 2HM contained an excessive amount of stone, which if also contained in a lot, would be subject to penalty to the extent in excess of the stipulation in the specification.

It is requested that you inform this office of the quantity of each lot equal to the sample as herein identified, that is or will be available for delivery under the terms and conditions of Contract GS-00S-26103(SCM) which remains for completion.

Yours very truly,

Raymond Ebeling

H. C. Maull, Jr.
Director, Purchase Division

RESTRICTED

"This material contains information affecting the national defense of the United States within the meaning of the Espionage Laws, Title 18 U.S.C., Sections 793 and 794. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law."

AFC-T

RAYBESTOS-MANHATTAN, INC.

ASBESTOS TEXTILE DIVISION

Manheim, Pennsylvania

August 22, 1952

American Asbestos Cement Corp.
Globe, Arizona

Attention: Mr. George Kohl

Dear George:

Your telegram of August 18th has been answered per copy enclosed. The delay is due to my absance.

The official answer to your inquiries will be made by Capt. Maull. But lots numbered 1-HM, 2-HM, H1-C and H2-C are, in my opinion, suitable for stockpiling. The tonnage available, if offered on your contract with the government, will be sampled in the usual way and submitted to three users for approval, as required under Section 6 of National Stockpile Specification P-3. A copy of the latest issue is enclosed.

It is my opinion that an export certificate would be issued by the Office of International Trade on the other lots submitted for inspection.

Yours very truly,

Jesse M. Weaver

Jesse M. Weaver

jds

cc: Capt. H. C. Maull, Jr.

encl.

ALL PRICES ARE SUBJECT TO CHANGE IN RESPECT OF DUTIES, EXCISE TAXES OR OTHER CHARGES, HEREAFTER IMPOSED BY ANY FEDERAL, STATE, OR MUNICIPAL AUTHORITY, OR BECAUSE OF INCREASES IN COST OF MANUFACTURE, PROCESSING, OR SALES, RESULTING FROM OPERATIONS OF ANY FEDERAL, STATE, OR MUNICIPAL LAW, OR REGULATORY MEASURE HEREAFTER ADOPTED.

AFC-8

Geology:

The Rockhouse group of claims lies east of the divide between Cherry Creek and Canyon Creek. The immediate area is over 5,000 feet in elevation, and has not been deeply eroded. Only the upper horizons of the Mescal limestone, and a small segement of the underlying diabase sill are exposed.

Both the May Mine and Montezuma No. 3 claim are along the contact of a diabase roll that cuts the limestone bedding. The limestone members are below the base of the Algal member of the Mescal limestone. The contact of the limestone-diabase dips from 75° to 90° south.

This structure is believed to be one of the most favorable for ore depositinn in the northern Sierra Ancha district.

I. May Mine:

Three ore horizons are found at the May Mine. The first is some 12 feet above the underlying diabase sill, and so far has contained the highest percentage of fiber. The middle vein is 18 inches to 3 feet above the lower vein. This middle vein tends to be much more irregular than the lower. Pinches and swells are numerous, with ore pockets formed on the swells. The upper vein is some 5 feet above the middle vein, and has not been mined.

The fiber in the proximity of the roll is harsh, and tends to break in small splinters. Consequently, mill recovery of crudes decreases and the fiberized product is much greater on this type of ore. Ore extracted from the northeast end of the stope shows a decided increase in strength and softness. It is believed that the quality of the fiber will improve as mining operations are extended to the north.

Stoping operations at the mine have disclosed a general trend of the ore swells that strike northwest-southeast and form an acute angle with the strike of the contact of the roll.

Diamond drilling to outline the May orebody is strongly recommended. East of the present workings the diabase completely covers the ore horizons. At the limestone-diabase contact the bedding planes of the limestone dip 20° to 35° north. As the stope was extended to the north, the dip decreased.

II. Area Between Two Dikes:

In this locality, very little of the formation containing the ore horizons is exposed. On the south side of the Creek, a short tunnel has disclosed some long, harsh fiber. This tunnel is within a few feet of the surface, and the overlying limestone is badly weathered.

III. Montezuma No. 3:

Two veins, containing abundant harsh fiber, are disclosed by an open cut. This is the same structure as the May Mine. Another lense of ore may be developed here.

COST ESTIMATE OF PROPOSED DEVELOPMENT WORK

DRIFTING

Basis:

5' x 6' Drift.
3.5 Feet advance per round.
25 Work days per month.

Labor:
1 Miner, 3 muckers. Miner and mucker to drill and blast on one shift, 2 muckers to clean out drift, lay pipe and track on second shift.

All machinery and equipment to be furnished by American Fiber Company. Defense Minerals Administration is not to purchase any machinery or equipment. Salvagable supplies will consist of mine track, and one and two inch pipe, which will remain as the property of the American Fiber Company.

In this estimate 40% of the list price is charged to the project for these salvagable supplies.

Rental of Equipment from American Fiber Company:

Item	Present Value
105 cuft. IR Compressor	$3,800.00
J-50 Jackhammer	365.00
IR Jackleg	200.00
IR Line Oiler	20.00
Water Trailer with 500 gal. tank	350.00
Mine Car	150.00
3/4 inch Air Hose	30.00
1/2 inch Water Hose	20.00
Water Gooseneck	8.00
Total	$4,943.00

Rental Basis per Month:

$$\frac{\$4,943.00}{60 \text{ Months}} = \$82.38$$

Rental Basis per Foot:

3.5 Feet per day x 25 days = 87.5 Feetper Month.

$$\frac{\$82.38}{87.5} = \underline{\$0.94 \text{ per foot.}}$$

Labor:

1 Miner at $12.75 per shift	$12.75
3 Muckers at $11.75 per shift	35.25
Total	$48.00

(Includes insurance, overtime, and payroll taxes)
On advance of 3.5 feet per day

$$\frac{\$48.00}{3.5} = \underline{\$13.71 \text{ per foot.}}$$

Supplies:

	Per foot.
Rails, ties, spikes, fishplates, and bolts	$1.55
2 Inch Air Line, including valves and fittings	0.60
1 Inch water Line, including valves and fittings	0.35
Total	$2.50

Defense Minerals Administration to pay 40% of this price.

$$\$2.50 \times 40\% = \underline{\$1.00 \text{ per foot.}}$$

4 Timken detatchable bits per round at $0.56 each. This also includes sharpening of dull bits.

$$\frac{\$0.56 \times 4}{3.5} = \underline{\$0.64 \text{ per foot.}}$$

Steel breakage, 1 five foot piece per two rounds at $8.00 each.

$$\frac{\$8.00}{7.0} = \underline{\$1.14 \text{ per foot.}}$$

Blasting - 12 holes per round.

Powder 28 pounds at $0.21 per pound	$5.88
Caps - 12 at $0.02 each	0.24
Fuse - 96 feet at $0.012/ft.	1.15
Total	$7.27

$$\frac{\$7.27}{3.5} = \underline{\$2.08 \text{ per foot.}}$$

Gasoline and Oil for Compressor.
12 gallons at $0.305/ gal., plus 1 qt. oil at $0.30 = $3.96
Includes running compressor for blowing smoke from heading.

$$\frac{\$3.96}{3.5} = \underline{\$1.14 \text{ per foot.}}$$

Water for drilling and wetting down muckpile. Calculated on using a truck one day per month to haul approximately 4,000 gallonsof water. Truck hire at $35.00 per day, including driver.

$$\frac{\$35.00}{87.5} = \underline{\$0.40 \text{ per foot.}}$$

Machine oil for drilling at $0.35 per quart.

$$\frac{\$0.35}{3.5} = \underline{\$0.10 \text{ per foot.}}$$

Picks, shovels, flatsheet, wrenches, jimcrow, bars, moils, carbide, loading sticks, and other small tools needed for the job.

$0.35 per foot.

Normal repairs on machinery including breakage. This item has not been considered in the above costs.

