DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4708

Application (Denied
(Withdrawn ✓
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

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

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9775

EXTRA COPY
DMEA
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DATE		CODE

224 New Customhouse
Denver 2, Colorado

March 29, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Application for Government Assistance in Exploration Work under the DMEA Program (Asbestos), Metate Asbestos Corporation (Blue Mule and Rex claims, Blue Mule mine, San Carlos Apache Indian Reservation), Gila County, Arizona

Enclosed are three copies of the subject Application and one copy of a map submitted by the Applicant. One copy of the Application is retained in Region III files.

The Applicant did not submit the original of the Application and submitted only one copy of the map. We assume you will obtain extra copies of the map before referring the docket to the field.

The Applicant proposes a three-stage percussion drilling and drifting program, consisting of 6900 feet of percussion drilling under Stages I and II, and two 250-foot adits under Stage III, at a total estimated cost of $25,545.00.

The Government participated in a previous exploration program on the same property, which was conducted under Docket No. DMEA 2550 (Asbestos), Contract No. Idm-E446, Bear Canyon Mining Company, a Limited Co-Partnership.

Original signed by
E. N. HARSHMAN

E. N. Harshman

JWT:prl

cc: Harshman
King (2)
Docket
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

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DATE	INITIALS	CODE

March 29, 1957

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E. N. Harshman

E. N. Harshman

W.O.

MINES & MILLS
SAN CARLOS APACHE
INDIAN RESERVATION

Cable Address METABEST

APACHE MINE
BLUE MULE MINE
LUCKY SEVEN MINE
P. O. BIN 111
GLOBE, ARIZONA

METATE ASBESTOS CORPORATION

Producers of

WORLD'S FINEST CRUDES AND SPINNING FIBRE

March 27, 1957

DMEA
DEPARTMENT OF THE INTERIOR
MAR 29 1957
REGION III
DENVER, COLORADO

Defense Minerals Exploration Adm.
U. S. Brueau of Mines
224 New Customs Building
Denver, Colorado

Gentlemen:

Enclosed is our application for an exploration loan on our Blue Mule mining property located on the San Carlos Apache Indian Reservation. have requested subordination forms from the Bureau of Mines, Tucson, Arizona. These will be filled out and completed by the San Carlos Apache Council and forwarded to you in the very near future.

If additional papers are necessary, please outline and informme and I will comply.

Yours very truly,

METATE ASBESTOS CORPORATION.

Jack L. Neal

Jack L. Neal

JLN:cm

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MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DMEA
DEPARTMENT OF THE INTERIOR
MAR 29 1957
REGION III
DENVER, COLORADO

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

Not to be filled in by applicant

Docket No. 4708
Metal or Mineral Asbestos
Date Received 4-1-57
Estimated Cost $25,548
Participation (Government %)

RECEIVED APR 1 1957 DMEA

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Metate Asbestos Corporation
1101 Crestwood Drive
P. O. Box 111
Globe, Arizona

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

(*b*) State any mine name by which the property is known.

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

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

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

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

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

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

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

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

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

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated March 27, 1957

Metate Asbestos Corporation
(Applicant)

By Jack L Neal Secretary
Chas Robt Neal Pres

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

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

1. (a) Answered
(b) Metate Asbestos Corporation is an Arizona corporation.

President — Charles Robert Neal
1113 Crestwood Drive
Globe, Arizona

Vice President — Charles Ross Neal
547 E. Kline Street
Globe, Arizona

Secretary — Jack L. Neal
Skyline Drive
P. O. Box 1506
Globe, Arizona

Treasurer — R. A. McNabb
1109 Linda Vista Drive
Globe, Arizona

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(d) Does not apply

2. Complied with

3. (a) Nineteen claims leased to Metate Asbestos Corporation, Globe, Arizona by the San Carlos Apache Tribal Council Dated 9 June 1955, for a period of 20 years. Claims known as the Blue Mule No. 1,2,3,4,5,6,7,8,9,10,11,12,14, 15,16,17 and Rex 1,2,3,4. U.S.L.M. Mineral Survey No. 3732 Approximate Sec. 1,T. 2N., R. 18F and Sec. 36, T.3N. R. 18E unsurveyed.
(b) Blue Mule Mine formerly known as (Bear Canyon)
(c) Answered
(d) Attached - Lease agreement
(e) Does not apply
(f) Does not apply

4. (a) The Bear Canyon Mine was first leased and worked by the Bear Canyon Mining Co. from 1920 to 1936, idle two years. Then leased by a Mr. _____ Robinson, who built small crude mill on property. The lease was then sold to a
M Mr. D. E. Green and associates who mined up to 1953. Mr. Green applied for and received a DMEA Exploration Contract in 1952 for approximately $28,000 for exploring deeper into the old mine. This was not successful. As the main body of the old Bear Canyon lode has faulted off of the main ore body and is pitching down at approximately 8° which caused the exploration to terminate against diabase. The old Bear Canyon was one of the largest producers of Arizona Asbestos back when Keasby Mattison operated the Bear Canyon Mine. In 1953 the property reverted back to the Indians. The Metate Asbestos Corporation purchased all mining and milling equipment and secured a new 25 year lease from the Indians. The mill was rebuilt and electrified . The floor vein in the old mine which had been left by previous operations, was mined for two years,

milled on the property and shipped to the Government stockpile in Globe, Arizona. Low grade tailing dumps from our small crude mill have been shipped in open railroad cars to Western Chemical & Mfg. Co, Los Angeles, California, for processing and sale on open market. The mine is accessible by unsurfaced road 18 miles from San Carlos, Arizona, road maintained by Bureau of Indian Affairs.

(b) Past production records are not available for previous operators.
Past productions for Metate Asbestos Corporation from Blue Mule Mine $64,069.32 ore reserves are only in dumps estimated at 8000 tons run 20% recoverable asbestos grade 3 down to grade 7.

