DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~Defense Minerals Exploration Administration~~
GEOLOGICAL SURVEY

OFFICIAL DOCKET FILE

Idm-E NO. _____

DMEA NO. 6486

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project summary (final)
- [ ] Work Comoleted analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 1-a : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No. 1 : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

PHONE 622-9740

EMMET J. THORPE, M. D.
204 W. FOURTH ST.
ROSWELL, NEW MEXICO

PRACTICE LIMITED TO
ORTHOPAEDIC SURGERY

July 26, 1965

OME
DEPARTMENT OF THE INTERIOR
AUG 2 1965
REGION III
DENVER, COLORADO

Mr. Hugh Connors
Office of Mineral Exploration
Building 20, Denver Federal Center
Denver, Colorado

Dear Mr. Connors:

Enclosed is our application for Office of Mineral Exploration assistance. Three copies are being forwarded to you in order to possibly expedite processing. If the third application book is not required, I would like to have it returned for my personal file.

Mr. Anderson, our geologist, is prepared to meet with an O.M.E. representative anytime and to show him our properties.

Very truly yours,

Emmet J. Thorpe, M. D.

EJT/wm

OFFICIAL
COPY
AUG 16 1965

Bldg. 20, Denver Federal Center
Denver, Colo. 80225
GEOLOGICAL SURVEY

August 2, 1965

M & M Enterprises, Inc.
% Dr. Emmet J. Thorpe
204 West 4th Street
Roswell, New Mexico

Re: Application for OME Aid (Silver & Gold)
Grant County, New Mexico

Dear Dr. Thorpe:

Attached is the third copy of your application which you asked to be returned.

I am forwarding the original to the Washington office of OME and retaining the second copy in my file.

Yours very truly,

ORIGINAL SIGNED BY
Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosure
HMC (8-2-65)
cc: Chief, OME
File
Chron

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

AUG 5 1965
RECEIVED
ORIGINAL

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6486

DATE RECEIVED 8-5-65

REGION III

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL
- CORPORATION XXX
- PARTNERSHIP
- OTHER *(Specify)*

STATE IN WHICH FIRM IS ORGANIZED New Mexico

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Emmet J. Thorpe, M. D.	204 W. 4th, Roswell, N.M.	President
Billie L. Robbins	204 W. 4th, Roswell, N.M.	Secretary-Treasurer

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Silver and Gold?

ESTIMATED COST OF PROJECT
$ 35,812.93

PROPERTY NAME: M. & M. Enterprises Holdings

LOCATION — COUNTY: Grant County, STATE: New Mexico

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

7-25-65
DATED

Emmet J. Thorpe, M. D.
(Signature)
President, M. & M. Enterprises, Inc.
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from bank of account and at least one other banking institution or other private source of credit. Such evidence shall be true copies of correspondence which show: (1) date of request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 50399

1. FINANCIAL RESPONSIBILITY:

(a) Letters of loan requests to Mr. Kenneth Wilbanks, president of the Roswell State Bank, and Mr. Jim Clark, president of the Security National Bank, and their refusals of my requests follow in the supplement to this portion of the application. Also included are my financial statement and supplement of explanation.

(b) None

(c) I will pay my share from personal resources, principally from the moneys accrued through my medical practice.

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

PHONE 622-9740

EMMET J. THORPE, M. D.
204 W. FOURTH ST.
ROSWELL, NEW MEXICO

PRACTICE LIMITED TO
ORTHOPAEDIC SURGERY

July 12, 1965

Mr. Kenneth Wilbanks
Roswell State Bank
Roswell, New Mexico

Dear Mr. Wilbanks:

As I have discussed with you, I have specific mining interests which show great merit. These properties are located in the Steeple Rock Mining District of Grant County, New Mexico. In order to adequately explore these properties, I am requesting a $35,812.93 loan for contracting of core drilling, access bull dozing, geologist, and assay analyses, etc. Since the specifics have already been discussed with you, I shall not go into further detail. My interest in exploring the properties is primarily for silver which is critically needed in the country at the present time. I hope you will look favorably on my loan request.

not personal see down the line.

Very truly yours,

Emmet J. Thorpe, M.D.

EJT:br

ROSWELL State BANK
FOUR CONVENIENT LOCATIONS
128 WEST SECOND
1400 SOUTHEAST MAIN
UNION AT THIRD
WALKER AIR FORCE BASE
ROSWELL, NEW MEXICO

K. O. WILBANKS
PRESIDENT

July 22, 1965

Dr. Emmet J. Thorpe
204 West Fourth Street
Roswell, New Mexico

Dear Doctor Thorpe:

Our Loan Committee has discussed your loan in the approximate amount of $35,812.93 for the purposes of paying salaries and purchasing equipment for exploration of mining properties under your control.

I am extremely sorry but we have to decline this loan on the basis of your collateral and we are not in a position, at this time, to make term loans secured by the exploration equipment which you will need.

Sincerely,

K. O. Wilbanks

K. O. Wilbanks
President

KOW:lbb

PHONE 622-9740

EMMET J. THORPE, M. D.
204 W. FOURTH ST.
ROSWELL, NEW MEXICO

PRACTICE LIMITED TO
ORTHOPAEDIC SURGERY

July 12, 1965

Mr. Jim Clark
Security National Bank
Roswell, New Mexico

Dear Mr. Clark:

As I have discussed with you, I have specific mining interests which show great merit. These properties are located in the Steeple Rock Mining District of Grant County, New Mexico. In order to adequately explore these properties, I am requesting a $35,812.93 loan for contracting of core drilling, access bull dozing, geologist, and assay analyses, etc. Since the specifics have already been discussed with you, I shall not go into further detail. My interest in exploring the properties is primarily for silver which is critically needed in the country at the present time. I hope you will look favorably on my loan request.

Very truly yours,

Emmet J. Thorpe, M.D.

EJT:br

SECURITY NATIONAL BANK
OF
ROSWELL, NEW MEXICO

P. O. BOX 1497 PHONE 623-3501

July 20, 1965

Dr. Emmet J. Thorpe
204 West Fourth
Roswell, New Mexico

Dear Dr. Thorpe:

You have requested a loan from our Bank in the amount of $35,812.90, for the purpose of paying salaries and purchase of equipment for exploration of mining properties.

I am sorry to tell you that we must decline this loan because we feel the risk involved in the operation of mining properties must come from invested capital.

Sincerely,

James A. Clark

JAMES A. CLARK
President

JAC:B

EMMET J. THORPE, M. D.

ROSWELL, NEW MEXICO

MAY 31, 1965

JAMES M. STOCKTON
REGISTERED PUBLIC ACCOUNTANT
ROSWELL, NEW MEXICO

EMMET J. THORPE, M. D.
Roswell, New Mexico

BALANCE SHEET
May 31, 1965

(Prepared from books of account, not verified by audit)

ASSETS

Current Assets			
Cash in Banks		$ 5,850.63	
Cash on Deposit		3,500.00	
Accounts Receivable	$ 42,687.27		
Less: Allowance for Bad Debts	4,268.73	38,418.54	$ 47,769.17
Fixed Assets			
Furniture & Equipment	$ 17,191.50		
Business Automobile	4,409.50	$ 21,601.00	
Less: Accumulated Depreciation		11,627.63	9,973.37
Other Assets			
Investment - M & M Enterprises		$ 10,036.00	
Cash Value - Life Insurance		4,500.00	
Common Stock (Cost)		2,500.00	17,036.00
			$ 74,778.54

LIABILITIES

Current Liabilities		
Notes Payable - Banks	$ 21,000.00	
Payroll Taxes Payable	182.63	$ 21,182.63
Owners Equity		
Emmet J. Thorpe		53,595.91
		$ 74,778.54

JAMES M. STOCKTON
REGISTERED PUBLIC ACCOUNTANT
ROSWELL, NEW MEXICO

EMMET J. THORPE, M. D.
Roswell, New Mexico

STATEMENT OF INCOME
For The Five Months Period Ended May 31, 1965

(Prepared from books of account, not verified by audit)

Income		
Fees	$ 50,377.11	
Less: Refunds	660.45	
Gross Income		$ 49,716.66
Operating Expense		
Auto Expense	$ 237.65	
Depreciation	1,535.50	
Dues & Subscriptions	199.14	
Insurance	798.60	
Interest	538.10	
Legal & Accounting	699.40	
Medical Supplies	2,124.06	
Miscellaneous	481.88	
Office	1,466.78	
Rent	806.67	
Repairs & Maintenance	458.62	
Salaries	3,917.21	
Taxes	1,822.30	
Telephone	944.01	
Travel	285.64	
Utilities	179.55	16,495.11
Net Income		$ 33,221.55

In regard to the preceding financial statement, it is to be noted that of the $33,221.55 net income approximately $7,000.00 has been paid in income tax, $10,000.00 for personal expenses including such items as insurance, payments to banks, etc. and $10,000.00 has been utilized by M. & M. Enterprises, Inc. for expenses involved in discovery, claiming, leasing, geological assistance, and assessment work; the cost of incorporation is, of course, included in the last amount. Much of the bank debt was created by need for funds to purchase equipment including xray machine, furniture and supplies for a large office, and a large quantity of expensive orthopaedic instruments. I have been in practice in Roswell for three years and during the past year I have begun in realize a substantial increase in patient load, operative procedures, accounts receivable, and income. The remainder of my assets includes two cars, equity in my house and a small tract of land to be utilized for building of my office in years to come.

Also, I have obtained a loan used to purchase an older model small core drill which has been utilized for discovery work. A month ago I purchased a four-wheel drive, 1/2 ton Chevrolet truck which has been given to the corporation and on this I owe a balance of approximately $2,000.00.

2. APPLICANT'S RIGHTS IN LAND:

(a) M. & M. Enterprises, Inc. has legally claimed and owns seventy-one lode claims in Sections 6, 8, and 20 in Township 17-S, Range 20-W with overlaps into Sections 5, 7, 16, 17, 18, and 21 in Township 17-S, Range 20-W and Section 1 in Township 17-S, Range 21-W, and Section 36 in Township 16-S, Range 21-W. Our lease lands are SE 1/4-SE 1/4 of Section 20, NE 1/4 of Section 22, NW 1/4-NW 1/4 of Section 23 and E 1/2-W 1/2 of Section 23, all of Sections 25, 26, 34, 35 and 36, and S 1/2 of Section 27, all in Township 17-S, Range 20-W. The lease property would be subject to a state royalty of 5%. However, this loan is not being asked for exploration of the leased properties or for any claims other than the lode claims described as "A". (See the following copies of claims). These are all located in the Steeple Rock Mining District of Grant County, New Mexico. All assessment work for the year 1965 has been completed on the above lode claims.