$0.50 per foot.

SUMMARY OF DIRECT COSTS, DRIFTING

		Per Foot.
Rental of equipment		$ 0.94
Labor		13.71
Supplies		7.35
	Total	$22.00

Engineering and Supervision:

Estimated at $300.00 per month for part time engineer, and part time supervisor.

$$\frac{\$300.00}{87.5} = \underline{\$3.42 \text{ per foot.}}$$

TOTAL COST PER FOOT OF DRIFT

Direct Costs	$22.00
Indirect Costs	3.42
	$25.42

DIAMOND DRILLING

Basis:

Rate of drilling 20 feet per day.

25 Working days per month.

Number of holes 15, averaging 35 feet deep.

Drilling to be contracted at the following approximate prices;
Per foot hole $7.35, using "B" series core barrel, with an AX bit.
Per foot reaming $4.00
Cementing at $10.00 per hour, project to furnish materials for cementing.
Contractor to furnish all drill equipment, and personnel for operation of same.

The project is to clear and level the drill sites, furnish truck to move the rig from hole to hole, and supply water necessary for drilling.

Estimated Direct Costs for Diamond Drilling:

$$\frac{525}{20 \text{ ft/day}} = 26.25 \text{ days.}$$

$$\frac{26.25 \text{ days}}{25 \text{ days / month}} = \underline{1.05 \text{ months Minimum.}}$$

MAXIMUM TIME SIX (6) WEEKS

Rental, truck to haul water, and to move rig. 27 Days at $35.00 per day . . . . . (Including gasoline, oil, and driver)	$ 945.00
Rental, two water tanks, one for standby, and one for truck at $30.00 per month each, six weeks	90.00
Laber, clearing sites for drill (estimated)	300.00
Total	$1,335.00

Three ore horizons are to be cored. Due to the shallow depth of the holes it is not advisable to use a plugged bit during the drilling.

Estimate:

15% of the footage drilled will be reamed.
5 Hours cementing time.

15 - 35 Foot holes at $7.35 per foot	$3,858.75
525 x 15% reaming = 79 feet at $4.00 per foot . .	316.00
5 Hours cementing	50.00
Total to Contractor	$4,224.75

SUMMARY OF DIRECT COSTS, DRILLING

	Total	Per Foot.
Labor, and rentals	$1,335.00	$2.54
Drill Contractor	4,224.75	8.05
Total	$5,559.75	$10.59

Engineering and Supervision:

Estimated at $225.00 for engineering services during the drilling.

TOTAL COST PER FOOT OF DRILLING

Direct Costs	$10.59	$5,559.75
Indirect Costs	0.43	225.00
	$11.02	$5,784.75

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PROPOSED DEVELOPMENT WORK

I. MAY MINE

	COST
12 Diamond Drill holes, averaging 35 feet 12 x 35 x $11.02	$ 4,628.40
2 - 200 Foot Drifts, exact locations to be determined after diamond drilling completed 2 x 200 x $25.42	10,168.00
1 - 200 foot crosscut to join drifts for ventilation, and to facilitate mining. 200 x $25.42	5,084.00
Total for May Mine	$19,880.40

II. AREA BETWEEN TWO DIKES

	COST
3 Diamond Drill holes, averaging 35 feet	
3 x 35 x $11.02	$1,157.10
1 - 100 foot Drift, exact location to be determined after diamond drilling completed	
100 x $25.42	2,542.00
Total for Dikes	$3,699.10

III. MONTEZUMA No. 3 CLAIM

	COST
100 Foot Drift along vein. Starting point from face of open cut on map.	
100 x $25.42	$2,542.00
2 - 50 Foot crosscuts from face of drift, along vein. One to southwest, other to northeast.	
2 x 50 x $25.42	2,542.00
Total for Monetzuma Claim	$5,084.00

SUMMARY OF DEVELOPMENT WORK

	COST
I. May Mine	$19,880.40
II. Area Between Two Dikes	3,699.10
III. Montezuma No. 3 Claim	5,084.00
Total Development Work .	$28,663.50