(c) The main workings of the old Bear Canyon mine geology was furnished the Government under the DMEA contract given to Mr. D. E. Green Co. The part of the property we wish to explore is the upper part of the property which has had very little exploration work done. Our company in 1955 spent approximately $20,000 on preliminary exploration such as putting road up to exploration area, stripping out crop trenching and one 40' tunnel. Based upon our findings, we believe the area justifies an additional Percussion Drilling Program laid out in stages with a third stage for driving tunnel in most favorable locations. The terain will lend itself to this type drilling which has proved highly satisfactory for drilling up to 200 feet in this area. The first stage of grid drilling A contemplates 2700' of drilling at approximately 50' deep holes on 50' centers. The second bench for Grid B contemplates grid drilling of 2700' 100' holes on 100' centers. Based upon evaluation of grid drill holes an additional 1500' of drilling to be agreed upon between Metate and DMEA field team to outline main ore body all grid holes spaced approximately 50' centers on grid A 100' on grid B. Benches for drilling rig to be constructed by D8 Cat contract extimate $820.00 5 days including move in and out at $75.00 - drilling contract to be given to lowest bidder. Have received one bid estimate from Junction Bit and Tool Co., Miami, Arizona at $1.25 per foot up to 100' depth, another contractor will furnish bid .
The drilling of grid A is the first stage which is set up for 2700' of drilling upon evaluation of this stage. We will proceed to stage B, then on to stage C of outlining ore body. Upon completion of stages A, B, & c, we will then proceed to stage D, which contemplates the driving of two 6' x 5' adits of 250' each into the ore body at such places that are mutually aggreable between Metate and DMEA Field Team. If further exploration is deemed necessary, papers will be filed for an extension of exploration at the completion of stage D.

(d) The project is very accessible, located on a main road of the San Carlos Indian Reservation. Winter snows affect this mine very little as average elevation is about 4800'. Blue Mule Mine is located 18 miles from San Carlos and 42 miles

from Globe, Arizona, the shipping and supply point. The mine is also serviced by Small Reservation paved air strip adjacent to property. Very good residence for all workmen is established at main camp just 2 miles from project. All modern conveniences such as water, gas, electricity, and sanitation facilities are available at main camp.

(e) Ample man power is available at San Carlos, Arizona. Material and supplies, equipment and fuel are available at Globe, Arizona. Water is available at main camp in the form of three large springs. Power is generated at the main camp.

5. (a) Asbestos - All grades

(b) The program contemplates a drilling program staged in two stages. The outcome of which will govern the placing of two 250' adits to be driven into the mountain at the most desired locations. There are no present mine workings on area to be explored with exception of the trenching and pits on the outcropping of two mineralized beds that are approximately 5' apart and 15' along the diabase sill. The ore zones are approximately 12" thick each.

(c) 180 days 18 months

(d) The Metate Asbestos Corporation is presently operating two other Asbestos mines and a mill on the San Carlos Reservation. Being one of the largest producers of Asbestos in this area, we have been in continuous operation since 1951. The manager and supervisory personnel of Metate Asbestos have been working in the mining and milling of Arizona Asbestos for the past 15 years. Direct Supervision of comtemplated Blue Mule exploration program will be done by our Vice President, Charles Ross Neal, who has been with our company since 1951.

6. ESTIMATE OF COST SHEET AS FOLLOWS:

(a) Independent contractors:

Bulldozing benches for drill rig with D8 Cat. Forty hours of dozing @ $18.75 per hour. Cost for moving in and out, $75.00. Contract bids - Joe Clark, Globe, Arizona - Harry Hagen, Globe, Arizona/ Bid -- $ 820.00

DRILLING - Percussion dry drilling with recovery of drill cuttings in bottles.

2700'	drilling	in	stage a	50'	holes	more	or	less	$1.25 per foot
2700'	"	"	b	100'	"	"	"	"	"
1500'	"	"	c	"	"	"	"	"	"

8,625.00

Thirty days superintendent labor @ $600 per month 600.00

Total drilling cost $10,045.00

TUNNELS - 5 x 6 into ore body 500 feet

Bid $31.00 Per lineal foot $15,500.00

LABOR

(b) Based on average 5' advance per day working two adits

Time to complete job -- 100 days

1 supervisor		$600 per mt.	$2000.
1 foreman	$18 per day	$468 " "	$1560.
2 miners	$12 " "	$272 " "	$1813.20
2 muckers	$10 " "	$260 " "	$1733.60

Total Labor $ 7,106.80

ENGINEER AND GEOLOGICAL CONSULTANTS

5 days - Engineering for placing benches and spotting holes	Labor	$250	
5 days - Geological consultant for placing adits and mapping	Labor and maps	$375	
			$ 625.00

OPERATING MATERIALS

(c) 100 days operation

Blasting Supplies - Per week			
4 boxes powder	$24.45 per hundred		
840' Black Fuse	$10.08		
140 Caps	$16.80		$ 718.62

DRILLING SUPPLIES:

12 6' Drill Steel Tungsten tipped	$ 18.00 each	$216.00	
1 Can Drillube (25 gal)		24.80	
1 50# Can Carbide		44.95	$ 285.75

TIMBER AND RAIL - For 500' Tunnel

Ties 1000 4x4x3	@ 25¢ each	$250.00	
Rail 1000	@ 12.35 cut	403.88	
Spikes 1 keg	@ 26.04	26.04	
Splice Bars 68 pr.	@ 55¢	37.40	
Bolts ½ keg	@ 26.05	13.02	$ 730.34

POWER - 100 Days

Gasoline	30 gal per day		
Oil	$2.00 per day	$12.50 per day	$ 1,250.00

WATER - 5 day Week - 100 Days

500 gal water truck 1 trip per day haul men and water $30 per week			$ 420.00

OPERATING EQUIPMENT - 14 Weeks

1 210 Compressor	$385 per mt.	$2310	
2 Ore Cars	125 each	$ 250	
1 Gardner Denver Air Hammer & Jackleg	800	$ 400	
100' 1" Air Hose			
100' 3/4" Water Hose			
Fittings, etc.	175	$ 175	
1 Pickup Truck	156 per mt.	3½ mt $936	
600' 2" Air Line 55¢ per foot	330	$ 333	
600' ½" Water line 30¢ per foot	180.00	$ 180	
1 Air Receiver	150	$ 150	
1 Water Tank	100	$ 100	
Plumbing Fittings	75	$ 75	$ 4,909.00
(e) none			
(f) none			
(g) maintain equipment for 6 mts. $100 per month		$600	$16,045.51
	Total Cost Project		$25,545.00

BLUEPRINTS WHITE OZALID PRINTS PHOTOSTATS DRAFTING SUPPLIES

CARL MUELLER
BETTY MUELLER

TECHNIPRINT

1126 N. CENTRAL AVE. PHOENIX, ARIZONA ALpine 8-7966

DATE 3-26-57

NAME Jack Neal

ADDRESS

YOUR ORDER NO.