(b) A description (Xerox copies) of the unpatented claims with the book and page number for each recorded location notice follows this page. The lode mining location notice for "A" property #18 is not included as it is being filed at this time in Silver City. Included are copies of discovery work on the "A" properties 1-18, but the forms for 11-18 have been sent for recording and therefore do not show a book or page number, etc.

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 5 1965
INITIALS CODE

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

SILVER CITY LABORATORIES

Phone 538-9691
Box 801

ENGINEERING AND ASSAY OFFICE 108 W. YANKEE STREET

SILVER CITY, NEW MEXICO

Dr. C. A. Lamb, Owner
Dr. R. Geo. Kirby, Chemist
and Metallurgist

3

ASSAY CERTIFICATE

M Dr. E. J. Thorpe President M & M Corp

204 West 4th. St. Roswell, New Mexico

YOUR SAMPLES WERE ASSAYED WITH THE FOLLOWING RESULTS:

Enterprise Print

DESCRIPTION OF SAMPLE	GOLD OZ.	SILVER OZ.	COPPER %	LEAD %	ZING %			
# 431 Your # 3A	0.010	1.580	1.30					
# 432 " # 1A	0.011	1.511	0.45					
# 433 " # 4A	0.013	1.262	0.25					
# 434 " # 2A	0.004	1.243	0.35					
# 435 " # 5A	0.016	2.862	1.50					
# 436 " # 6A	0.014	1.501	0.80					

DATE June 29, 1965

Dr. R. Geo. Kirby

CHIEF CHEMIST

Dr. R. Geo. Kirby

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS
PHONES 772-6621 & 772-3088 — P. O. BOX 10057
201 N. CLARK EL PASO, TEXAS 79991

(4)

June 30, 1965

CERTIFICATE OF ASSAY

ASSAYED FOR: M & M Enterprises, Inc., Dr. E. J. Thorpe

Lab No. 654029

ADDRESS: Roswell, New Mex.

MARKED: Ore samples received 6/29 10 A. M.

Gold Ozs. per ton	Silver Ozs. per ton	% Lead	% Copper	% Zinc	% Silica	% Calcium Fluoride	Effective Units	% Manganese	% Iron
0.020	1.4		0.60	Sample #1-~~D~~					
0.020	1.6		0.54	" #2 A					
0.020	2.0		1.82	" #3-A					
0.020	2.1		1.27	" #4 A					

CHARGES $34.50

Jo Ea

Geo L Dickinson ASSAYER

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS

PHONES 772-6621 & 772-3088 — P. O. BOX 10057

201 N. CLARK EL PASO, TEXAS 79991

March 23, 1968

CERTIFICATE OF ASSAY

ASSAYED FOR: Dr. E. J. Thorpe,

Lab No. 352105

ADDRESS: Roswell, New Mex.

MARKED: Claim & Placer Claim

Gold Ozs. per ton	Silver Ozs. per ton	% Lead	% Copper	% Zinc	% Silica	% Calcium Fluoride	Effective Units	% Manganese	% Iron
	11.8	0.53	0.00	0.08	A A A				

EMMET J. THORPE, M. D.
ORTHOPAEDIC SURGERY
211 WEST FOURTH STREET PHONE: 622-9740
ROSWELL, NEW MEXICO

CHARGES Est $18.00

ASSAYER

(6)

(As per telephone conversation with Mr. E. C. Anderson)
LABORATORY ASSAY BY NEW MEXICO BUREAU OF MINES

M. & M. Enterprises, Inc. 7-22-65

SAMPLE #1

Copper	8.25 oz. per ton
Silver	27.82 oz. per ton
Gold	.34 oz. per ton

SAMPLE #2

Copper	8.75 oz. per ton
Silver	11.08 oz. per ton
Gold	.96 oz. per ton

selected samples

EMMET J. THORPE, M. D.
ORTHOPAEDIC SURGERY
211 WEST FOURTH STREET PHONE: 622-9740
ROSWELL, NEW MEXICO

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS

PHONES 772-6621 & 772-3088 — P. O. BOX 10057

201 N. CLARK EL PASO, TEXAS 79991

CERTIFICATE OF ASSAY

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 5 1965
INITIALS CODE

ASSAYED FOR: Dr. E. J. Thorpe,

Lab No. [illegible]

ADDRESS: Roswell, New Mex.

MARKED: Sample A-9

Gold Ozs. per ton	Silver Ozs. per ton	% Lead	% Copper	% Zinc	% Silica	% Calcium Fluoride	Effective Units	% Manganese	% Iron
2.580	13.5								

EMMET J. THORPE, M. D.
ORTHOPAEDIC SURGERY
[illegible] WEST FOURTH STREET PHONE: 622-9740
ROSWELL, NEW MEXICO

CHARGES 7.50

ASSAYER

AREA CODE 505
PHONE 835-0801

P. O. BOX 642

EUGENE CARTER ANDERSON
MINING ENGINEER — GEOLOGIST
SOCORRO, NEW MEXICO

Memo -
To Dr Thorpe
From E.C.A. -
Re Samples -

A) Sample from old Shaft Dump
Hoyt Parnell area - WT & MC Claim A-3.
Au = Trace Ag = 33.56 oz. Cu = 7.86%.

B) Sample from old Carnation Shaft
Dump - C Claim 36 -
Au = 0.002 - Ag = 20.72 oz.

Assayed - State Bureau of Mines -
June 24 - 1965 -

EMMET J. THORPE, M. D.
ORTHOPAEDIC SURGERY
211 WEST FOURTH STREET PHONE: 622-9740
ROSWELL, NEW MEXICO

The following are the Articles of Incorporation of M. & M. Enterprises, Inc. and the Proposed By-Laws of M. & M. Enterprises, Inc. These are copies, the originals being retained in an appropriate file. State sanction and recognition of the corporation was obtained on May 17, 1965. The 25 shares of Mr. Ernest Murphy were recently purchased by Dr. Thorpe. Part VI. on page 3 of the Articles of Incorporation should now read as follows:

"The names and addresses of the incorporators and the number of shares of capital stock subscribed for by each are as follows:

Emmet J. Thorpe	1212 Avenida del Sumbre Roswell, New Mexico	99 shares
Suzanne Thorpe	1212 Avenida del Sumbre Roswell, New Mexico	1 share

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

ARTICLES OF INCORPORATION

OF

M & M ENTERPRISES, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, in order to form a corporation for the purposes hereinafter set forth, pursuant to the laws of the State of New Mexico, relating and pertaining to the formation of corporations for mining, manufacturing, industry and other pursuits, DO HEREBY CERTIFY as follows:

I.

The name of the corporation shall be M & M ENTERPRISES, INC.

II.

The registered office of the corporation shall be located at 204 West Fourth Street, Roswell, New Mexico, and Emmet J. Thorpe, whose address is 1212 Avenida del Sumbre, Roswell, New Mexico, is designated as the Statutory Agent herein, and upon whom process against the corporation may be served.

III.

The term of existence of the corporation shall be ninety-nine years.

IV.

The objects and purposes for which the corporation is formed are as follows:

To engage in the leasing of land for the exploration, development and operation of mines and minerals of every type, to engage in the drilling and exploration for any minerals, including hydrocarbons, to conduct operations for itself

or for others on producing properties, to purchase, sell, market or otherwise dispose of minerals of whatsoever kind, and to do any and all acts relating to the business of mining or producing minerals, or any phase thereof, incidental to the operation of any such leases, claims or properties.

The corporation shall likewise have power to engage in any and every business enterprise not otherwise prohibited by law, and the corporation shall have power to purchase, sell, pledge, mortgage and deal in any way in all types of real or personal property incidental to the conduct of its business, and without any particular limitation or restriction of the objects and powers of the corporation. It is hereby expressly declared and provided that the corporation shall have power to issue bonds and other obligations and shares of its capital stock, in payment for property purchased or acquired by it, or for any other lawful object in and about its business, to mortgage or pledge any stocks, bonds, guarantees or other obligations by it issued or incurred; to guarantee any dividends or bonds or contracts or other obligations; to make and perform contracts of every kind and description, and in carrying on its business, or for the purpose of attaining or furthering any of its objects or purposes, to do any and all other things and exercise any and all other powers which a co-partnership or natural person could do and exercise.

V.

The corporation is authorized to issue capital stock for $250,000.00 to be divided into 25,000 shares, the par value of which shall be $10.00 per share. The amount of capital stock with which the corporation shall commence business shall be $1,000.00.

VI.

The names and addresses of the incorporators and the number of shares of capital stock subscribed for by each are as follows:

Emmet J. Thorpe	1212 Avenida del Sumbre Roswell, New Mexico	74 shares
Suzanne Thorpe	1212 Avenida del Sumbre Roswell, New Mexico	1 share
Ernest Murphy	309 East Connor Street Roswell, New Mexico	25 shares

VII.

The affairs and business of this corporation shall be conducted and managed by a Board of Directors consisting of not less than three nor more than five members, and the names of the Directors who shall manage the affairs of the corporation until the first regular meeting of Stockholders, or until their successors are elected, are: Emmet J. Thorpe, Suzanne Thorpe and Ernest Murphy.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of April, 1965.

_____(SEAL)

_____(SEAL)

_____(SEAL)

STATE OF NEW MEXICO)
)
COUNTY OF CHAVES)

The above and foregoing instrument was acknowledged before me this _____ day of April, 1965, by Emmet J. Thorpe and Suzanne Thorpe.

_____
Notary Public

My commission expires:

_____

STATE OF NEW MEXICO)
)SS
COUNTY OF CHAVES)

The above and foregoing instrument was acknowledged before me this _____ day of April, 1965, by Ernest Murphy.

_____
Notary Public

My commission expires:

_____

EMMET J. THORPE, M. D.
ORTHOPEDIC SURGERY
211 WEST FOURTH STREET PHONE 622-3740
ROSWELL, NEW MEXICO

PROPOSED BY-LAWS

OF

M & M ENTERPRISES, INC.