900 Feet Drifting at $25.42 per foot	$22,878.00
525 Feet Drilling at $11.02 per foot	5,785.50
Total	$28,663.50

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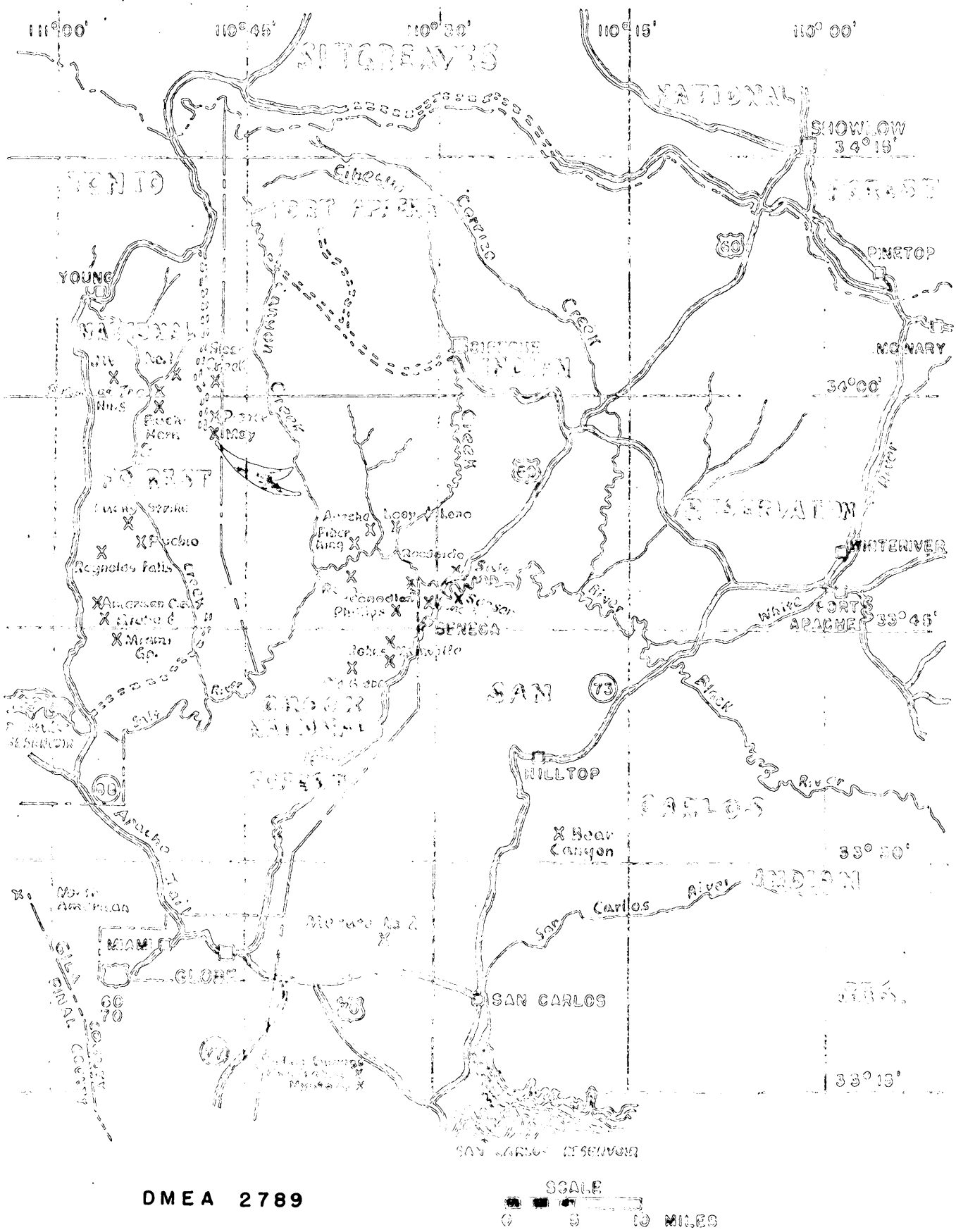
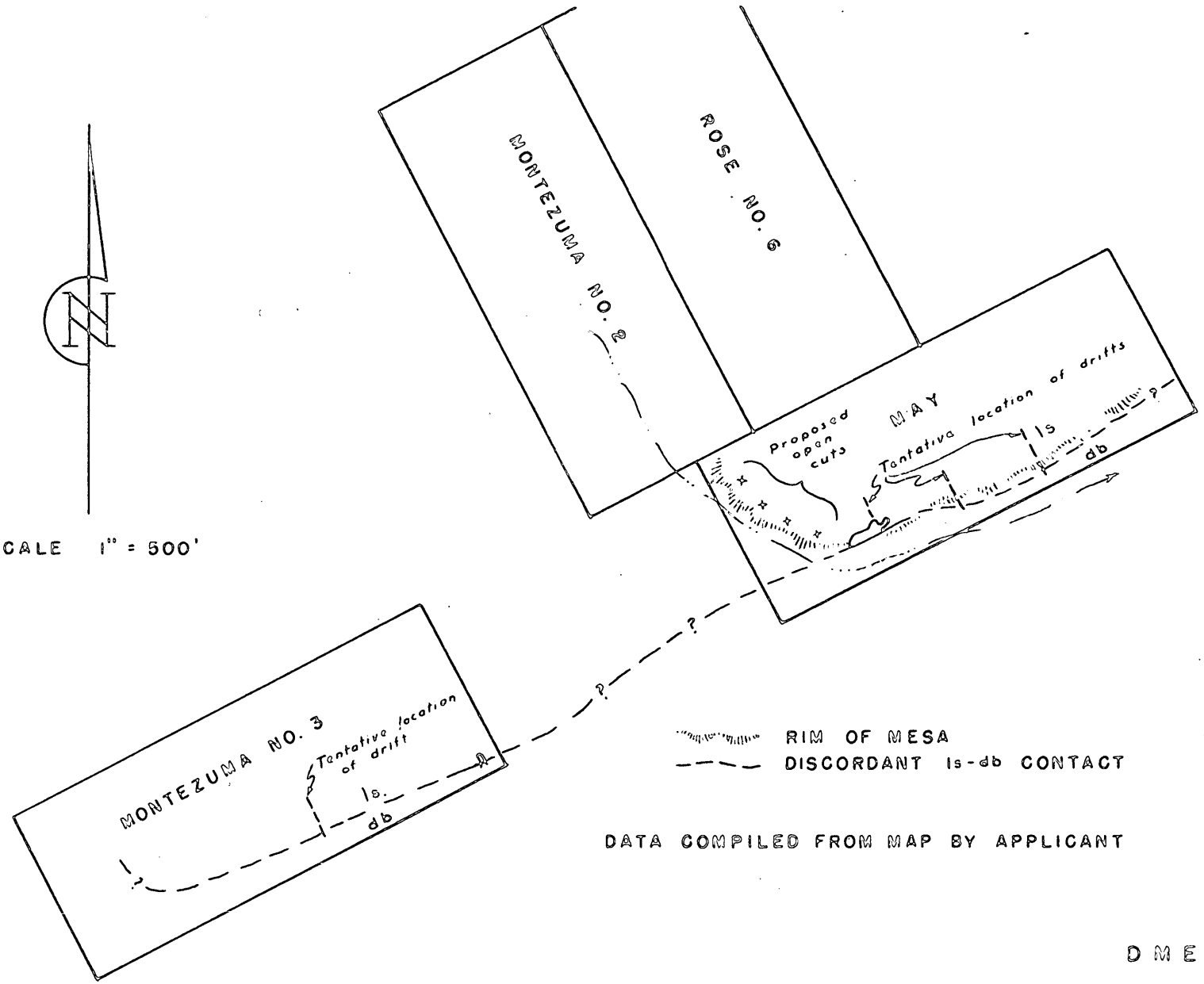


DMEA 2789

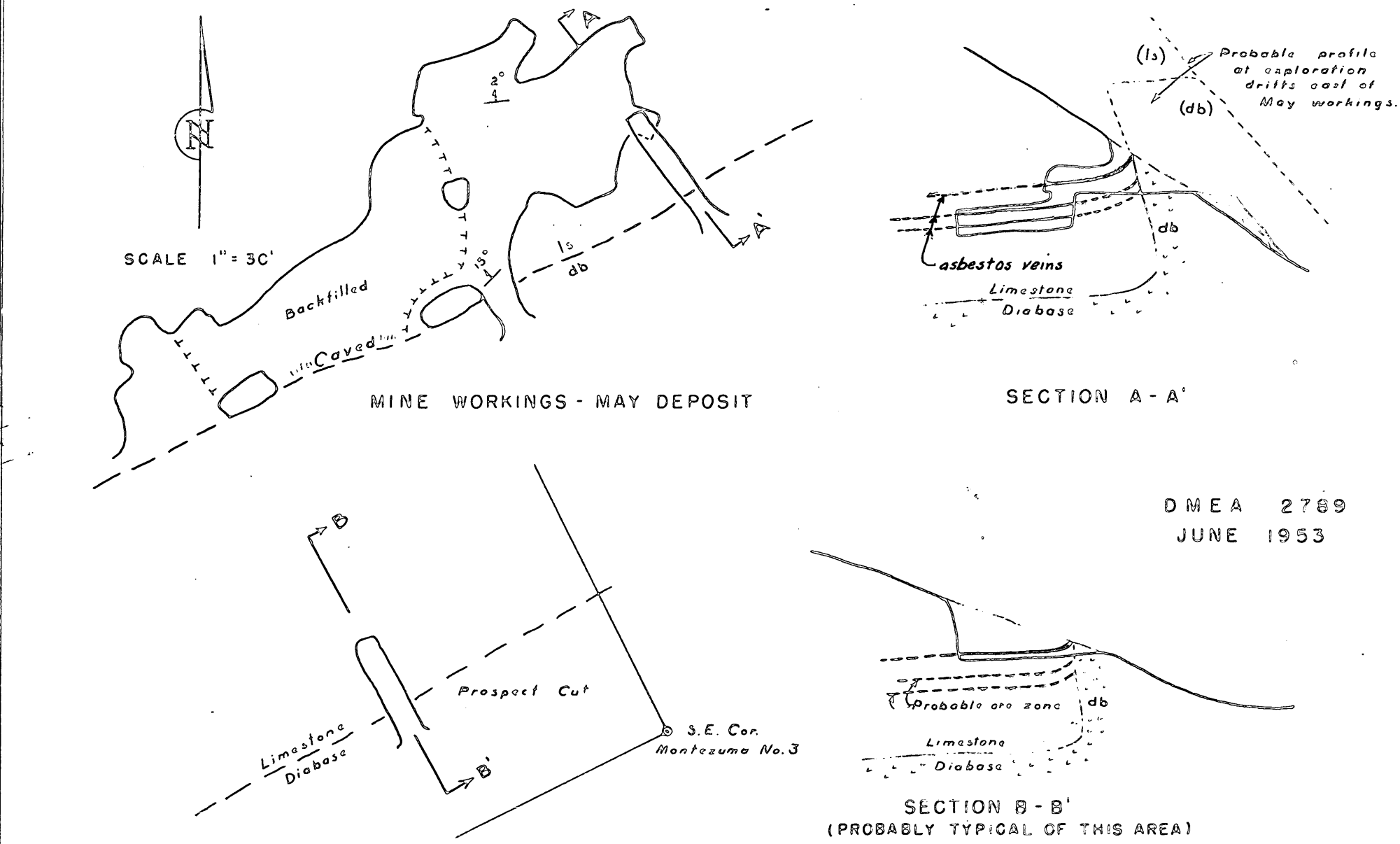
Figure 1.- Location Map, Asbestos Deposits, Gila County, Arizona



JUNE 1953

DMEA 2789

FIGURE 3, - AREA OF PROPOSED EXPLORATION - AMERICAN FIBER CORPORATION
GILA COUNTY, ARIZONA



DMEA 2789
JUNE 1953

FIGURE 4.- PLAN & SECTION OF MAY & MONTEZUMA WORKINGS, AMERICAN FIBER CO.