ORDERED BY

WILL CALL ☐ DELIV. ☐ CASH SALES RECEIPT

No. of Originals	Description	Kind of Prints	Quantity Prints	Size	Total Quantity	Unit Price	Amount
6	papers	reg prints	5 ea.		30		
	map		5		5		13.30
					35	tax	.17
							13.47

PAID
TECHNIPRINT LABS
1126 N. CENTRAL AVE.
PHOENIX, ARIZONA

INTERNATIONAL ASSOCIATION OF BLUEPRINT AND ALLIED INDUSTRIES

CONTRACT NO. 14-20-450-[illegible]
ESC-1

Form 5-157b
(Sept. 1951)

CONTRACT NO. I..... IND. .....

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

MINING LEASE—TRIBAL INDIAN LANDS

(FOR MINERALS OTHER THAN OIL AND GAS)

SAN CARLOS APACHE ..... Tribe, State of ARIZONA .....

THIS INDENTURE OF LEASE, made and entered into in quintuplicate this 9th day

of June, 19[illegible], by and between

SAN CARLOS APACHE TRIBAL COUNCIL

of SAN CARLOS, State of ARIZONA

for and on behalf of the SAN CARLOS APACHE Tribe of Indians, designated

herein as lessor, and BRUCE ASBESTOS CORPORATION

of GLOBE, State of ARIZONA

herein designated as lessee:

WITNESSETH

1. That the lessor , for and in consideration of $1, receipt whereof is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions hereinafter contained and hereby agreed to be paid and observed by the lessee, doth hereby demise, grant, and lease unto the said lessee, the following-described tract of land lying and being within

the SAN CARLOS Reservation, County of GILA

and State of ARIZONA, to wit: Globe mining district, known as BLUE MULE MCS. 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 17, REX MCS. 1, 2, 3, & 4 lodes, approximately within Sec. 1, T. 2 N., R. 15 E., Sec. 36, T. 3 N., R. 15 E., UNSURVEYED, as shown by attached plat of Mineral Survey 3732.

of section ....., township ....., range ....., ... meridian,

and containing 320 acres, more or less, for the full term of 10 years from the date of approval hereof, or as much longer as asbestos ore or fiber is produced in paying quantities, subject for the sole purpose of prospecting for and mining minerals, as follows:

to the provisions that the Secretary of the Interior or his authorized representative may at the end of each 10-year period review the royalty provisions of the lease and make fair and reasonable adjustment as the existing economic conditions justify, for the sole purpose of prospecting for and mining minerals as follows:

ASBESTOS ORE OR FIBER.

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the lessee to occupy so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, milling, storing, and removing such minerals.

2. The term "Superintendent" as used herein shall refer to the superintendent or other official in charge of the Indian Agency having jurisdiction over the lands leased.

3. In consideration of the foregoing, the lessee hereby agrees:

(*a*) ROYALTY.—To pay, or cause to be paid, to the Superintendent, for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), as royalties, the sums of money as follows, to-wit:*

Ten percent (10%) of all asbestos ore or fibre mined, milled and marketed at the point of sale with no deductions

All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

(*b*) ANNUAL RENTAL.—To pay, or cause to be paid, to the Superintendent for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), in advance beginning with the date of approval of the lease, as annual rental, the following: 25 cents per acre for the first calendar year or fraction thereof, 50 cents per acre per annum for the second and third years, and $1 per acre per annum in advance for each and every calendar year thereafter during the continuance of the lease; it being understood and agreed that said sum so paid shall be a credit on the royalties accruing during the year for which the payment of annual rental is made, and that said annual rental when paid shall not be refunded to the lessee because of any subsequent surrender or cancelation hereof.

(*c*) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations; to carry on development and operations in a workmanlike manner and to the fullest possible extent; to commit no waste on the said land and to suffer none to be committed upon the portion in his occupancy or use; to comply with all the requirements of the laws of the State in which the land is located; to take appropriate steps for the preservation of the property and the health and safety of workmen; promptly to surrender and return the premises upon the termination of this lease to whomsoever shall be lawfully entitled thereto, in as good condition as received, excepting for the ordinary wear and tear and unavoidable accidents in their proper use; not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings and improvements shall remain a part of said land and become the property of lessor, excepting the office fixtures and records, personal property, tools, pumping and drilling outfits, boilers, engines, and mining machinery, which shall remain the property of the lessee and may be removed at any time prior to 60 days after the termination of the lease by forfeiture or otherwise, provided the payments agreed upon by this lease have been made and the lease terms and regulations applicable thereto have been fully complied with, but not otherwise; not to permit any nuisance to be maintained on the premises under lessee's control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; and not to use such premises for any other purposes than those authorized in this lease.

(*d*) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the lessee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the lessee, shall be held as a want of compliance with the purposes of this lease and shall render it subject to cancelation: *Provided*, That whenever the Secretary of the Interior shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable, but such action will not release the lessee from the payment of the advance annual rental.