ARTICLE I.

Section 1. Corporate Name: The name of this corporation shall be M & M ENTERPRISES, INC.

Section 2. Board of Directors: The affairs of this corporation shall be under the supervision of the Board of Directors, consisting of not less than three nor more than five members, who shall be elected annually by the Stockholders at the regular annual meeting, and who shall be Stockholders of the corporation, or shall have subscribed to capital stock in the corporation.

Section 3. Executive Committee: The Board of Directors shall be empowered, by proper resolution, to appoint an Executive Committee of three persons, two of whom shall be Stockholders of the corporation or shall have subscribed to purchase capital stock in said corporation, who shall act directly under the supervision and direction of the Board of Directors, but whose actions in the management, control and supervision of the corporation shall be as binding upon the corporation as would be any such action by the Board of Directors.

ARTICLE II.

Section 1. Officers: The officers of the corporation shall be a President, a Vice-President, and a Secretary-Treasurer, all of whom shall be elected by the Board of Directors for one year and shall hold office until their successors are duly elected or appointed and shall have qualified. The officers to

serve prior to the first annual meeting of Stockholders shall be appointed by the original organizing Stockholders. The Secretary-Treasurer may be appointed by the Board of Directors, and such person need not be a Director nor a Stockholder of the corporation. The officers of the corporation shall be elected by the Board of Directors at their first annual meeting after the election of Directors each year. In the event a vacancy should occur during the year, the Board of Directors, by appointment, shall fill the same for the unexpired term. The Board of Directors shall fix the compensation of the officers and agents of the corporation.

Section 2. President: The President shall be the Chief Executive officer of the corporation; he shall preside at all meetings of Stockholders and Directors; shall have general supervision of the affairs of the corporation; shall sign or countersign all certificates, contracts and other instruments of the corporation as may be authorized by the Board of Directors; shall make reports to the Directors and Stockholders; perform all other duties as are incident to his office or as may be properly required of him by the Board of Directors, and he shall give such bond as the Board of Directors shall require.

Section 3. Vice-President: The Vice-President shall act as President in the case of the death, absence or inability of the President to act, and with the same authority possessed by the President. He shall give such bond as the Board of Directors may require.

Section 4. Secretary-Treasurer: The Secretary-Treasurer shall perform all of the duties pertaining to that office; he shall have custody of the corporation's funds, the books and records of the corporation as well as the corporate seal; he shall keep and

retain the corporation's funds in a bank, banks or other depository as the President shall designate and shall pay the same out under such authority as may be approved by the Board of Directors; he shall attest all instruments of transfer and contract signed by the President, and shall have authority to attach the corporate seal thereto whenever the same bears the signature of the President, including all shares of stock of the corporation. He shall give such bond as the Board of Directors may require.

ARTICLE III.

Section 1. Stock: Certificates for shares of the capital stock of this corporation shall only be issued when authorized by the Board of Directors, which authorization shall be entered upon the Minute Book of the meetings of the Board. Stock certificates shall bear the signature of the President attested by the Secretary-Treasurer and the impression of the seal of the corporation. All stock issued under authority of the Board of Directors of the corporation shall be deemed fully paid and shall be non-assessable and the holders of such stock shall not be liable thereon to the corporation or to its creditors. Each certificate for shares of the capital stock in the corporation shall have plainly stated upon its fact the number of shares the corporation is authorized to issue and no certificate shall contain any provision preferring any stock of the corporation to any other or guaranteeing any rate of dividend.

Section 2. Sale of Unissued Stock: The Directors may sell or otherwise dispose of all or any part of the unissued stock of the corporation from time to time upon such terms and conditions as they may deem to be for the best interests of the corporation, but the existing Stockholders may first be afforded an opportunity

to subscribe for their pro rata part of the stock proposed to be issued upon the same terms and conditions as such unissued stock is to be disposed of.

ARTICLE IV.

Section 1. Seal: The seal of the corporation shall be a circular disk containing the words upon the inner circumference thereof as follows:

M & M ENTERPRISES, INC.

and across the center of the die, the word:

SEAL

The following is an impression of the seal:

ARTICLE V.

Section 1. Voting: At all Stockholders' meetings each Stockholder shall have one vote for each share of stock owned by him, and the stock shall be voted by the person in whose name the certificate appeared upon the records of the corporation ten days prior to the meeting at which voted, or by his or her duly authorized agent or representative. A majority of the outstanding, issued, capital stock represented in person or by proxy shall constitute a quorum at all Stockholders' meetings for the transaction of business.

In Directors' meetings, each Director shall be entitled to one vote regardless of the number of shares of stock owned or controlled by him, in all matters coming before the Directors, and the majority vote shall control. A majority of the duly elected Directors shall constitute a quorum for the conduct of business at Directors' meetings.

ARTICLE VI.

Section 1. Stockholders' Meetings: Stockholders' meetings shall be held annually at _____ o'clock __M., on the _____ Tuesday in _____ of each year, at the office of the corporation Roswell, New Mexico, and no notice thereof shall be necessary; provided, however, no change of the time or place of the holding of the said meeting shall be made unless notice thereof shall be given to the Stockholders at least ten days prior to the time for holding the annual meeting, such notice to be given to the Stockholders as shown by the stock record of the corporation five days preceding the date of the meeting.

Section 2. Special Meetings of Stockholders: Special meetings of the Stockholders may be called by the President by authority of the Board of Directors, but there must be at least five days notice by letter or telegram or waiver to all of the Stockholders of the time and place of holding any such meeting. At all Stockholders' meetings a majority of the stock owned in the corporation shall be represented either in person or by proxy to constitute a quorum. If there should be a failure to hold the Stockholders' meeting at the regular time provided, there shall be a special meeting called as herein provided for the transaction of any business coming before the Stockholders or which might have been transacted at the regular annual meeting.

ARTICLE VII.

Section 1. Directors' Meetings: The annual meeting of the Board of Directors for the purpose of electing and appointing officers of the corporation for the ensuing year shall be held immediately following the annual Stockholders' meeting and the regular meeting shall be held on the _____Tuesday in _____ of each year, and such other meetings as may be called from time to time by the

President may be held at any time or place, whether within or without the State of New Mexico.

ARTICLE VIII.

Section 1. Amendments: These By-Laws may be altered or amended only the the affirmative vote of all of the Directors present at any regular meeting of the Board, or special meeting called for the purpose, provided notice of such intention to amend, together with the proposed amendment or amendments, shall have been given to each Director at least five days prior to such meeting, and provided also that these By-Laws, or any amendments or alterations thereof, or any By-Laws hereafter made and adopted by the Board of Directors, may be amended, altered or repealed by the unanimous vote of all Stockholders at any annual Stockholders' meeting or at any special meeting, provided notice of such amendments or repeal shall have been given to each Stockholder in the manner provided herein for the calling of special meetings of Stockholders.

We hereby certify that the above is a true and correct copy of the By-Laws of the corporation adopted by the incorporators at the organization meeting of the corporation held on the ____ day of _____, 1965.

_____
President

ATTEST:

_____
Secretary-Treasurer

3. PHYSICAL DESCRIPTION

(a, b, c, d, e, f, g) Enclosed is a booklet prepared by Mr. E. C. Anderson, Mining Engineer-Geologist, New Mexico License #135, Socorro, New Mexico, dated June 1965, entitled, "Examination of Mining Properties Located in Steeple Rock Mining District of Grant County, New Mexico, That Belong to M. & M. Enterprises, Inc., Roswell, New Mexico", in which one will note discussion regarding ore reserves and sampling methods used. This shows the location of our claims and describes known mining or exploration operations which have been conducted. No mining has been carried out for many years and no core drilling has ever been done on these properties. Previous mining was on a very small and prospector-type basis. Our primary interest is in the "A" properties as the book will point out, but we also have a substantial silver find on the M. & M. Lode Claims #1 and #36. Enclosed in the supplement are locations, explanation and assay analyses results plus Mr. Anderson's detailed enlarged maps of geological features and proposed drill sites and quadrangle maps. Also included is a reconnaisance map showing geological features of the area including minerals, etc. The reason why we expect to find ore is because it is so obviously present in old dumps, in our discovery and assessment holes, in our underground assays and in the proper geological formation as particularly related to the old properties. Mr. E. C. Anderson, who has had many years of mining and geological experience, believes that we have a high grade and probably a large lode deposit of principally silver but also other minerals such as gold and copper. In addition, this mining district has been very productive from several small areas during relatively short periods of economic need for the minerals silver and gold.

The significant properties which we hold are in an area which heretofore have been inaccessible, but it is now quite easy to get into the "A" properties and with the use of a bulldozer we could clear the way so that any type of vehicle could go in and out easily. Mr. Anderson has carefully inspected the "A" properties, has been impressed with there being more obvious vein material of high quality than existed in the area of the Carlisle Mine which he thoroughly inspected during the 1940"s. Certainly, the lode area, from what sampling has been obtained, covers a much greater distance than the original Carlisle Mine mining group of claims. It may be of higher grade and is directly on the Carlisle fault.

It will be unnecessary for any of the records which we have submitted to be returned.

M & M Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

No. 1 assay was done by Dickenson Laboratories, Inc. from float material by an old, apparently Spanish, arrastra.

No. 2

A- obtained from dump material adjacent to a shallow shaft on M. & M. Claim A-3 and was assayed by the State Bureau of Mines.

B- this sample was from M. & M. Claim #36 for which at present we are not asking OME assistance.

No. 3 assay from the Silver City Laboratories was obtained as follows:

1-A- old open cut 2 feet from foot wall side
2-A- two and one-half feet from 1-A
3-A- three and one-half feet from 2-A
4-A- four feet from 3-A to hanging wall

These were obtained at the bottom of an arroyo twenty feet below adjacent ground surface.

5-A- rock in place from pit by old shaft, obtained from a three foot depth and approximately eight feet below the surface.

6-A- open cut eight feet below surface and this sample obtained four feet in depth from the bottom. The 6-A sample was obtained at a distance of 1,000 feet from sample 5-A along the prominent vein which connects all of the sample areas. 6-A was obtained at a distance of 1,550 feet from 1-A.

No. 4 assay was run on splits of 1-A through 4-A by the Dickenson Laboratories, Inc.