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

That we, A. B. Houser of Eloy, Arizona, O. W. Rugg of Casa Grande, Arizona, and Bob Leturno of Globe, Arizona, for and in consideration of the sum of Ten ($10.00) Dollars and other valuable consideration, receipt of which is hereby acknowledged, do hereby assign, transfer and set over to American Fiber Corporation, an Arizona corporation, those two certain mining leases and options from Earl Pierce and Gertrude Pierce, husband and wife, of Globe, Arizona, as Lessors, one dated the 9th day of January 1950, and the other dated the 7th day of July, 1950, for that certain mining property and premises situate in the Flourine Mining District, Gila County, State of Arizona, the names and location notices of which mines are recorded in the office of the County Recorder of Gila County, State of Arizona, in the Book and Pages as follows:

NAME	BOOK	PAGES
Rose No. 1	43	380
Rose No. 2	43	381
Rose No. 3	43	382
Rose No. 4	43	383
Rose No. 5	43	575
Rose No. 6	43	576
Asbestos No. 1	27	446
Asbestos No. 2	27	447
Asbestos No. 3	27	448
Asbestos No. 4	29	149
Asbestos No. 5	29	150
Asbestos No. 6	29	151
Asbestos No. 7	29	152
Asbestos No. 8	29	153
Asbestos No. 9	40	42
May	27	241
Queen	27	441
King	27	440
Arizona	33	423
Arizona No. 1	35	160; and also
Montezuma No. 1	49	167
Montezuma No. 2	49	168
Montezuma No. 3	49	168
Montezuma No. 4	49	176

To HAVE AND TO HOLD the same unto said ~~Arizona~~ American Fiber Corporation, its successors and assigns from the date hereof, for and during all the rest, residue and remainder of the terms of said leases and options, subject to the

conditions and provisions contained in said leases and options.

IN WITNESS WHEREOF, we have hereunto set our names this 24th day of October, 1952.

A. B. Houser

O. W. Rugg

Bob Leturno

STATE OF ARIZONA)
) ss
COUNTY OF PINAL)

On this 24 day of October, 1952, before me, the undersigned Notary Public, personally appeared A. B. Houser, O. W. Rugg and Bob Leturno, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged that they executed the same for the purpose therein contained.

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

Notary Public

My Commission Expires: Jan 13, 1954

STATE OF ARIZONA
County of PINAL } ss.

On this the 24th day of October, 19 52 before me, ..., the undersigned Notary Public, personally appeared A. B. Houser and O W. Rugg and Bob Leturno, known to me (or satisfactorily proven) to be the person s whose name s are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

My commission expires Jan 13, 1954 — Notary Public.

STATE OF ARIZONA
County of ..... } ss.

I (or we) hereby declare on oath that the within named ....., Part..... of the first part, (or are) the sole owner..... of the chattels set out in the within and foregoing bill of sale, and that said chattels are clear, free and unencumbered.

Witness my hand this ..... day of ....., A. D., 19.....

Subscribed and sworn to before me this ..... day of ....., A. D., 19.....

(My Commission Expires .....) Notary Public

No. .....

Bill of Sale

Short Form

FROM .....

TO .....

Dated ....., 19.....

STATE OF ARIZONA } ss.
County of .....

I hereby certify that the within instrument was filed and recorded at request of .....
..... A. D., 19.....
at ..... M
Book .....
In Docket .....
on page .....

Witness my hand and official seal the day and year aforesaid.

County Recorder.

By ..... Deputy Recorder.

STATE OF ARIZONA
County of Pinal

I, Joseph Hinman, County Recorder in and for said County, do hereby certify that the within instrument of writing was filed at the request of Willetta Bradbury on the 31st day of October, A. D., 1952 at 15 minutes Past 2 o'clock P. M., and duly recorded in Book 13 Bills of Sale, at Page 87, Records of Pinal County, Arizona.

Witness my hand and official seal.

Joseph Hinman
County Recorder.

By ..... Deputy Recorder.

INDEXED

COMPARED

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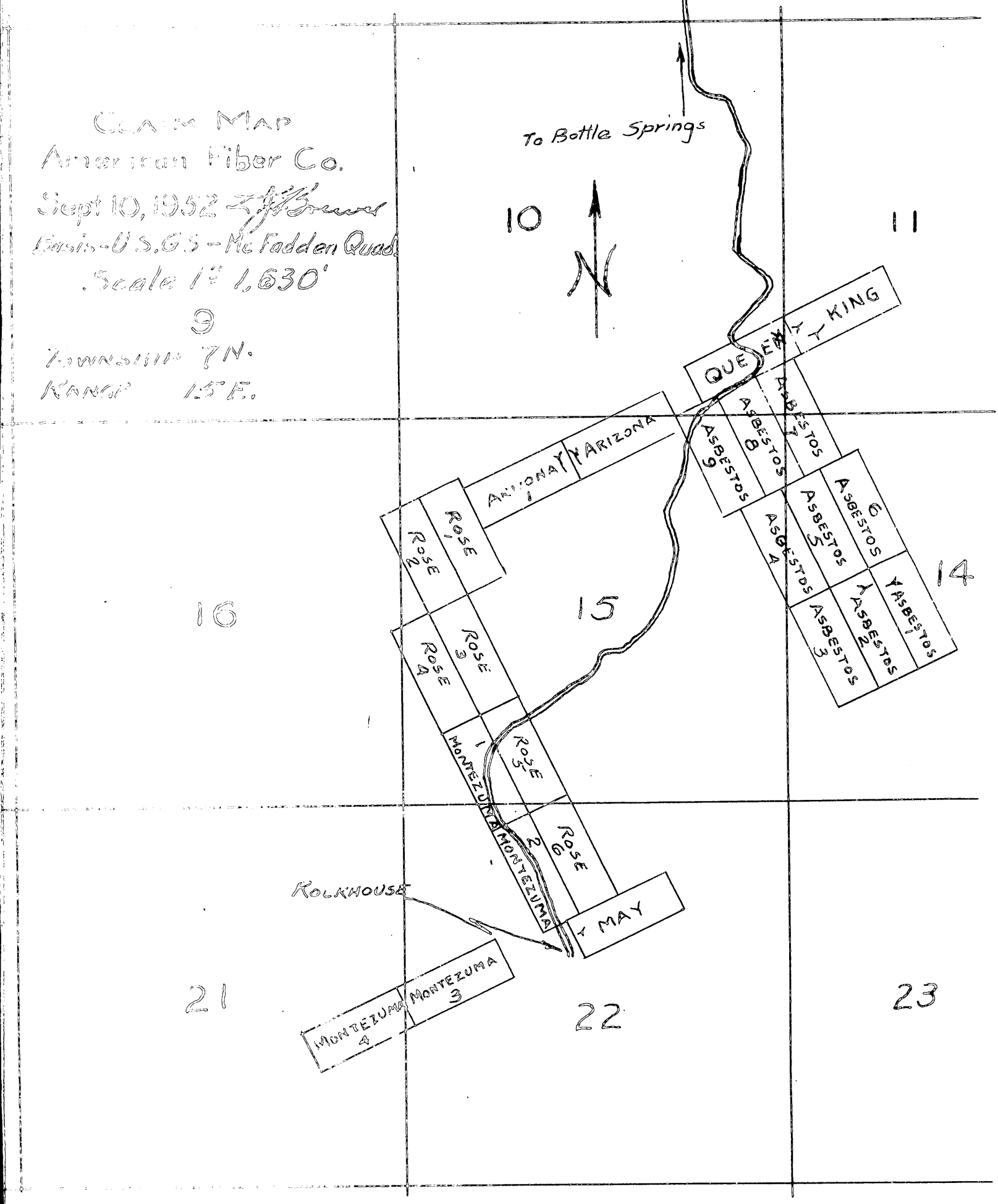
Omea - 2789