(*e*) MONTHLY STATEMENTS.—To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the Superintendent or the Treasurer of said Tribe if payments are made to him, sworn

* Here insert the royalties agreed upon in accordance with applicable regulations.

monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty and advance rental shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in operation upon said property, and upon all of the unsold minerals obtained from the land herein leased, as security for payment of said sums. An audit of the lessee's accounts and books shall be made annually or at such times as may be directed by the Superintendent by certified public accountants approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish free of cost a copy of such audits to the Secretary of the Interior through the Superintendent within 30 days after the completion of each auditing.

(*f*) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases [illegible] ter approved shall effect a change in rate of royalty, the annual rental herein specified, or the term of this lease, without the written consent of the parties to this lease.

(*g*) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement or otherwise nor to sublet any portion of the leased premises, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

(*h*) BOND.—To furnish such bond as may be required by the regulations of the Secretary of the Interior conditioned upon compliance with the terms of this lease.

4. MILLING.—All ores or minerals mined on said land shall be cleaned and prepared for market thereon, and no ore or crushed material shall be removed therefrom to be cleaned or prepared for market without the written consent of the Secretary of the Interior.

5. INSPECTION.—The leased premises and producing operations, improvements, machinery, and fixtures thereon and connected therewith and all books and accounts of the lessee shall be open at all times for inspection by agents of the lessor or any duly authorized representative of the Secretary of the Interior.

6. DISPOSITION OF SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, such disposition to be subject at all times to the right of the lessee herein to the use of so much of said surface as is necessary in the extraction and removal of the minerals from the land herein described in accordance with this lease.

7. SURRENDER AND TERMINATION.—The lessee shall have the right at any time during the term hereof to surrender and terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due and payable to the lessor, and the further sum of $1, upon a showing satisfactory to the Secretary of the Interior that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded lessee shall file a recorded release with his application to the Superintendent for termination of this lease.

8. CANCELATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior, there has been a violation of any of the terms and conditions of this lease before restrictions are removed, the Secretary of the Interior shall have the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease null and void, and the lessor shall then be entitled and authorized to take immediate possession of the land.

9. HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

10. GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

It is further agreed that the stipulations and conditions attached hereto shall become a part of this lease.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

Two witnesses to execution by lessor:

P. O. San Carlos, Arizona

P. O. San Carlos, Arizona

SAN CARLOS APACHE TRIBAL COUNCIL [SEAL]

BY: Jesse J. Stevens [SEAL]
Jesse J. Stevens

Two witnesses to execution by lessee:

P. O. San Carlos, Arizona

P. O. San Carlos, Arizona

METALS ASBESTOS CORPORATION [SEAL]

BY: Chas Robt Neal
Chas. Robt. Neal, President

Attest: Charles Ross Neal
Chas. Ross Neal, Act. Secy

ACKNOWLEDGMENT OF LESSOR

STATE OF Arizona
COUNTY OF Gila } ss:

Before me, a notary public, on this 9th day of June, 1955 personally appeared Jesse J. Stevens, to me known to be the identical person, who executed the within and foregoing lease, and acknowledged to me that he executed the same in his official capacity as Chairman, San Carlos Apache Tribal Council as his free and voluntary act and deed for the uses and purposes therein set forth.

R. Ann Shiya
R. Ann Shiya Notary Public

My commission expires Jan. 25, 1957

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs, Phoenix Area Office

The within lease is hereby approved. Phoenix, Arizona SEP 12 1955

Pursuant to authority contained in Central Office letter of July 25, 1955, "Minerals 8482-55".

Assistant Secretary of the Interior.

(SIGNED) F.M. HAVERLAND
Area Director

Filed for record this day of , 19

at o'clock m.

By

Rental received, $

GPO 83-368 59

S T I P U L A T I O N S

GRAZING.-- It shall be agreed that livestock belonging to San Carlos Apache Indians and tribal associations shall not be excluded from the land covered by this lease, however, the lessee shall take every precaution to protect the livestock against injury from the mining activities.

INDIAN LABOR.-- The lessee agrees that preference shall be given to San Carlos Apache Indians in the hiring of common labor and any other type of work such persons are able and qualified to perform.

LIABILITY FOR INJURIES.-- The lessee shall assume any and all liabilities arising from accidents or injuries to his agents or employees, or any other person in and about the performance of the work on the leased premises.

TAXES.-- The lessee shall make all payments required under the Social Security laws of the United States and the State of Arizona, and shall also pay all sales taxes levied on all sales of asbestos ore or fibre.

The parties hereof agree to the above stipulations and affix their signature.

SAN CARLOS APACHE TRIBAL COUNCIL

By: Ira G. Blaine
Chairman Lessor

METRO ASBESTOS CORPORATION

By: Chas Robt Neal
Chas. Robt. Neal, President
Lessee

Attest: Charles Ross Neal
Charles Ross Neal, Sec. Secy.

TO BE ATTACHED AND MADE A PART OF MINING LEASE CONTRACT 14-20-150-536

R E S O L U T I O N No. 38-55

BE IT RESOLVED by the San Carlos Council that a mining lease is authorized to be granted to the Metate Asbestos Corporation of Globe, Arizona, for the mining of asbestos ore or fibre on the following tribal lands:

Blue Mule Nos. 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 17, Rex Nos. 1, 2, 3, and 4 Lodes, approximately within Sec. 1, T. 2 N., R. 18 E., Sec. 36, T. 3N., R. 18 E., unsurveyed, comprising 380 acres, more or less, and be it further

RESOLVED that the Chairman or Vice Chairman is authorized to execute the lease for and in behalf of the San Carlos Apache Tribe.