No. 5 was a sample run by Dickenson Laboratories, Inc. on M. & M. Lode Claim #1.

No. 6 assay results were transmitted via telephone by Mr. Anderson and run at the State Bureau of Mines Laboratory on two additional samples from two shallow workings recently discovered and these are included.

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

Part 2, Explanation of Assays

Assay number 1, which was selected by Mr. Anderson, indicated that heavy concentrations of silver and gold have been obtained from superficial workings and probably Spanish working many years ago. Mr. Murphy, an employee of M. & M. Enterprises, Inc., was present when all samples were being taken and showed Mr. Anderson the ranrastra.

Number 2-A- the high silver content (33.56 oz./ton) was obtained from the surface or top of the dump and according to Mr. Anderson this should indicate that it came from the bottom of the adjacent old shaft, probably not more than fifty feet in depth. This assay and assay No. 1 were taken from M. & M. Lode Claim #A-3. The copper appeared to be in the form of sulphide.

Number 3 - all of these samples taken over a distance of approximately 1,550 feet were taken twenty feet or less below the surface. Actually, most of them have a surface exposed to the atmosphere. According to Dr. Robert Weber, Economic Geologist, New Mexico Bureau of Mines, Socorro, New Mexico, the silver and copper were imbedded in a silicate compounds and since the compound goes into solution poorly, the concentration of silver would average greater than the reported values. These samples were purposely taken superficially in order to show if possible that a very rich iron gossan exists and to implement Mr. Anderson's strong feeling that substantial and commercial silver exists in lode form over a distance of at least 1,500 feet and probably much farther.

Assay number 4 was done by Dickenson Laboratories, Inc. and corroborates the finding of the Silver City Laboratories. Although iron was not assayed, Mr. Dickenson tells me that it was obviously present in large quantities when the copper analysis was being done. This helped confirm our impression of an extremely well mineralized gossan overlying vein material.

Number 5 assay report comes from an area for which we are not currently asking OME assistance. However, it is on the M. & M. properties not far from "A" properties and indicates a good concentration of silver.

Number 6 assay again shows that high concentrates of silver and gold are present just below the gossan at approximately thirty to fifty feet. Copper also shows very well in these.

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

4. ACCESSIBILITY OF PROPERTY:

(a) Accessibility of property is described by Mr. Anderson in his booklet under a section entitled, "Addendum to Report of Examination of Mining Properties located in Steeple Rock Mining District, Grant County,New Mexico, That Belong to M. & M. Enterprises, Inc., Roswell, New Mexico." The properties are quite accessible and Mr. Anderson will be happy to meet with the OME representative, take him to the properties, conduct him over them, show location from which samples have been taken, and generally describe the situation.

(b) The shipping and supply point is Duncan, Arizona, which is approximately 17 miles from the Steeple Rock Mining District and the M. & M. "A" properties.

5. EXPLORATION WORK

(a) The M. & M. Enterprises, Inc. owns its own core drill and one inch cores are obtained with this apparatus. However, experience gained since Mr. Anderson's report was prepared indicates that it is very inadequate for exploratory work. It is satisfactory for discovery and assessment work.

(b) In regard to the access road, it will need to be cleaned off with a bulldozer and will follow the jeep trail along the Steeple Rock Canyon to Verdin at the southwest. Enclosed is Mr. Anderson's report entitled, "Recommended Exploratory Drilling Program." Also included are the necessary maps showing proposed work, locations of holes, geological formations, etc. Land boundaries are shown as surveyed by Mr. Anderson. It is estimated that clearing the road and preparing drill sites will require twenty days the first month and ten days a month thereafter.

(c) If the OME contract is executed, work would be started within a week. It is estimated that exploration will be completed in four months. About 950 hours will be needed to drill 1900 feet or about 120 days. Bulldozing will be carried out simultaneously.

AREA CODE 505
PHONE 835-0801

P. O. BOX 642

EUGENE CARTER ANDERSON
MINING ENGINEER — GEOLOGIST
SOCORRO, NEW MEXICO

July 15, 1965

Dr. Emmet J. Thorpe, President,
M. & M. Enterprises, Incorporated,
204 West 4th Street,
Roswell, New Mexico

Dear Dr. Thorpe:

Herewith are four prints of the M. & M. A Claims map that I have prepared following my survey work on the claims last Sunday, July 11th.

The survey work was done primarily to tie the claims to a section corner. However, in doing this I found the side lines of the claims are not normal to the end lines, so it became necessary that the true bearing (or direction) of the side lines be determined.

You will note on the map the end lines run north and south while the side lines bear north 63° 30' west and north 58° 10' west. This does not effect the validity of the recording of your claims.

I am also sending my recommendations for the exploratory drilling on the property. I would suggest that my recommendations be correlated with the data Mrs. Robbins has developed re drilling costs, etc. and a copy be attached to each print you submit to O. M. E.

I expect to be away from my office beginning Friday morning, the 16th, until Tuesday morning, the 20th.

Yours very truly,

E. C. Anderson

ECA/ra

RECOMMENDED EXPLORATORY DRILLING PROGRAM

for

The M. & M. A LODE CLAIMS

in the

STEEPLE ROCK MINING DISTRICT

GRANT COUNTY, NEW MEXICO

- - - - - - - - - - - - - - - - - -

Twelve Drill Stations have been tentatively spotted on the attached claim map. It is thought that drill holes from these stations will effectively explore the main fault zone that is known to carry mineral for a distance of ±4500 feet. Four of the stations are located to explore two spur faults that break away from the main fault. The drill stations have been spotted at what appear to be the more promising sections of the fault area, i.e. at evident bends and swells in the fault zone and at the junction of lesser faults with the main fault.

Three of the stations (No. 1, 2 and 3) are located so the drill holes will cut at depth ore zones that are evident at the surface. Three others are located so drill holes will cut the structure at or near the junction of a minor fault with the main fault. Drill holes from the other stations are expected to cut the fault zone at bends or swells.

ESTIMATE NO. HOLES and FOOTAGE

The following is an estimate of the minimum number of drill holes recommended for exploring the mineral bearing fault zone covered bu the M. and M. A Claims.

At Drill Stations 1, 2, 3, 5 and 6 at least three holes should be drilled to cut the fault zone at approximately 45, 90 and 150 feet down slope from the outcrop. The measured dip of the fault is 63° to 75°. The thickness of the fault zone where exposed measures 12 feet to 23 feet.

At Drill Stations 4, 9 and 10 at least two holes should be drilled and at Stations 7 and 8, which are located on spur faults, it is probable only one hole will suffice. However, if mineral is found in these minor faults additional drilling will, of course, be in order.

The drill set should be at least 60 feet from the hanging wall of the fault at the outcrop.

At Stations 1, 2, 3, 5 and 6 at least fifteen holes will be drilled. The holes will average +100 feet or a total of

15 x 100 = 1500 feet of which

±300 feet will be cored

At Stations 4, 9 and 10 at least two holes are recommended. These holes also will average about 100 feet or a total of

3 x 100 = 300 feet of which

±70 feet will be cored

At Stations 7 and 8 it is recommended that one exploratory hole be drilled. These holes will be probably 80 to 100 feet deep and probably 20 feet of core will be cut in each hole.

2 holes @ 100 feet = 200 feet

2 cores @ 20 feet = 40 feet

It is quite possible that no drilling will be necessary at Stations 11 and 12. This will depend on the findings at Stations 7 and 8.

SUMMARY

At Stations 1, 2, 3, 5 and 6

Total holes	= 15	
Total footage	=	1500
Total core	=	300 feet

At Stations 4, 9 and 10

Total holes	= 6	
Total footage	=	300
Total core	=	70 feet

At Stations 7 and 8

Total holes	= 2	
Total footage	=	100
Total core	=	40 feet
Total All	= 23 holes, 1900 feet, 410 feet	

Stations 11 and 12 are included in estimate.

An estimate of costs for drilling can be made after bids have been received from the drilling contractors.

E. C. Anderson

6. EXPERIENCE

Following is a copy of Dr. Thorpe's qualifications as a scientist. As his advisor and as the corporation geologist, Mr. E. C. Anderson has been employed. Mr. Anderson has published a number of papers and texts and is thoroughly acquainted with the mining industry in the Steeple Rock Mining District, both in the past and at present. Mr. James Sperling, Attorney-at-Law in Albuquerque, who has handled many mining cases where the knowledge of mining law and protection of mining claims is concerned, represents M. & M. Enterprises, Inc. Mr. Sperling is a licensed and actively practicing attorney. The Dickenson Laboratories, Inc., of El Paso, Texas, is doing our ore analyses. The qualifications of both Mr. Anderson and Dickenson Laboratories are included in this report. We have an unlimited source of water and enjoy the good wishes and nice cooperation of the local ranchers.

QUALIFICATIONS

EDUCATION:
1. B. S., Western Reserve University, Cleveland, Ohio (chemistry major) 1947.
2. M. D., George Washington University, Washington, D. C., May 1951.

INTERNSHIP:
1. General Surgery--University Hospitals of Cleveland, Cleveland, Ohio
   July 1951--June 1952

RESIDENCY:
1. General Surgery--University Hospitals of Cleveland, Cleveland, Ohio
   July 1952--June 1953
2. General Surgery--University of Louisville (Louisville General Hospital)
   August 1955--June 1956
3. Orthopaedic Surgery--Duke University Medical Center Program, Durham, N.D.
   July 1956--June 1959
   (Includes one year of childrens' orthopaedic surgery at Shriners' Hospital for Crippled Children, Greenville, S. C.)

U. S. A. F. -- Perrin A. F. B., Texas (3555th USAF Hospital)
September 1953--August 1955 (Chief of Surgery)

CERTIFIED BY THE AMERICAN BOARD OF ORTHOPAEDIC SURGERY -- January 1963

FELLOW OF THE AMERICAN ASSOCIATION OF ORTHOPAEDIC SURGERY -- January 1964

MEDICAL LICENSES:
1. National Board of Medical Examiners -- July 1952
2. New Mexico Board of Medical Examiners -- November 1961

MEMBER:
American Medical Association, New Mexico State Medical Society, Chaves County Medical Society, Piedmont Orthopaedic Society, Western Orthopaedic Association (New Mexico Chapter), Phi Chi Medical Fraternity

PAPERS PUBLISHED:
1. "Congenital Dislocation of the Hip--A Statistical Analysis" (presented to the Tennessee Orthopaedic Association).
2. "Myositis Ossificans--An Experimental Study".
3. "Back Injuries".
4. "Ultrasonic Decalcification of Bone"--published in the Journal of Bone and Joint Surgery.
5. "Ultrasonic Decalcification of Bone"--published in Yearbook of Orthopaedic Surgery
6. "Modern Advances in Back Surgery--A Clinical Study"--to be published in the Journal of Bone and Joint Surgery and presented to the Piedmont Orthopaedic Society.