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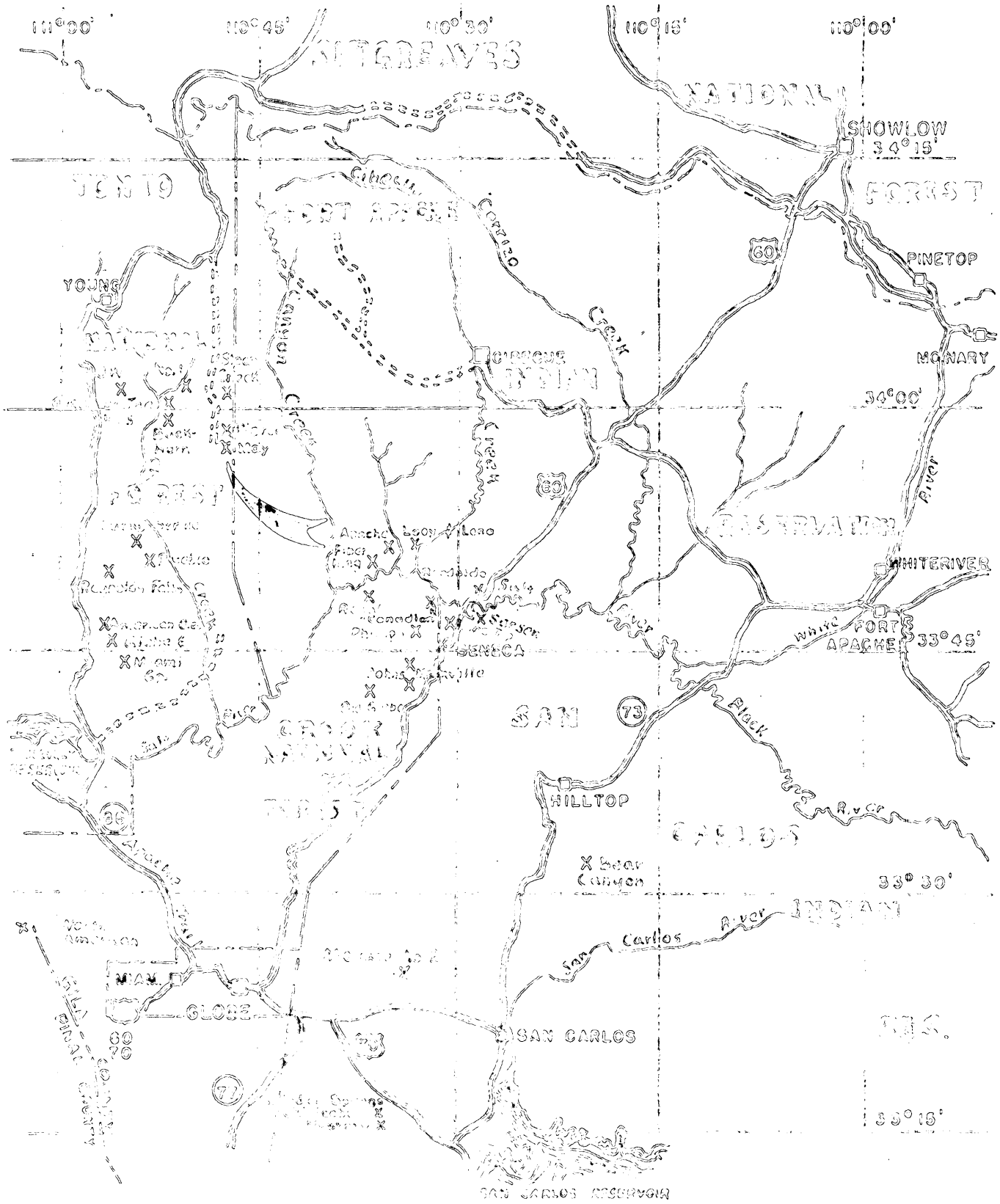


DMEA 2789

Figure 1.- Location Map, Asbestos Deposits, Gila County, Arizona

The 24 claims are aligned to cover limestone outcrops around the hills, and according to the claim map furnished with the application, the property is in secs. 10, 11, 14, 15. 21, and 22, T. 7 N., R. 15 E.

The road from Bottle Springs to the mine is impassable for weeks at a time during periods of heavy snow and mud.

OWNERSHIP AND EXTENT

The property of the American Fiber Co. consists of 24 unpatented mining claims, which are held subject to the terms of 2 lease-and-option-to-purchase agreements that were assigned to the corporation by A. B. Houser, O. W. Rugg, and Robert Leturno. The 2 agreements are each for a 20-year period, the first, covering 20 claims, is dated January 9, 1950, the second concerning 4 claims is dated July 7, 1950.

The claims are recorded at the Gila County Courthouse at Globe, Ariz., at the following Book and Page numbers:

Claim Name	Record of Mines Book	Page
Rose No. 1	43	380
Rose No. 2	43	381
Rose No. 3	43	382
Rose No. 4	43	383
Rose No. 5	43	575
Rose No. 6	43	576
Asbestos No. 1	27	446
Asbestos No. 2	27	447
Asbestos No. 3	27	448
Asbestos No. 4	29	149
Asbestos No. 5	29	150
Asbestos No. 6	29	151
Asbestos No. 7	29	152
Asbestos No. 8	29	153
Asbestos No. 9	40	42

Claim Name	Record of Mines Book	Page
May	27	241
(relocated)	49	491
Queen	27	441
King	27	440
Arizona	33	423
Arizona No. 1	35	160
and also		
Montezuma No. 1	49	167
Montezuma No. 2	49	168
Montezuma No. 3	49	168
Montezuma No. 4	49	176