CERTIFICATION

I, the undersigned, Acting Secretary of the Council hereby certify that the Council of the San Carlos Apache Tribe is composed of 11 members of whom 9 constituting a quorum, were present at a Special meeting thereof on this 16th day of August, 1955, and that the foregoing Resolution 38-55 was duly adopted by a unanimous vote of the Council, pursuant to the provisons of Section 5 B, Amended Corporate Charter

Louise Kinney

Louise Kinney, Acting Secretary
San Carlos Apache Tribal Council

Approval Recommended:

Thomas H. Dodge

Thomas H. Dodge, Superintendent

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/26	Anderson	600
11/26	[illegible]	110
"	[illegible]	100
		220

600

NOV 29 1957

Metate Asbestos Corporation
1101 Crestwood Drive
P. O. Box 111
Globe, Arizona

Re: Docket No. DMEA-4708-Asbestos
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Gentlemen:

Reference is made to your letter of November 14, 1957, addressed to our Regional Office in Denver, Colorado, and requesting withdrawal of the subject application. We are considering the application withdrawn and are removing it from our active file.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 11/26/57
Copy to: Admr. R. File
Field Team, Region III
Mr. Kiilsgaard, 5222
Mr. D. O. Kennedy, 3524
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/26	Anderson	600

November 26, 1957

Memorandum

To: Mr. Allen S. Dakan, Chief
Division of Operation Control and Statistics

From: Lawrence G. Houk, Director
Division of Nonmetallic Minerals

Subject: Withdrawal of application - Docket No. DMEA-4708-Asbestos
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

We are notifying the Applicant that pursuant to its request of November 14, 1957, we are considering the subject application as having been withdrawn and are placing it in our inactive files.

The subject application may be withdrawn from the pending category and placed in the withdrawn.

W. C. Anderson

W. C. Anderson
Division of Nonmetallic Minerals

LGHouk:gad 11/26/57
Copy to: Admr. R. File
Mr. Houk

8623

INDIAN RESERVATION

Cable Address METABEST

BLUE MULE MINE
LUCKY SEVEN MINE
P. O. BIN 111
GLOBE, ARIZONA

METATE ASBESTOS CORPORATION

Producers of

WORLD'S FINEST CRUDES AND SPINNING FIBRE

DMEA
DEPARTMENT OF THE INTERIOR
NOV 18 1957
REGION III
DENVER, COLORADO

November 14, 1957.

United States Department of Interior,
Defense Minerals Exploration Administration
224 New Customhouse Building
Denver 2, Colorado.

DMEA Docket 4708 (Asbestos)
Metate Asbestos Corporation
Blue Mule Mine
Gila County, Arizona.

Dear Mr. Harshman:

In reply to your letter of November 8,1957 in regards to our DMEA loan application Docket No 4708 (Asbestos) In view of the amount of Asbestos being opened up by our contractor on the property it is the opinion of the company tp withdraw our application and have it placed in the active files for the present time.

Yours very truly,

Metate Asbestos Corporation

J. L. Neal

J.L. Neal

11/26 C 220
11/26 gad 600

Copies to
Sec. Op. Com.(2)
Harshman
Emerick
Romslo

224 New Customhouse
Denver 2, Colorado

November 8, 1957

11/12 C 220
11/12 Hrnds 600

Mr. Charles R. Neal, President
Metate Asbestos Corporation
P. O. Box 111
Globe, Arizona

Re: DMEA Docket 4708 (Asbestos)
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Dear Mr. Neal:

Your property was examined on June 11, 1957 by Mr. T. M. Romslo and Mr. W. L. Emerick of our Tucson office. At that time, it was impossible for the examiners to appraise your proposed project, and it was agreed that final action on your request for DMEA exploration assistance should await the completion of certain work contemplated by your company.

We understand from discussions between you and Mr. Lincoln Stewart of the U. S. Bureau of Mines, held early last month, that you were still working at the property and wished to defer action on your application.

As we do not wish to defer action on DMEA applications indefinitely, will you please notify us, at your earliest convenience, your plans regarding your application and the estimated date that your preliminary work will be completed and an examination can be made by our field examiners.

If for any reason you wish to withdraw your DMEA application for exploration assistance, please notify us so that we may place it in the inactive files.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

ENH:jy
cc: Chm. Op. Comm. (2)
DMEA,TUC
Emerick
Harshman
Docket
Chron.

224 New Customhouse
Denver 2, Colorado

November 8, 1957

Mr. Charles R. Neal, President
Metate Asbestos Corporation
P. O. Box 111
Globe, Arizona

Re: DMEA Docket 4703 (Asbestos)
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Dear Mr. Neal:

Your property was examined on June 11, 1957 by Mr. T. M. Romslo and Mr. W. L. Emerick of our Tucson office. At that time, it was impossible for the examiners to appraise your proposed project, and it was agreed that final action on your request for DMEA exploration assistance should await the completion of certain work contemplated by your company.

We understand from discussions between you and Mr. Lincoln Stewart of the U. S. Bureau of Mines, held early last month, that you were still working at the property and wished to defer action on your application.

As we do not wish to defer action on DMEA applications indefinitely, will you please notify us, at your earliest convenience, your plans regarding your application and the estimated date that your preliminary work will be completed and an examination can be made by our field examiners.

If for any reason you wish to withdraw your DMEA application for exploration assistance, please notify us so that we may place it in the inactive files.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

ENH:jy
cc: Chm. Op. Comm. (2)
DMEA,TUC
Emerick
Harshman
Docket
Chron.

DMEA
PARTMENT OF THE INTERIOR
JUN 17 1957
REGION III
DENVER, COLORADO

MINERAL DEPOSITS
DMEA
RECEIVED
JUN 17 1957
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

Box 4126 University Station
Tucson, Arizona

June 13, 1957

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region III

From: W. L. Emerick
T. M. Romslo

Through: E. N. Harshman
W. R. Storms

Subject: Docket No. DMEA-4708 (Asbestos) Natate Asbestos Corp. (Blue Mule and Rex Claims), Gila County, Arizona.

On June 11, 1957 we examined subject claims in the presence of C. R. Neal, J. L. Neal, and R. A. McNabb, all officers of the corporation.

We found that debris from recent stripping operations almost completely concealed reportedly good fiber zones that had previously been opened by trenches and adits. We also found that a map of the property requested by us had not been prepared.

J. L. Neal said that he realized that reopening of the fiber zones and the map would be required before a final decision could be made regarding the possibility of DMEA aid. However, he felt that a preliminary inspection would indicate whether or not we were favorably impressed with the property and would also serve as an opportunity to discuss a preferred method of exploration.