TEACHING APPOINTMENTS:
1. Instructor, Department of Surgery, Division of Orthopaedic Surgery, Duke University Medical Center.
2. Associate Scientist, University of Tennessee--Atomic Energy Commission.
3. Assistant Director, Orthopaedic Residency Training Program, University Hospital, Knoxville, Tennessee.

EMMET J. THORPE, M. D.
ORTHOPAEDIC SURGERY
211 WEST FOURTH STREET PHONE: 622-9740
ROSWELL, NEW MEXICO

AREA CODE 505
PHONE 835-0801

P. O. BOX 642

EUGENE CARTER ANDERSON
MINING ENGINEER — GEOLOGIST
SOCORRO, NEW MEXICO

May 14, 1965

Dr. E. J. Thorpe,
204 W. 4th Street,
Roswell, New Mexico

Dear Dr. Thorpe:

Reference is made to my telephone conversation on Monday last with your Mrs. Robins regarding your probable need for a mining engineer - geologist to assist in the examination of certain mining properties located in the Steeple Rock District in southwestern New Mexico.

Mrs. Robins said that I had been recommended to you by Dr. Kottlowski of the State Bureau of Mines. Also, she requested that I send you information regarding my professional background and references to clients I have served since entering consulting practice.

I am a graduate of Mississippi State with a degree in Civil Engineering and of the New Mexico School of Mines with a B. S. degree in Mining Engineering and Mining Geology, 1917. I received advanced degrees in Civil Engineering in 1926 and the E. M. degree in 1938 from the School of Mines.

I served two years with the 23d Engineers, First Army, during the first World War. Following my discharge from the Army in June 1919 I was employed on construction and location work by the Government and the State of New Mexico until October 1925 when I went with the American Metal Company of New Mexico as Chief Engineer and Mine Geologist at the Pecos Mines in the upper Pecos River Canyon. This mine was closed down in 1939, at which time I went with the International Minerals & Chemical Company at Carlsbad.

During World War II I was on loan to Metals Reserve Company and supervised the planning and building of a sink-float fluorspar mill at Gila, New Mexico, and arranged contracts with mine operators for the delivery of ore to the mill.

I was with International until the summer of 1945 when I became Director of the New Mexico State Bureau of Mines. I was with the Bureau of Mines until 1957 when I was re-

tired because of age (65). Since 1957 I have been engaged now 73
in consulting work.

The following are some of the clients I have enjoyed working for. Please feel free to contact any or all of them.

Stearns-Roger Manufacturing Company,
Mr. L. H. Gemmel,
660 Bancock Street,
P. O. Box 5370,
Denver 17, Colorado

Public Service Company of New Mexico,
Mr. A. E. Rhodes, Vice-President,
P. O. Box 1360,
Albuquerque, New Mexico

El Paso Electric Company,
Mr. John F. Armstrong, Vice President,
Manager Mesilla Valley Division,
Las Cruces, New Mexico

California Portland Cement Company,
Mr. Wallace K. Downey, General Counsel,
612 South Flower Street,
Los Angeles 17, California

Peabody Coal Company,
Mr. Ed Phelps, Vice-President,
Peabody Plaza,
St. Louis, Missouri

Tide Uranium Company,
(Now Bob Oliver & Associates)
Mr. Bob Oliver, President, President,
P. O. Box 1720,
Fort Worth, Texas

Tri-State Metals Corporation,
Mr. Theodore D. Glass, President,
P. O. Box 71,
Chester, West Virginia

I have served quite a number of other clients, including the Santa Fe Railway Company, Dysart (Stella) Mines, the Attorney General of the State of New York and the New Mexico State Land Office.

I am a mining engineer and mining geologist. I know very little about petroleum geology, nor would I qualify as an areal geologist.

Should you decide you want to use my services I will be available after June 8th. I have commitments for August and September. I receive $100.00 per day plus all expenses for my services. I receive 10 cents per mile for car travel when I use my own car or whatever the charges may be if I rent a car. An itemized accounting is given covering expenses.

A copy of the format I generally use in preparing reports is attached.

Please advise me at your earliest convenience as to your decision regarding my services.

Yours very truly,

E. C. Anderson

ECA/ra

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS

201 N. CLARK
P. O. BOX 10057
EL PASO, TEXAS 79991

772-3088-772-6621

May 20, 1965

Dr. Emmet J. Thorpe
204 West Fourth St.,
Roswell, New Mex.

Dear Sir:

I enclose a price schedule for different assays as per your request.

For your information, Dickinson Laboratories went into business under that name on July 1st, 1952. Orginally we started as a custom laboratory doing mostly metallurgical samples but my son George G. thought we had better get into other lines so at this time we do assaying of ores and metals, Soil and water analysis, Cottonseed and cottonseed products, meats, Gasoline, jet fuels and oil analyses and perhaps one of our largest business now is soil testing on building sites, Sand and gravel analyses, concrete testing for strength, tensile strength of iron rods, in fact general building material analyses.

Most of my experience (57 years) has been as assayer, chemist and mill man (metallurgist). Over 33 years of this time I was Chief assayer and Chief Chemist for various American Smelting & Refining Co. plants including mines, mills and Smelters. I took and finished a course in Complete Metallurgy with International Correspondence Schools in 1926 but I believe my years experience has been quite an education.

My son George G. (most people call him Junior) graduated from what was Texas School of Mines (now Texas Western College) after his hitch in the Navy during ~~World~~ World War 2 majoring in Geology and minor in Chemistry. He has been in the business with me ever since we started. Prior to that he worked extra hours while in college in a laboratory.

I feel that we are qualified to do any of the kinds of work mentioned and invite inspection of our facilities for doing good work and comparing our equipment with any other laboratory.

Thank you for the past work you have sent us and trust we may continue to do your work.

Yours very truly

Dickinson Laboratories, Inc.,

By Geo L Dickinson
Geo. L. Dickinson

D I C K I N S O N L A B O R A T O R I E S, I N C.

201 North Clark
P. O. Box 10057
El Paso 91, Texas

PHONE 772-3088
PHONE 772-6621

PRICE SCHEDULE - ORE ANALYSIS
Effective September 1, 1963

Aluminum	$ 9.50
Antimony	9.50
Arsenic	7.50
Barite	8.25
Berylium	19.50
Bismuth	9.50
Boron Oxide, Water Soluble	15.00
Copper	4.00
Cadmium	8.25
Calcium	8.25
Chromium	10.50
Cobalt	8.25
Free Acid	2.50
Flourspar & Silica	10.00
Gypsum	10.00
Gold	4.00
Gold & Silver	7.50
Germanium	15.00
Insoluble	4.50
Iron	5.25
Lead	4.50
Lithium	11.50
Loss on Ignition	2.50
Magnesium	10.50
Moisture	2.50
Manganese	5.00
Manganese Dioxide	$ 7.50
Mercury	7.75
Molybdenum	8.50
Nickel	8.25
Organic Material	7.50
Phosphorus	8.25
Platinum Group (each)	17.50
Potassium	10.00
Rare Earth Oxides	25.00
Silver	4.00
Selenium	17.50
Silica	10.75
Sodium	11.50
Strontium	17.50
Sulfur	6.25
Thorium	25.00
Tin	15.00
Tellurium	14.00
Titanium	15.00
Tungsten	8.00
Uranium - Radiometric	4.00
Uranium Oxide	12.50
Vanadium	9.50
Zirconium	14.50
Zinc	5.00

PRICE FOR OTHER ANALYSES, NOT LISTED, FURNISHED ON REQUEST

PLEASE ACCOMPANY SAMPLES WITH CHECK OR MONEY ORDER, UNLESS CREDIT IS ALREADY ESTABLISHED.

7. Estimate of Costs:

A. Independent contracts

1. Drilling

(a) E. J. Longyear Co., 308 East Pima, Phoenix, Arizona

((a)) Mobilization and demobilization of personnel and drilling equipment

395.00

((b)) Diamond core drilling, NX, $8.75 per foot for 1900 feet

16,625.00

((c)) Cementing operations, $12.50 per hour, one hole per hour to cement and drill out 23 holes 292.10

((d)) Water truck service, $175.00 per month for four months plus 15 cents per mile travel for 4,080 miles (34 Miles per day for 120 days)

1,312.00

((e)) Cement, drill mud, additives, etc., at approximately $10.00 per hole, 23 holes

230.00

((f)) Core boxes, 23 holes 4 cores each, $1.00 per box

92.00

((g)) Unexpected expenses 3,000.00

$21.946.10

Longyear Co. is the lowest bidder and has carefully examined the properties. Because of rock hardness and brecciation, diamond drilling will be necessary most of the way and casing of the holes may be necessary all of the way.

(b) Steinberger Drilling Co., Box 1137, Roswell, New Mexico

((a)) Drilling two feet per hour for 1900 feet at $20.00 per hour (2 feet per hour is a safe average to figure on drilling).

19,000.00

((b)) Bits as quoted verbally by Mr. Steinberger

600.00

(b) Steinberger Drilling Co., Con't.

((c)) Cementing operation, $12.50 per hour, one hour per hole to cement and drill out 23 holes

292.10

((d)) Water truck service, $175.00 per month for four four months plus 15 cents per mile for 4,080 miles (34 miles per day for 120 days).

1,312.00

((e)) Cement, drill mud, additives, etc., at approximately $10.00 per hole, 23 holes

230.00

((f)) Core boxes, 23 holes 4 cores each, $1.00 per box

92.00

((g)) Unexpected expenses

3,000.00

$24,526.10

(c) Stewart Bros. Drilling Co., Box 2067, Milan Station, Grants, New Mexico

((a)) Drilling 1900 feet approximately two feet per hour at $25.00 per hour

23,750.00

((b)) Mobilization of personnel and equipment

1,000.00

((c)) Unexpected expense

3,000.00

$27,750.00

The bids for the drilling are enclosed in the supplement following this section.