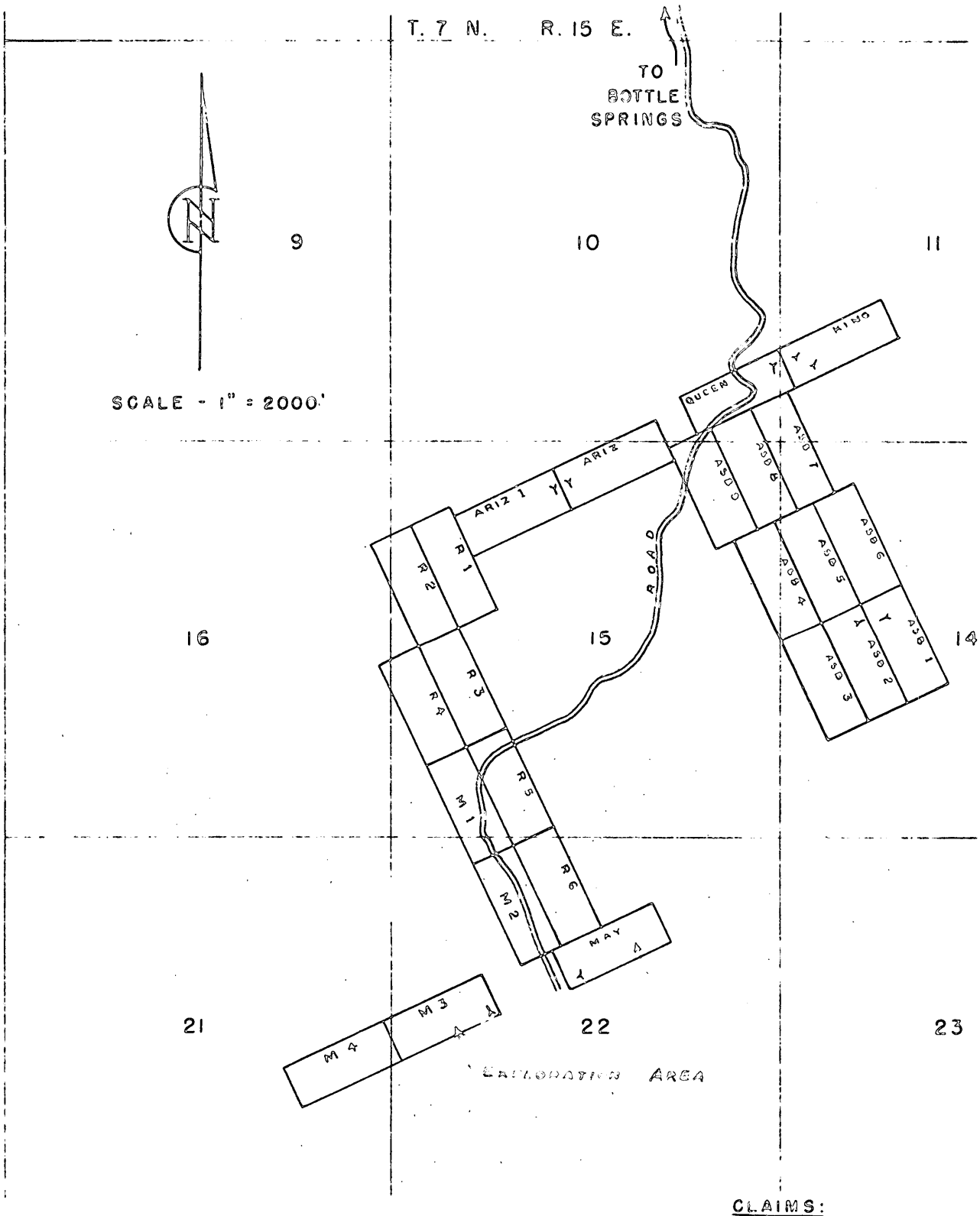
It will be noted above that the May claim recently was relocated so that its alignment conforms to the side of the Mesa and now adequately covers the proposed exploration area.

For general arrangement of the 24 claims, see figure 2.

HISTORY AND PRODUCTION

The nucleus of this group of claims was first located in 1915 by Earl Pierce and H. P. Whitman. At various times other claims were added. Approximately 3 tons of No. 1 and 7 tons of No. 2 crude fiber were produced prior to 1921. In 1928, the Emsco (E. M. Smith) Asbestos Co. of Los Angeles, purchased the property and constructed a fiber-cleaning mill. The amount of production is not known. Operations ceased during the depression and the property reverted to Pierce who worked the property in a desultory fashion during the following years. The claims are locally known as the Rock House group.

The present owners became interested in the property in 1950. A small fiberization plant was erected near Young, Ariz. and about 30 tons of fiber was produced during the year. The May deposit was opened in June 1952 and produced about 100 tons of mill rock, 73



CLAIMS:

ARIZ - ARIZONA
ASB - ASBESTOS
M - MONTEZUMA
R - ROSE

COPIED FROM DOCKET MAP

DMEA 2789

FIGURE 2. - CLAIM MAP - AMERICAN FIBER CORP.
GILA COUNTY, ARIZONA

tons of which was trucked 16 miles to the mill of the American Asbestos Cement Corp. This ore produced 13 tons of fiberized asbestos and about 6 tons of crudes; the latter was sold to the Government warehouse at Globe in October 1952.

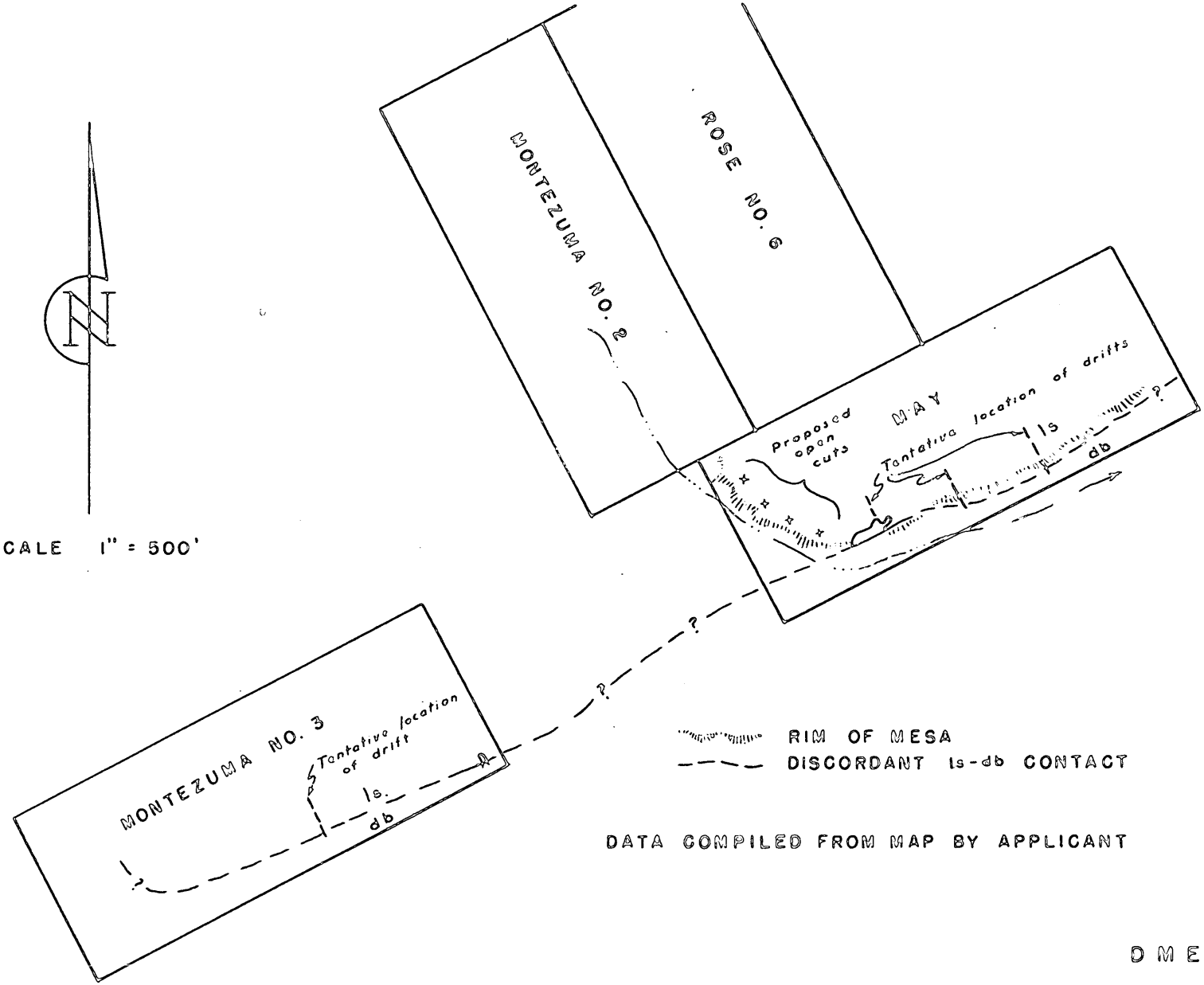
In 1951, the corporation constructed a mill building and recently completed installation of machinery. They are currently testing the mill, using the 25 tons of ore that was stockpiled on the mine dump.

DESCRIPTION OF THE DEPOSITS

May Deposit

The mineralized units in the exploration area are massive limestone beds about 35 to 46 feet below the bottom of the Algal member of the Mescal formation and approximately 16 to 27 feet above a concordant diabase sill. Parallel to and just within the side line of the May claim, this underlying sill cuts up across the limestone bedding along the south end of the mesa (figure 3). The mine is located at a point where erosion exposed the mineralized beds.