Conclusions reached after completion of the field inspection and discussion were:

1. A final examination probably will be requested only in event the Government Asbestos Buying Program is renewed. The decision should be known by July 1, 1957.

2. The fiber zones will be reopened and the property will be mapped before the field examination is requested.

3. If a project is warranted, long hole drilling probably would be preferred because reliable sample data for possibly 3 laterally separated fiber zones can be obtained by this method at a much lower cost than by driving adits, the only other feasible method. The

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DMEA
RECEIVED JUN 21 1957
CODE
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recommended type of drilling rig is one now being successfully used in the district. It is a portable truck-mounted rig similar to the type reportedly being used on uranium properties in the 4-corners area, containing a 300 CFM compressor and a sample collector.

W L Emerick

W. L. Emerick, Geologist
U. S. Geological Survey

Original signed by
T. M. Romslo

T. M. Romslo, Mining Engineer
U. S. Bureau of Mines

WLE:TMR:ms

cc: King (8)
Harshman
Storms
Emerick

DMEA
DEPARTMENT OF THE INTERIOR

APR 25 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
April 24, 1957

Memorandum

To: W. R. Storms

From: Superintendent, Denver Experiment Station, Region III

Subject: Docket DMEA 4708 (Asbestos) Metate Asbestos Corporation (Blue Mule and Rex claims) Gila County, Arizona

Enclosed please find the application for Metate Asbestos Corporation, Docket DMEA 4708, in the amount of $25,545.00, which was received in this office on April 24, 1957.

A field examination and suitable report are required. The completed report should be forwarded directly to the Executive Officer with a copy of the memorandum of transmittal to this office.

W. H. KING

W. H. King

cc: Executive Officer (3)
EWHarshman
WLEmerick

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DMEA
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4/29	C	220
		600

WO(2)

DMEA
DEPARTMENT OF THE INTERIOR

APR 25 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
April 24, 1957

Memorandum

To: W. R. Storms

From: Superintendent, Denver Experiment Station, Region III

Subject: Docket DMEA 4708 (Asbestos) Metate Asbestos Corporation (Blue Mule and Max claims) Gila County, Arizona

Enclosed please find the application for Metate Asbestos Corporation, Docket DMEA 4708, in the amount of $25,545.00, which was received in this office on April 24, 1957.

A field examination and suitable report are required. The completed report should be forwarded directly to the Executive Officer with a copy of the memorandum of transmittal to this office.

W. H. KING

W. H. King

cc: Executive Officer (3)
ENHarshman
WLEmerick

EXTRA COPY
D M E A
RECEIVED APR 29 1957

DATE	INITIALS	CODE

WO

600

APR 18 1957

Metate Asbestos Corporation
1101 Crestwood Drive
P. O. Box 111
Globe, Arizona

Re: Docket No. DMEA-4708-Asbestos
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Gentlemen:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. E. N. Marshman, Acting Executive Officer, DMEA Field Team, Region III, 224 New Customhouse Building, Denver 2, Colorado, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

Administrator

LGHouk:gad 4/15/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region III
Mr. Kiilegaard, 5222
Mr. D. O. Kennedy, 3524
Mr. Houk

APR 18 1957

Mr. [illegible] T. Harshman
Acting Executive Officer, DMEA
Field Team, Region III
[illegible] New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. [illegible]-4703-Asbestos
Metate Asbestos Corporation
Blue Hole (Bear Canyon) Mine
Gila County, Arizona

Dear Mr. Harshman:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda dated April 4 and [illegible], 1957, by Mr. N. [illegible] Nelson, USGS, and Mr. D. O. Kennedy, USBM, respectively, relating to the project are enclosed. There are also enclosed two copies of the application for the use of the Field Team, and four copies of the applicant's map.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 12

LGHouk:gad 4/16/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. D. O. Kennedy, 3524
Mr. Houk

OFFICIAL FILE COPY DMEA RECEIVED APR 25 1957		
DATE	INITIALS	CODE
4/25	C	220
		600

224 New Customhouse
Denver 2, Colorado

April 23, 1957

Memorandum

To: W. H. King, W. L. Emerick } W/enclosures, Items 1-5 Below

From: DMEA Field Team, Region III

Subject: Docket DMEA-4708 (Asbestos) Metate Asbestos Corporation (Blue Mule and Rex Claims) Gila County, Arizona

Enclosed is the following material relating to the subject docket.

1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by D. O. Kennedy, USBM.
3. Memorandum of Review by N. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated April 18, 1957, from the Chairman, Operating Committee, DMEA.
5. Routing Control Sheet.

A joint report of recommendations based on available information or a joint report of findings and recommendations based on a field examination is requested.

Twelve extra copies of each map used in the joint report which show the land to be subordinated and the location and extent of recommended work, relative to property boundaries, should be submitted if Government participation is recommended.

The Bureau of Mines' copy of the application should be returned to this office with the joint report of examination. The Survey's copy of the application is to be returned to Mr. Harshman's office.

Original signed by
E. N. HARSHMAN

Enclosures
MHM:eh

By E. N. Harshman
Acting Executive Officer

cc: Sec. Op. Comm. (2)
Harshman W/enclosures, Items 2-4
King

Docket
Chron.

EXTRA COPY DMEA RECEIVED APR 25 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

April 23, 1957

Memorandum

To: W. H. King) W/enclosures, Items 1-5 Below
W. L. Emerick)

From: DMEA Field Team, Region III

Subject: Docket DMEA-4708 (Asbestos) Metate Asbestos Corporation (Blue Mule and Rex Claims) Gila County, Arizona

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1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by D. O. Kennedy, USBM.
3. Memorandum of Review by H. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated April 18, 1957, from the Chairman, Operating Committee, DMEA.
5. Routing Control Sheet.

A joint report of recommendations based on available information or a joint report of findings and recommendations based on a field examination is requested.

Twelve extra copies of each map used in the joint report which show the land to be subordinated and the location and extent of recommended work, relative to property boundaries, should be submitted if Government participation is recommended.