A. Independent Contracts

2. Bulldozing

(a) Crist Machinery and Supply, Inc., Box 563, Albuquerque, New Mexico

((a)) Lease purchase bid $1,000.00 per month for 3 months — 3,000.00

475.00 per month thereafter — 475.00

((b)) Operating expenses
$10.30 per hour for 400 hours
20 days at 8 hours 1st month
10 days at 8 hours 2nd month
10 days at 8 hours 3rd month
10 days at 8 hours 4th month
50 days 400 hours — 4,120.00

$7,595.00

This is furnished through Crist and we will take care of the insurance on the bulldozer. Mr. E. C. Anderson, our geologist, has analyzed the time for our bulldozing and has recommended the above figures.

(b) Farm & Industrial Supply Co., Box 1874, Roswell, N. M.

((a)) Lease purchase $1,500.00 per month for four months — 6,000.00

((b)) Operating expenses by Crist instead of $15.00/hour
$10.30 per hour for 400 hours
20 days at 8 hours 1st month
10 days at 8 hours 2nd month
10 days at 8 hours 3rd month
10 days at 8 hours 4th month
50 days 400 hours

Farm & Industrial quoted $15.00 per hour — 4,120.00

$ 10,120.00

(c) Rust Tractor Co., Box 1320, Albuquerque, New Mexico

((a)) Lease purchase $1,750.00 per month for four months; however, 12 months guarantee of lease is required. — 7,000.00

((b)) Operating expense

$875.00 per month for 4 months — 3,500.00

$10,500.00

Crist, the low bidder, would rent for $1,500.00 per month. Rust and Farm and Industrial Supply would rent at the same price as lease purchase, making the bids much higher on a rental basis.

3. Freight to ship Bulldozer to mining site
   (a) Crist's independent trucker they use for hauling their equipment bids as follows:
   ((a)) $.70 per hundred pounds plus $5.00 for permit for New Mexico and $5.00 for permit for Arizona

One way for 45,000 pounds	325.00
Round trip	650.00

   (b) Santa Fe Railway $1.63 per hundred pounds

One way for 45,000 pounds	733.50
Round trip	1,467.00

   (c) Apex Lines, $2.52 per hundred pounds

One way for 45,000 pounds	1,134.00
Round trip	2,268.00

   If a lease purchase deal is completed, the return of equipment would not be necessary eliminating one-half of the above costs. Crist's independent trucker is the least expensive.

B. Personal Services
   1. Mining Engineer-Geologist, Mr. E. C. Anderson, two days per week for approximately 18 weeks at $200.00 per week, $3,600.00, plus $10.00 per day expenses for 36 days, $360.00

$3,960.00

C. Operating materials and supplies; none

D. Operating equipment: none

E. Initial rehabilitation and repairs: none

F. New building, fixtures, installations: none

G. Miscellaneous
   1. Assays
   These are for silver and gold, pulverizing ten foot cores split in half lengthwise.
   (a) 92 assays (23 holes, 4 assays per hole) at $7.50 each

690.00

   2. Workmen's Compensation
   (a) 400 hours at $3.50 per hour for bulldozer operator is $1,400.00 (WC is $8.31 per $100.00 or $116.34).

   360 hours at $2.00 per hour for bookkeeper is $720.00 (WC is $.20 per $100.00 or $1.40)

117.74

   3. Payroll Taxes
   (a) $2,120.00 total wages with 7 1/4% of wages for F.I.C.A. tax (one-half to be paid by OME and M. & M. Enterprises, Inc.) This would amount to $76.85 F.I.C.A. tax

   Employment Security Commission (ESC) tax rate is 2.7% or $57.24 would be amount of E. S. C. tax

134.09

   4. Accounting work
   (a) Accounting services, 18 weeks at 20 hours per week, $2.00 per hour

720.00

Total budget would read as follows:

Drilling	21,946.10
Bull Dozer	7,595.00
Freight	650.00
Geologist	3,960.00
Assays	690.00
Workmen's Comp.	117.74
Payroll Tax	134.09
Accountant	720.00
	$35,812.93

M&M Enterprises, Inc.
204 West 4th
Roswell, New Mexico

Longyear

E. J. LONGYEAR COMPANY
General Offices, 76 South 8th St.
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 9-7631 • CABLE LONGCO.

308 East Pima Street
Phoenix, Arizona 85004
July 19, 1965

M & M Enterprises Corporation
204 West Fourth Street
Roswell, New Mexico

Attention: Dr. Emmet J. Thorpe

SUBJECT: PROPOSAL COVERING DRILLING OPERATIONS IN CARLISLE MINING DISTRICT NEAR DUNCAN, ARIZONA

Gentlemen:

1. In response to a request received from your Geologist, Mr. E. C. Anderson, we are pleased to submit our proposal below to cover drilling in the above subject area.

2. Our understanding of your drilling program is as follows:

a) The minimum program will be approximately 1500 feet of NX size core drilling and if feasible, 4½" diameter non-core drilling.

b) Holes will vary in inclination from a minus 45 degrees to vertical.

c) The formations to be penetrated will consist of a minor amount of alluvium and the rock to be drilled will consist of andesite, rhyolite and vein structure composed of highly siliceous breccia. Generally, the drilling can be considered hard and broken.

d) Water for drilling purposes is obtainable in Duncan, Arizona approximately 13 miles distance one way. The Contractor will be required to haul water over suitable access roads prepared by you.

You will prepare and maintain suitable access roads for traversing with standard 2-wheel drive water and service trucks and will prepare the necessary drill sites.

3. For the work as outlined above, we propose to furnish one truck-mounted drilling machine of suitable capacity together with all the required accessory equipment including a water truck.

We would expect to carry out the work on a one or two shift basis, six days per week.

4. We will carry public liability insurance covering personal injury and property damage, and Workmen's Compensation insurance and also all-risk insurance on the drilling equipment protecting against loss by theft, fire, flood, landslides and other similar hazards. Certificates showing the coverage referred to will be furnished upon request.

5. Based upon the conditions as outlined above, we are pleased to quote as follows:

a) Mobilization and demobilization of personnel and drilling equipment.....$395.00 Lump Sum

b) Overburden drilling, including the setting of casing to ledge -

0 to 50 feet in depth.....$6.95 per foot

c) Non-core drilling - 4¼" - 4½" in diameter - In rock types where rotary rock bits are applicable -

Ledge to 350 feet in depth.....$5.25 per foot

The above non-core price is based upon rotary bit costs averaging 35¢ per foot. Should the actual cost exceed the 35¢ amount allowed, such overage will be invoiced to you.

It is further understood that rotary drilling cannot be economically carried out in hard, dense and cherty rock types. In the event such unfavorable formations are encountered, it is understood that non-core drilling will cease and the hole will be completed via standard core drilling methods at prices quoted for the diamond core drilling.

d) Diamond core drilling - In angle holes with minimum inclination of 45 degrees to vertical -

	NX	BX
Ledge to 350 feet in depth with wireline or standard drilling tools.....	$8.75/ft.	$8.45/ft.

e) Reaming, if required and where applicable.....$4.50 per foot for all sizes involved.

f) Cementing operations, including time spent waiting for cement to set and drilling out cement.....$12.70 per hour with 2-man drill crew.

g) Water truck service will be made available on the following basis:

1. Water truck rental charge.....$175.00 per month plus 15¢ per mile traveled while engaged in water hauling activity.

g) Continued -

2. It is intended to use the drill helper for the purpose of driving the water truck. As long as this arrangement can be maintained, no charge will be made for his service. However, if it should become necessary to hire a separate, full time water truck driver in order to prevent excessive delays to the drilling, we propose to make a charge of $3.50 per hour to cover the resultant additional wages, payroll taxes and other related expenses involved.

3. Any cost associated with purchasing the water from its source will be invoiced to you.

h) Cement, drill mud, additives or other hole stabilizing and hole plugging agents consumed in the drilling program will be invoiced to you at our cost, f.o.b. job site basis.

i) Core boxes, cardboard type, capacity ten feet of core.....NX or BX Size $1.00 each

j) Standby time or delays for your convenience or for which you are responsible.....$11.60 per hour with 2-man drill crew.

k) Casing which is left in drill holes at your request will be invoiced at our cost, f.o.b. job site basis.

Casing that is lost through normal drilling operations will be invoiced at 50% of cost, f.o.b. job site basis.

6. Cores and/or samples will be turned over to your representative at the drill sites in containers furnished by you or by the Longyear Company as outlined above.

7. If we are selected to carry out this program, it is understood and agreed that M & M Enterprises Corporation will provide means for payment of monthly invoices, either from the deposit of funds with the Longyear Company or in a mutually acceptable escrow account.

For the program outlined above, we estimate a minimum of approximately $12,000.00 will be required for payment of our invoices.

8. Statements will be submitted promptly after the first of each month covering drilling performed during the previous month and payment will become due fifteen days after date of invoice.

9. We appreciate the opportunity to submit this proposal to you. If awarded the work, we are prepared to commence the mobilizing operations promptly and would expect to get the work underway within ten days after receipt of notice to proceed.

Sincerely,

J.R.Miller:jag

E. J. LONGYEAR COMPANY

J. R. Miller

Manager, Southwestern Zone
Contract Drilling Division

ACCEPTED:
Company_____
By_____
Date_____

Seismograph
Diamond Core Drilling
Wells
Sample Drilling

STEINBERGER DRILLING CO.
ROSWELL, NEW MEXICO

P. O. Box 1137
423 E. 2nd St.
Tele. 622-8650

July 9, 1965

M & M Enterprises, Inc.
204 West Fourth St.
Roswell, New Mexico

Gentlemen:

Following is our proposal to furnish drilling equipment and personnel to drill 4-3/4" holes to take 2¼" cores to approximate depths of 800' in Grant County, New Mexico.

Drilling & Coring $20.00 per hour

M & M Enterprises to furnish the bits, the drilling mud & additives and the water.

We agree to furnish the core barrel and to transport the water.

If the amount of work justifies it, there will be no mileage charge.

Before a contract is entered into, we shall require some form of guarantee of payment. We prefer to work 10 hr days - ten days on and four days off. We bill at the end of each month to receive payment not later then the 20th of the following month.