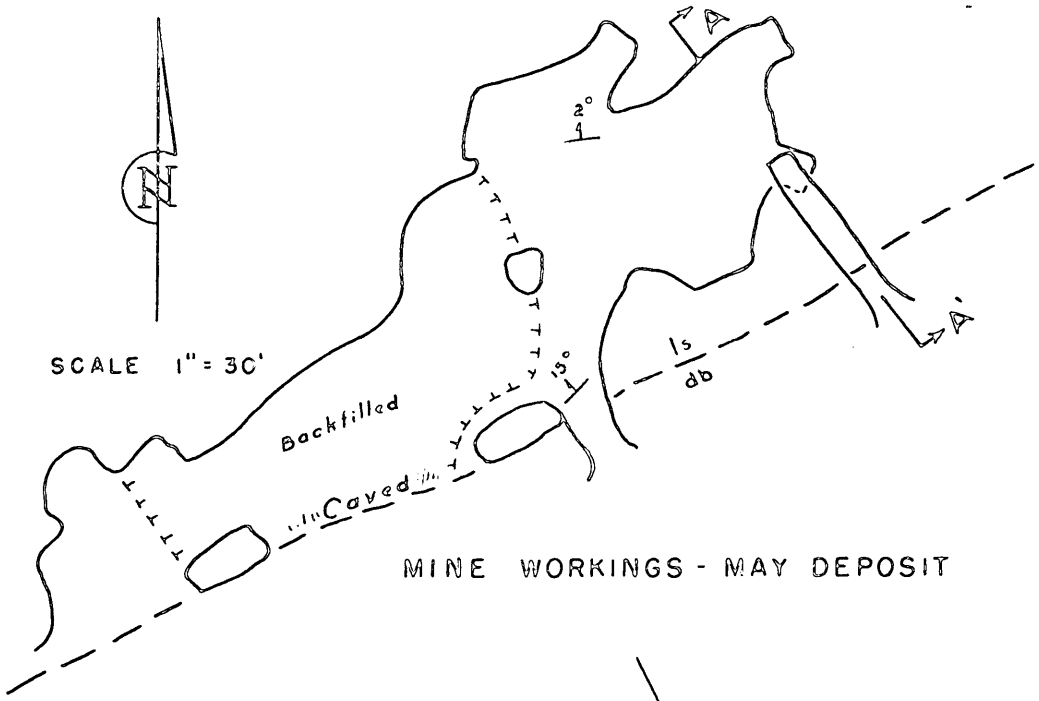
Three asbestos zones are present, the upper of which shows only an inch of total fiber and has not been mined. The middle and lower zones are respectively at 5 and 8 feet below the upper zone. The mine workings carry the middle vein at the top of the stope (figure 4). The total fiber of the two latter zones varies from 1½ to 3 or more inches, and averages about 2 inches for each zone.



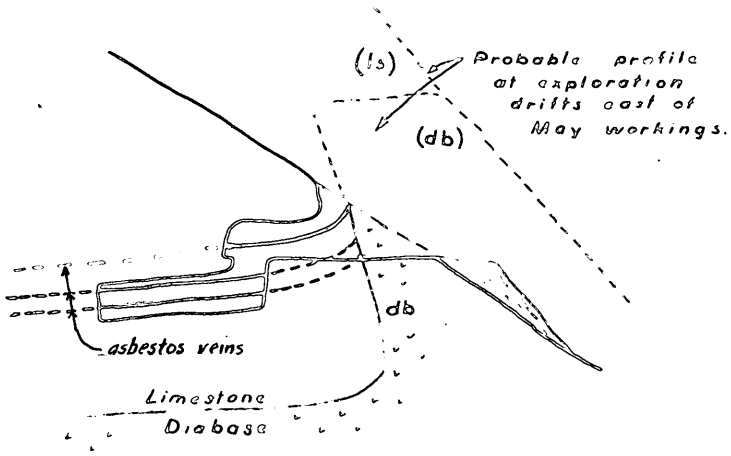
JUNE 1953

DMEA 2789

FIGURE 3, - AREA OF PROPOSED EXPLORATION - AMERICAN FIBER CORPORATION
GILA COUNTY, ARIZONA



MINE WORKINGS - MAY DEPOSIT



SECTION A - A'

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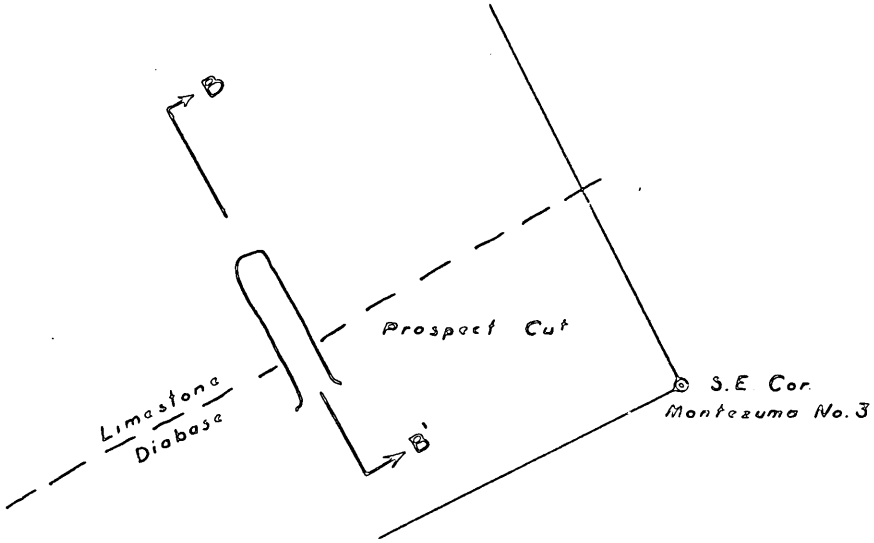
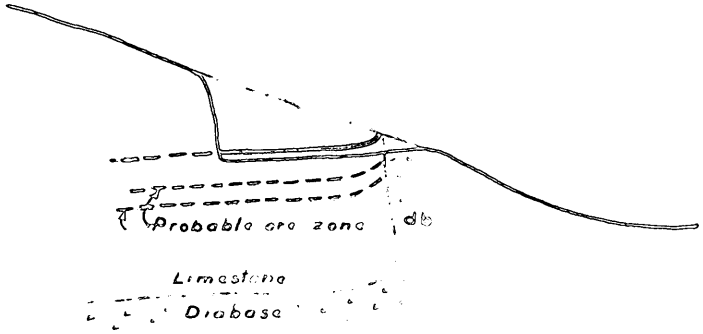
JUNE 1953





SECTION B - B'
(PROBABLY TYPICAL OF THIS AREA)

FIGURE 4.- PLAN & SECTION OF MAY & MONTEZUMA WORKINGS, AMERICAN FIBER CO.

Defense Minerals Exploration Administration

Interior Building

Washington 25, D.C.

Dmea - 2789

1 cy. each 2 maps

enclosed

C
O
P
Y

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953

American Fiber Company
c/o Bryant & Carnell
112 North Broad Street
Globe, Arizona

Re: Docket No. DMEA-2789

Gentlemen:

We have received no reply to our letter dated November 10, 1953 in which we requested that you clear the discrepancies in the ownership of your lease on the May and Montezuma No. 3 claims.

If we receive no answer to this letter before January 10, 1954, we will presume that you are no longer interested in this exploration project and will close the docket.

Very truly yours,

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

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

224 New Customhouse
Denver 2, Colorado

November 10, 1953.

American Fiber Company
c/o Bryant & Carnall
112 North Broad Street
Globe, Arizona

Re: Docket No. DMEA-2789

Gentlemen:

In preparing your contract the following was brought to our attention:

[redacted]

This claim was leased January 9, 1950 to

Dennis Brown)
Robert Le Turno) Individuals
Alfons Stankwych)

On July 13, 1950 A. B. Houser bought 1/4 of the Bottle Springs Asbestos Company (a Partnership) from Alfons Stankwych. This assignment recites that Silas N. Hughes is a partner.