The Bureau of Mines' copy of the application should be returned to this office with the joint report of examination. The Survey's copy of the application is to be returned to Mr. Harshman's office.

Original signed by
E. N. HARSHMAN

Enclosures
MBM:eh

By E. N. Harshman
Acting Executive Officer

cc: Sec. Op. Comm. (2)
Harshman W/enclosures, Items 2-4
King

Docket
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/17	Houk	600
4/17	Selfridge	130
"	Johnson	110
"	Whittenberg	100
4/18	C	220
		600

600

APR 18 1957

Mr. E. N. Harshman
Acting Executive Officer, DMEA
Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-4708-Asbestos
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Dear Mr. Harshman:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda dated April 4 and 8, 1957, by Mr. N. B. Nelson, USGS, and Mr. D. O. Kennedy, USBM, respectively, relating to the project are enclosed. There are also enclosed two copies of the application for the use of the Field Team, and four copies of the applicant's map.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 12

LGHouk:gad 4/15/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. D. O. Kennedy, 3524
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/15	Houk	600
4/17	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		220

600

APR 18 1957

Metate Asbestos Corporation
1101 Crestwood Drive
P. O. Box 111
Globe, Arizona

Re: Docket No. DMEA-4708-Asbestos
Metate Asbestos Corporation
Blue Mule (Bear Canyon) Mine
Gila County, Arizona

Kilsgaard
Lamb

Gentlemen:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. E. N. Harshman, Acting Executive Officer, DMEA Field Team, Region III, 224 New Customhouse Building, Denver 2, Colorado, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 4/15/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region III
Mr. Kiilsgaard, 5222
Mr. D. O. Kennedy, 3524
Mr. Houk

8623

OFFICIAL FILE COPY DMEA RECEIVED APR 8 1957		
DATE	INITIALS	CODE
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		600
Memorandum		

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

Date April 8, 1957

DMEA Docket No. 4708
DMEA Contract No.
Commodity Asbestos
Name of applicant Metate Asbestos Corp.
Name of property Blue Mule (Bear Canyon) Mine
Location of property San Carlos Reservation
Estimated cost of project $25,545

To: Lawrence G. Houk, Chief, Non-Metallic Minerals Division, Defense Minerals Exploration Administration

From: D. O. Kennedy, Acting Chief, Branch of Construction and Chemical Materials

Subject: Review of Application
(Application, Field Team Report, etc.)

1. Date of subject document: 3/29/57. 2. Date received by reviewer: 4/3/57.

3. Prior reports on this property known to reviewer: Yes [X], No [ ].

4. Prior reports on nearby properties known to reviewer: Yes [X], No [ ].

5. Information available on past production: Yes [X], No [ ].

6. Other pertinent factors known to reviewer: Yes [ ], No [ ].

7. Explain items marked yes above:

Reports on production from Bear Canyon mine on microfilm in this office.

8. Factors needing special consideration:
- a. Location [ ]
- b. Ownership [ ]
- c. Evidence of mineralization [ ]
- d. Geology [ ]
- e. Proposed exploration method [ ]
- f. Alternate exploration method [ ]
- g. Costs [ ]
- h. _____ [ ]

9. Action advised:
- a. Obtain information from applicant [ ]
- b. Refer to Field Team [X]
- c. Denial [ ]
- d. Agree with Field Team [ ]
- e. Disagree with Field Team [ ]
- f. Suggest alternate plan [ ]
- g. Request another examination [ ]
- h. Approval [ ]
- i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

D O Kennedy

Copy to: Mr. Thor H. Kiilsgaard, Room 5222
Geological Survey, Interior Bldg.
Frank D. Lamb, Room 3608
Div. of Min.
F I L E S
Br. of Const. & Chem. Mats.

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 5 1957

DATE	INITIALS	CODE
4/5	C	220
4/8	H	600

April 4, 1957
Re: DMEA 4708
Metate Asbestos Corp.
Bear Canyon Mine
Gila County, Arizona
$25,545.00 - Asbestos

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

The applicant requests assistance in exploring by drilling and adits an area believed to contain a faulted part of the Bear Canyon ore beds.

The applicant has done some stripping and believes the beds have been located. No map accompanies the application, and it is not possible to locate the faulted area on the map in Information Circular 7706 of the Bureau of Mines, 1955.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA

RECEIVED		
4/5	C	220 600

224 New Customhouse
Denver 2, Colorado

April 3, 1957

Mr. Jack L. Neal
Metate Asbestos Corporation
P. O. Bin 111
Globe, Arizona

Re: Application for Government Assistance in Exploration Work under DMEA Program (Asbestos) (Blue Mule and Rex Claims, San Carlos Indian Reservation), Gila County, Arizona

4708

Dear Mr. Neal:

In response to your request of March 28, 1957, enclosed are eight copies of form MF-205, "Consent to Lien and Subordination Agreement."

If the San Carlos Indian Tribal Council executes the Consent to Lien, please return the original and five copies to this office.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer,
DMEA Field Team, Region III

JWT:prl

cc: Chairman, Op. Comm. (2)
Docket
Chron.

EXTRA COPY
DMEA
RECEIVED APR 5 1957

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

April 3, 1957

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Metate Asbestos Corporation
P. O. Bin 111
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DMEA Field Team, Region III

JWT:prl

cc: Chairman, Op. Comm. (2)
Docket
Chron.

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

April 2, 1957

Mr. Charles Robert Neal, President,
Metate Asbestos Corporation,
1101 Crestwood Drive,
P.O. Box 111,
Globe, Arizona.