We do not have available equipment. However, if this work is of sufficient duration to justify it, we would procure the necessary equipment.

Very truly yours

STEINBERGER DRILLING CO.

H. J. Steinberger

H. J. Steinberger

HJS:hej

287-2047

Stewart Brothers DRILLING CO.

• EXPLORATION
• DRILLING

• P. O. BOX 2067, MILAN STATION
• GRANTS, NEW MEXICO

July 13, 1965

Dr. Emmet J. Thorpe, President
M. & M. Enterprises, Inc.
204 West 4th Street
Roswell, New Mexxico

Dear Sir;

We have been informed by Mr. E. C. Anderson of Socorro, that your firm plans to some angle hole core drilling in the Steeple Rock area of South West Grant County, N. M.

We would like very much to submit the following prices for your consideration:

For Rig (Joy 22) with NX WireLine equipment, = BX
water truck, & service vehicles;
All Field Time, drilling, cementing, riging up & riging down;; $25.00 Per Hr.

Mobilization, Grants, N. M. to Job site and return to Grants; $1,000.00

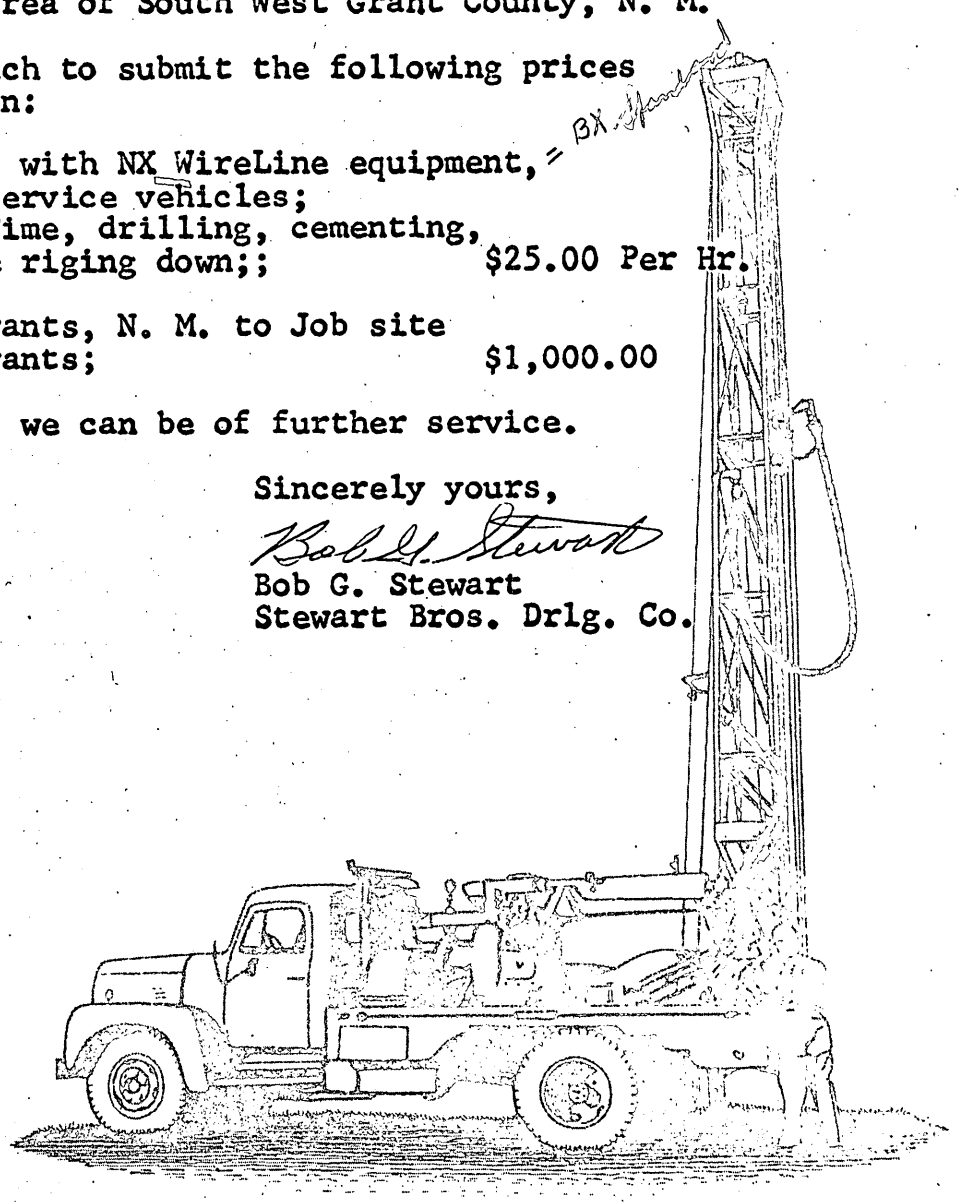
Please let us know if we can be of further service.

Sincerely yours,

Bob G. Stewart

Bob G. Stewart
Stewart Bros. Drlg. Co.

cc: E. C. Anderson
Socorro, N. M.



Stewart Brothers
DRILLING CO.
• EXPLORATION
• DRILLING
• P. O. BOX 2067, MILAN STATION
• GRANTS, NEW MEXICO

July 22, 1965

Dr Emmet J. Thorpe, President
M. & M. Enterprises, Inc.
204 West 4th Street
Roswell, New Mexico

Dear Sir;

In regards to my letter of July 13, last, I should have gone into more detail about the contingencies.

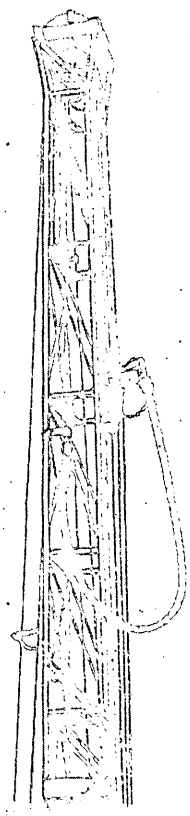
We would bill you for invoice prices on all bits, cement, mud, chemicals, and casing lost in the hole. The NX wire line diamond bits cost about $450.00, but then ~~in~~ there is a salvage value of 25 percent or so, which we in turn give you credit for.

Taking all thing into consideration, such as moving time, casing time, and lost circulation problems, we would be doing real good to drill 15 feet in a 10 or 11 hour shift. However, conditions could be such that we could drill 25 or 30 feet in the same time.

I feel sure that we could work at least 10 months out of the year. Inclement weather has never been a problem in the southwest unless you get in the higher elevations.

We can not set a starting date at this time. We might be able to work ~~in~~ it in by the 1st of Sept. However, it might be two or three months before we could start.

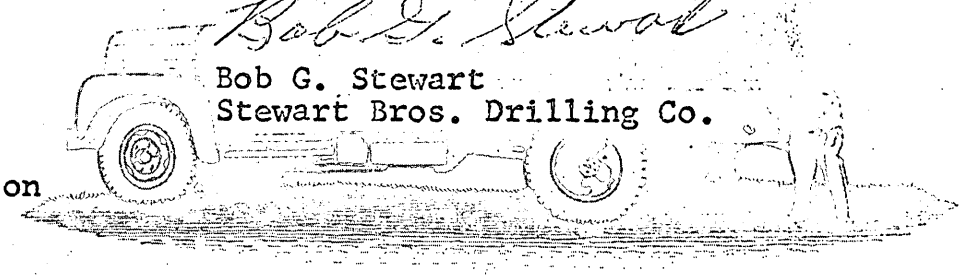
Please feel free to call on us again if there is any further questions.



Sincerely yours,

Bob G. Stewart

Bob G. Stewart
Stewart Bros. Drilling Co.



cc: Mr. E. C. Anderson
Socorro, N.. M.

GRIST
MACHINERY AND SUPPLY, INC.
1510 SECOND STREET, N.W. • ALBUQUERQUE, NEW MEXICO 87103
P O. BOX 563 • TELEPHONE 247-3701

July 19, 1965

Emmet J. Thorpe, M.D.
M & M Enterprises, Inc.
204 West Fourth Street
Roswell, New Mexico

Re: Used Allis-Chalmers model HD-16C,
serial No. 3064, with Cable Angle Dozer

Dear Doctor Thorpe:

It is my proposal to lease this tractor to you for a minimum period of three months, for a lease of $1000.00 per month. If the lease goes over three months, then we can reduce the rental to $475.00 per month.

If you want this tractor on a straight month to month rental, with no purchase option, I will rent it for $1500.00 per month with a minimum time of one month.

In my earlier correspondence, I stated to you that a tractor such as this normally rents for approximately $15.00 per hour. An average breakdown on the the per hour cost, operated and maintained, would be approximately as follows.

Fuel, 10 gallons per hour @ 18¢	1.80
Grease and Filters	1.00
Operator	3.50
Reserve for Mechanical Repair	4.00
Per Hour	$ 10.30

This $10.30 per hour would be direct out of pocket expenses and would reflect no consideration for depreciation on the tractor, no insurance for the tractor, nor would it include any trucking that would be involved in transporting the tractor to and from the job site, and of course, no profit that would be normal with regard to an investment of this size.

If there is any further information that you would like, please feel free to

call on me at any time.

Yours very truly,

CRIST MACHINERY AND SUPPLY, INC.

Earl Crist Jr.

Earl Crist, Jr.
President

ECJr:ed

FARM & INDUSTRIAL SUPPLY CO.

932 E. McGAFFEY
P. O. BOX 1874

ROSWELL, NEW MEXICO
TELEPHONE 623-0638

July 19, 1965

M&M Enterprises, Inc.
Emmet J. Thorpe, President
204 West 4th
Roswell, New Mexico

Dear Dr. Thorpe:

I have in stock a used Allis Chalmers Mod. HD-21, ser. #8765 bulldozer with rigid front push block. I could either rent or allow you to lease purchase this bull dozer for $1500.00 per month. Operation of this type bulldozer including operator, oil, gas, depreciation, insurance, etc., is estimated to be $15.00 per hour. = 7.50/hr 25/250

Very truly yours,

Glenn R. Gibson by B. R., Secretary

Glenn R. Gibson

GRG:br

ALBUQUERQUE, N. M. 87103 • 1801 FOURTH ST., NW • P.O. BOX 1320 • PHONE 247-8811 • FARMINGTON, N. M. 87401 • 3 CAMINA ENTRADA • P.O. BOX 2020 • PHONE 325-1929

CATERPILLAR
RUST
TRACTOR CO.
ALBUQUERQUE

July 9, 1965

M & M Enterprises
204 West Fourth
Roswell, New Mexico

Gentlemen:

In answer to your telephone request, we offer a new D-7 Direct Drive Tractor for twelve months at $1750.00 per month. Adding to this figure $875.00 for operator, fuel, lube oil and miscellaneous expenses gives a total monthly expense of $2,625.00. Assuming 175 operating hours per month, the hourly rental rate would be $15.00 per hour.