There is no showing as to how the Bottle Springs Asbestos Company acquired the lease from the three individual owners nor how Silas N. Hughes acquired his 1/4 interest.

[redacted]

This claim was leased July 7, 1950 to

Dennis Brown
Silas N. Hughes
A. B. Houser
d/b/a
Bottle Springs Milling Company
(a Partnership)

On October 2, 1950 A. B. Houser acquired 1/4 interest from Dennis Brown and 1/4 interest from Silas N. Hughes of the Bottle Springs Asbestos Company. The assignment recites that the partnership

owns a lease on the May and on the Montezuma No. 3 claims. There is no showing as to how the Bottle Springs Asbestos Company acquired either lease.

The assignment to the American Fiber Company (a Corporation) is signed by A. B. Houser, O. W. Bugg and Bob Le Turno.

Bugg's interest is evidenced by statement from Houser that Bugg owns 3/8 interest in the "mines, machinery and equipment" of the Pierce claims. It does not mention either partnership or either lease.

Our attorney believes that you will be able to satisfactorily clear these discrepancies and when you furnish us proof that this has been done, we will be pleased to continue to process your contract.

Very truly yours,

W. H. King

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

HMC:cwm

cc: Docket
Administrator, DMEA
WRStorms
AHKoschmann (2)
Chron.
HMConnors

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

224 New Customhouse
Denver 2, Colorado

June 19, 1953.

2789

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2789 (Asbestos), American Fiber Company, Gila County, Arizona.

Exploration aid in the amount of $8,987.50 has been approved and the contract will be prepared by this office. Four copies of the final report will be forwarded you when the contract is executed. The original and one copy of Form 3b are attached.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

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DEPARTMENT OF THE INTERIOR
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W. H. King
W. H. King

W.H.K.

A. H. Koschmann
A. H. Koschmann

Enclosures

DMEA Form 3b
(Revised)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMEA Docket No. 2789

Name of Applicant American Fiber Company

Change:	From		To	
	III 1	[ ]	III 1	[x] 6-17-53
	III 2	[ ]	III 2	[ ]
	III 3	[ ]	III 3	[ ]
	III 4	[x]	III 4	[ ]
	III 5	[ ]	III 5	[ ]
			III 6	[ ]
			III 7	[ ]

Add:

II 7 $ 27,468.75

II 8 $ 8,987.50

II 8a % 90

II 9 $

Remarks:

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 22 1953

Initials of person preparing sheet HMC

Date sheet prepared 6-17-53

33978

DMEA Form 3b
(Revised)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMEA Docket No. 2789

Name of Applicant American Fiber Company

Change:	From		To	
	III 1	☐	III 1	☒ 6-17-53
	III 2	☐	III 2	☐
	III 3	☐	III 3	☐
	III 4	☒	III 4	☐
	III 5	☐	III 5	☐
			III 6	☐
			III 7	☐

Add:

II 7 $ 27,468.75

II 8 $ 8,987.50

II 8a % 90

II 9 $

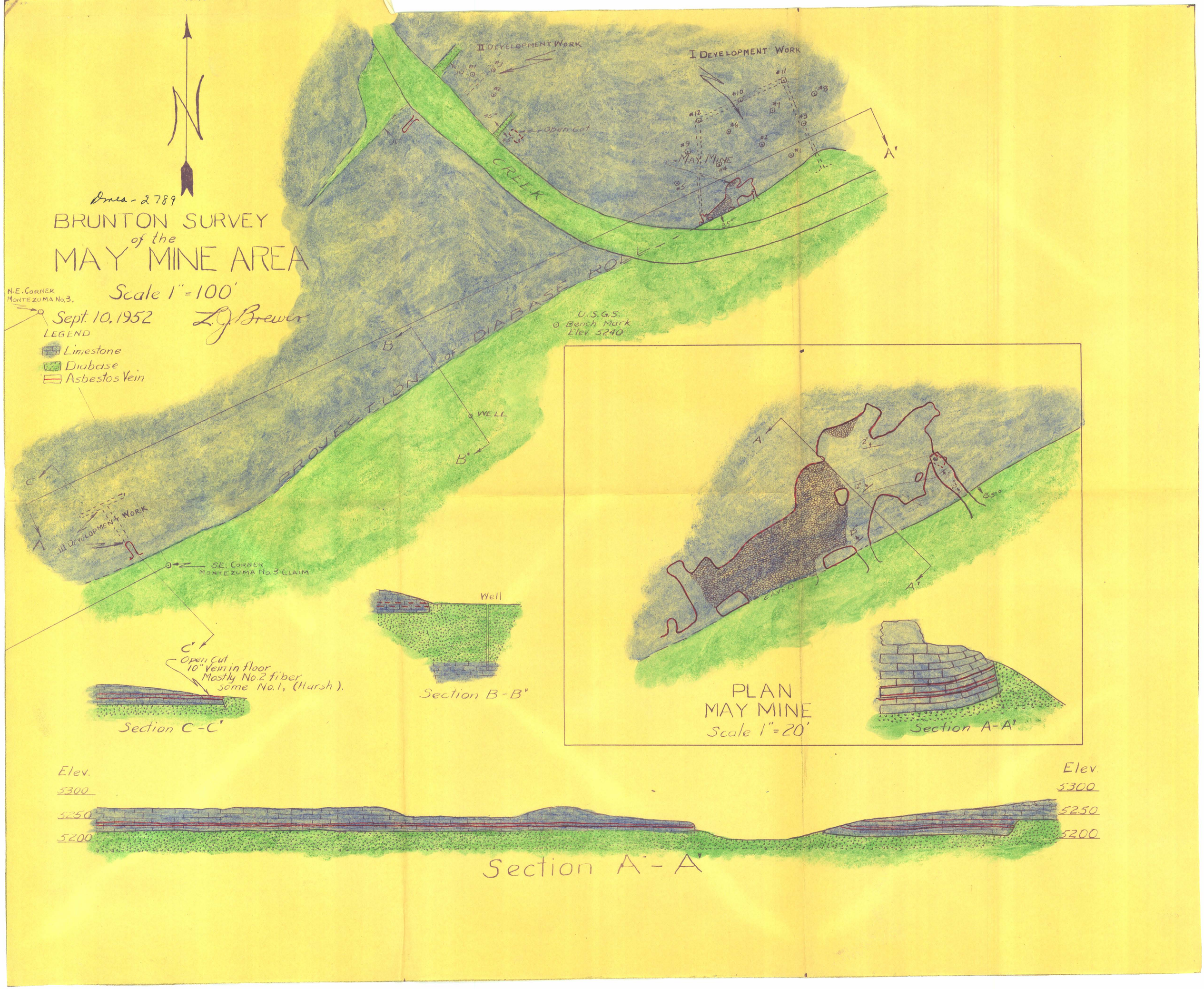
Remarks:

DEPARTMENT OF THE INTERIOR

Initials of person preparing sheet EMC

Date sheet prepared 6-17-53

33978


Area - 2789
BRUNTON SURVEY
of the
MAY MINE AREA
Scale 1" = 100'
Sept. 10, 1952
L. J. Brewer
N.E. CORNER
MONTEZUMA No. 3.
LEGEND
Limestone
Diabase
Asbestos Vein
II DEVELOPMENT WORK
I DEVELOPMENT WORK
Open Cut
MAY MINE
CREEK
PROJECTION OF DIABASE ROLL
U.S.G.S.
Bench Mark
Elev. 5240
WELL
III DEVELOPMENT WORK
S.E. CORNER
MONTEZUMA No. 3 CLAIM
Open Cut
10" Vein in floor
Mostly No. 2 fiber
some No. 1, (Harsh).
Section C-C'
Well
Section B-B'
PLAN
MAY MINE
Scale 1" = 20'
CAVE
Section A-A'
Elev.
5300
5250
5200
Section A'-A