Subject: DMEA 4708

Dear Mr. Neal:

Your application for exploration assistance, dated March 27, 1957, submitted to our office at Denver, Colorado, has been assigned Docket Number DMEA 4708 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to: Region III

6416

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~U. S. BUREAU OF MINES~~
~~METAL ECONOMICS BRANCH~~
~~JUNEAU, ALASKA~~

OFFICIAL BUSINESS

~~Bureau of Mines~~
~~P. O. Box 360~~
~~Juneau, Alaska~~

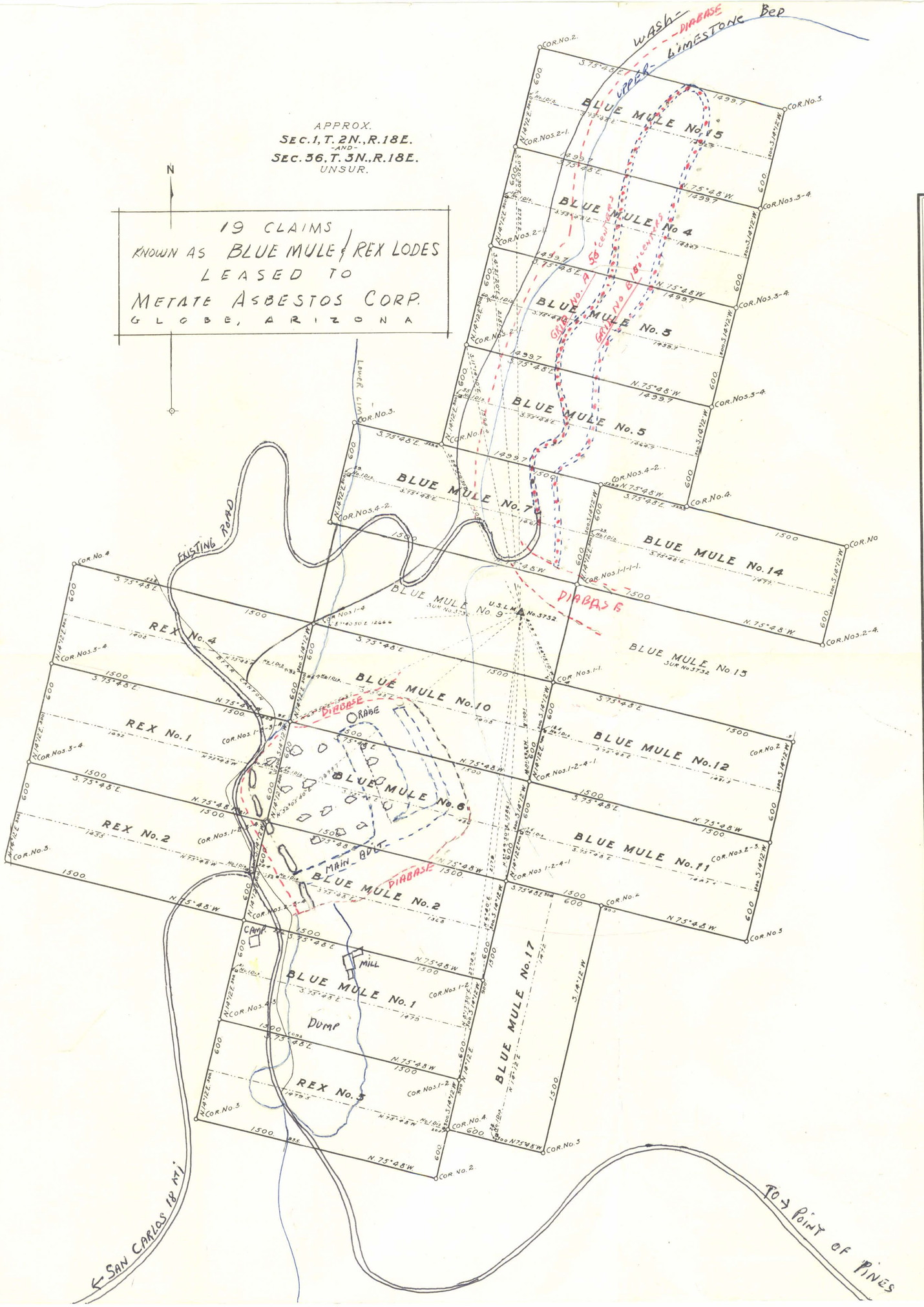
AIR MAIL 6¢ AIR MAIL 6¢
18 NOV 1955
ALASKA

VIA AIR MAIL

Maps

~~OPERATING COMMITTEE,~~
DEFENSE MINERALS EXPLORATION ADMINISTRATION,
DEPARTMENT OF THE INTERIOR,
WASHINGTON 25, D. C.

VIA AIR MAIL



Claim Located _____ 19

Mineral Survey No. 3732 -2 Sheets-

Lot No. _____

ARIZONA Land District.

PLAT

OF THE CLAIM OF

Tee Hinton

Known as the

Blue Mule No.1, Blue Mule No.2, Blue Mule No.3, Blue Mule No.4, Blue Mule No.5, Blue Mule No.6, ~~Blue Mule No.7, Blue Mule No.9, Blue Mule No.10~~, Blue Mule No.11, Blue Mule No.12, Blue Mule No.13, Blue Mule No.14, Blue Mule No.15, Blue Mule No.17, Rex No.1, Rex No.2, Rex No.3, and Rex No.4 lodes

IN San Carlos I.Res., Globe *MINING DISTRICT,*

Gila *COUNTY,* Arizona

Containing an Area of _____ *Acres;*

Scale of 400 *Feet to the inch.*

Variation 14° 15' E.

SURVEYED December 20 - 31 1920 *BY*

Edwin T. Stewart,

U.S. ~~Deputy~~ Mineral Surveyor;

The Original Field Notes of the Survey of the Mining Claim of

Tee Hinton

known as the

Blue Mule Nos. 1, 2, 3, 4, 5, 6, ~~7, 9, 10~~, 11, 12, 13, 14, 15, 17, Rex Nos. 1, 2, 3, and 4 lodes

from which this plat has been made under my direction, have been examined and approved, and are on file in this Office, and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that, ~~Five Hundred Dollars~~ Less than each of worth of labor has been expended or improvements made upon said Mining Claims by claimant ~~or~~ his grantors and that said improvements consist of 12 shafts and 7 cuts. total value $700.

that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.

Phoenix, Arizona,

March 29, 1921

U.S. Surveyor General for:

ARIZONA.

EXHIBIT A