Please keep in mind that we do not rent machinery by the hour or on a fully operated basis.

Sincerely,

RUST TRACTOR

B. D. Hale

B. D. Hale
General Sales Manager

BDH:jc

ALBUQUERQUE, N. M. 87103 • 1801 FOURTH ST., NW • P.O. BOX 1320 • PHONE 247-8811 • FARMINGTON, N. M. 87401 • 3 CAMINA ENTRADA • P.O. BOX 2020 • PHONE 325-1929

CATERPILLAR
RUST
TRACTOR CO.
ALBUQUERQUE

July 19, 1965

M & M Enterprises
204 West Fourth
Roswell, New Mexico

Gentlemen:

Please refer to our letter of July 9, 1965, in which we quoted rental prices for a new Cat D-7 tractor. The rate quoted of $1,750.00 per month, with twelve months guaranteed, is valid for either a straight rental or a lease-purchase agreement. If the option to purchase is exercised, one hundred per cent (100%) of rentals apply to the purchase price. Interest at the rate of one half per cent (1/2%) per month will be charged, however.

If there are any other questions, feel free to contact me.

Yours very truly,

RUST TRACTOR

B. D. Hale

B. D. Hale
General Sales Manager

BDH:jc

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/22	RMSmith	120
		110
		220

MAR 2 2 1966

M. & M. Enterprises, Inc.
104 West 4th Street
Roswell, New Mexico

Re: OME-6486 (Silver-Gold)
M. & M. Enterprises, Inc.
M. & M. Enterprises Claims
Grant County, New Mexico

Gentlemen:

Thank you for your informative letter of March 16, 1966, in which you request that the referenced application be held in abeyance another 9 to 12 months pending the completion of preliminary geological studies.

For administrative and fiscal reasons as well as for the implied technical considerations, this office does not hold an inactive application for the length of time you request. Therefore, in these circumstances, we shall consider this application as having been withdrawn and place it in our inactive files.

If you wish to reopen this case at any time in the future, you may do so by filing a new application, referring to this OME docket number, and furnishing the information requested in the application form pertinent to your new proposal. This information should include new bank letters dated within 90 days of the filing of the new application, but it need not repeat applicable data already submitted.

We wish to commend your decision to perform the preliminary investigations and to wish you a good share of "Miner's luck." We shall look forward to receiving a revised application in due time.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc to: Director's Reading File
Division File
Economic Geology File
OME File
OME Region III
OME Reading File
Mr. Smith
120M

RMSmith/gla 3-22-66

23263

This letter came to OME, Region III
We had a carbon copy of it.
Mary

March 16, 1966

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
Washington 25, D. C.

6486

Dear Mr. Johnson:

Thank you for your letter of March 10, 1966. Since September 14, 1965 my corporation geologists have been making intensive studies including geological mapping, geophysics and geochemistry of the entire Steeple Rock Mining District. I have since gained possession of most of the district, and because of the probability of much better mineral discovery which would eventually lead to significant development of large mineral deposits, feel that the application should be held in abeyance until the completion of our intensive studies which are anticipated to require another nine to twelve months. At that time I think that you will be exceedingly pleased with our geological findings and we can assure the U. S. Department of Interior significant mineral discovery in the areas of silver and gold, and also, if you have interest, copper, lead, zinc, and possibly molybdenum and tellurium.

I appreciate your interest and when we are ready on the above described basis, I will want to come to Washington. Also at that time, as actually now, several of the country's large corporations will probably want to participate and we will need to break the district down into several select areas.

Very truly yours,

Emmet J. Thorpe

Emmet J. Thorpe, President
M & M Enterprises, Inc.

EJT/wm

cc: Mr. J. W. Hasler
Field Officer, Region III
Office of Minerals Exploration
U. S. Geological Survey
Bldg. 25, Federal Center
Denver, Colorado 80225

March 16, 1966

RECEIVED
MAR 21 1966

170
120 DRL
120 S

6486-OME

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
Washington 25, D. C.

Dear Mr. Johnson:

Thank you for your letter of March 10, 1966. Since September 14, 1965 my corporation geologists have been making intensive studies including geological mapping, geophysics and geochemistry of the entire Steeple Rock Mining District. I have since gained possession of most of the district, and because of the probability of much better mineral discovery which would eventually lead to significant development of large mineral deposits, feel that the application should be held in abeyance until the completion of our intensive studies which are anticipated to require another nine to twelve months. At that time I think that you will be exceedingly pleased with our geological findings and we can assure the U. S. Department of Interior significant mineral discovery in the areas of silver and gold, and also, if you have interest, copper, lead, zinc, and possibly molybdenum and tellurium.

I appreciate your interest and when we are ready on the above described basis, I will want to come to Washington. Also at that time, as actually now, several of the country's large corporations will probably want to participate and we will need to break the district down into several select areas.

Very truly yours,

Emmet J. Thorpe

Emmet J. Thorpe, President
M & M Enterprises, Inc.

EJT/wm

cc: Mr. J. W. Hasler
Field Officer, Region III
Office of Minerals Exploration
U. S. Geological Survey
Bldg. 25, Federal Center
Denver, Colorado 80225

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/10	RM Smith	120
		110
3/10	CAL	220
		120 TR

M. & M. Enterprises, Inc.
204 West 4th Street
Roswell, New Mexico

MAR 1 0 1966

Re: OME-6486 (Silver-Gold)
M. & M. Enterprises, Inc.
M. & M. Enterprises Claims
Grant County, New Mexico

Gentlemen:

Please refer to your telegram of September 14, 1965, to Mr. H. M. Conners, Field Officer, Office of Minerals Exploration, Denver, Colorado, in which you requested that the processing of your application be stopped until further notice. Since then, we have received no additional instructions or information.

Will you please inform us of your plans regarding the application. Your reply may be mailed directly to this office or it may be sent to our new field office at the following address:

Mr. J. W. Hasler
Field Officer, Region III
Office of Minerals Exploration
U. S. Geological Survey
Bldg. 25, Federal Center
Denver, Colorado 80225

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Smith

RMSmith/mm 3/10/66)

23263

OME 6486

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HUGH M CONNORS

OFFICE OF MINERAL EXPLORATION BLDG 20 DENVER FEDERAL CENTER

DVR

PLEASE DO NOT FURTHER PROCESS APPLICATION NUMBER OME6486 UNTIL FURTHER NOTICE YOURS VERY TRULY

EMMETT J THORPE

(05).

CONFIRMATION COPY
This is confirmation copy of a message telephoned
TO 8598 CONNORS
ON 9-14 AT 158P mdt
GENERAL SERVICES ADMINISTRATION
TRANSPORTATION AND COMMUNICATIONS SERVICE
DENVER FED. CENTER - 233-3611 EXT. 6496
Tel. By BBB

Copy to Chief, OME 9-15-65

OFFICIAL COPY
O. M. E.
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MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/16	JCL	130
8/17	Johnson	110
8/17	Coe	220
		120M

AUG 17 1965

M. & M. Enterprises, Inc.
204 West 4th Street
Roswell, New Mexico

Re: OME-6486 (Silver-Gold)
M. & M. Enterprises, Inc.
M. & M. Enterprises Claims
Grant County, New Mexico

Gentlemen:

The application for assistance in exploring the subject property has now been reviewed by the Washington Office and referred to Mr. H. M. Connors, Acting Field Officer, U. S. Geological Survey, Office of Minerals Exploration, Region III, Building 20, Federal Center, Denver, Colorado 80225.

The Regional Office will notify you in case additional information concerning the application is needed.

Sincerely yours,

signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

GLAult/a (8-16-65)
cc to: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
OME Region III
Mr. Selfridge

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/16	GCS	130
8/17	Johnson	110
		220
		120M

AUG 17 1965

Memorandum

To: Acting Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6486 (Silver-Gold)
M. & M. Enterprises, Inc.
M. & M. Enterprises Claims
Grant County, New Mexico

The subject application is referred to Region III for review, a field examination if considered necessary, and recommendations.

Consideration should be given to the type of mineralization that will be explored at the individual sites. The submitted assays, in part, indicate that copper rather than silver forms the dominant part of some of the ore. Also, it would seem that a full-time supervisor would be preferable at a cost of approximately that of a consultant at two days a week. We would want to be sure that OME wouldn't become involved in any property conflict.

(signed) FRANK E. JOHNSON
Frank E. Johnson

GCSelfridge/gla (8-16-65)
cc to: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Selfridge (2)

23263

PHONE 622-9740

EMMET J. THORPE, M. D.
204 ~~2A~~ W. FOURTH ST.
ROSWELL, NEW MEXICO

PRACTICE LIMITED TO
ORTHOPAEDIC SURGERY

August 9, 1965

OFFICE
COPY
O. M. E.
RECEIVED
AUG 12 1965
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U. S. Department of the Interior
Frank E. Johnson, Chief
Office of Minerals Exploration
Washington 25, D.C.

Re: OME - 6486

Dear Mr. Johnson:

Please be informed that Steinberger Drilling Co. has underbid the Longyear Co. by $1,000.00 and therefore has become the low bidder on drilling. A thorough inspection of the properties to be drilled has been encompassed, and Mr. Steinberger is basing his bid upon this examination.

Very truly yours,

Emmet J. Thorpe

Emmet J. Thorpe
President, M&M Enterprises, Inc.

EJT:br

August 5, 1965

M. & M. Enterprises, Inc.
204 W. 4th Street
Roswell, New Mexico

Subject: OME - 6486

Gentlemen:

Your application for exploration assistance, dated July 25, 1965, submitted to our office at Denver, Colorado, has been assigned Docket Number OME-6486.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region III