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

OME
DEPARTMENT OF THE INTERIOR
OCT 9 1961
REGION III
DENVER, COLORADO

OCT 5 1961

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6180 (Asbestos)
Metate Asbestos Corporation
Crown Mine
Gila County, Arizona

The captioned application is referred to Region III for review, a field examination if necessary, and recommendations. Enclosed is an extra copy of the application for the use of the Field Officer.

The Applicant's understanding and acceptance of the Government's participation in exploration costs has been noted in Mr. Neal's letter of September 22, 1961, copy of which you forwarded to us.

George C. Selfridge.

Enclosure

P.S. Please note from enclosed copy of our letter of this date to the Applicant that we need new bank letters, and why. Also note that Applicant's estimate of cost of drifting appears to be high, particularly in the items of cost of trucking and monthly cost of jackhammer with jackleg. High cost of drifting is due in part to Applicant's proposal to use drift crew for selective mining to recover and stockpile asbestos ore as drift advances. Such work is not properly chargeable to exploration.

MME Form 40
Dec. 1958

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

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.)*

METATE ASBESTOS CORPORATION
P. O. Box 111
GLOBE ARIZONA

OME
DEPARTMENT OF THE INTERIOR
OCT 9 1961
REGION III
DENVER, COLORADO

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME-6180

DATE RECEIVED: 9-25-61

REGION: III

DIVISION CODE: 500

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [X]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Arizona

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Jack L. Neal	P. O. Box 1506 Globe Ariz.	President
Charles Ross Neal	547 E. Kline St. Globe Ariz.	Secretary

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Arizona Asbestos

ESTIMATED COST OF PROJECT: $ ~~[illegible]~~ $41,903.60

PROPERTY NAME	LOCATION COUNTY	STATE
CROWN MINE	GILA	ARIZONA

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.

July 10, 1961
DATED

Jack L Neal
BY *(Signature)*

President
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 your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan 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

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, : ARIZONA

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERAL EXPLORATION

1. Financial Eligibility:

   (a) Letter from our bankers, The Valley National Bank, Globe, Arizona. Letter from the First National Bank of Globe, Arizona.

   (b) We have no affiliated companies.

   (c) Equipment and money.

2. Applicant's Rights in Land:

   (a)1 Copy of our Government lease attached. There are no mortgages or liens on property as the mine is on Indian property.

   (b) The Crown Mine is located on the White River Apache Indian Reservation. Map of property is on file with the U. S. Dept. of Interior, Bureau of Indian Affairs, White River, Arizona. The White River Indian Reservation is unsurveyed. The Crown Mine is located on Salt River Draw from USBM survey mark on Salt River No. 4. The claims lay N 24 degrees 00 minutes E - 3,350 from USBM No. 4 survey point located on Salt River Canyon, Arizona. This survey ties into the southeast corner of the Apache Claims A-1.

   (c) Attached.

3. Physical Description:

   (a) Attached.

   (b) Metate Asbestos Corporation is under production in all tunnels listed in attached maps.

   (c) Past production unknown. Present production (20 tons month). Operation just getting under way at this time.

   (d) Known ore reserves very small to none.

   (e) Attached.

   (f) The Crown Mine is one of the largest known ore bodies of soft Arizona Chrysotile asbestos. It has been worked by several companies and a considerable amount of fine fibre has been shipped from the main workings. The ore outcrops for over one mile on both sides of Salt Draw. Our Corporation is under production from Claim No. A-5 and A-9 which furnishes our mill feed to our Central Mill in Globe, Arizona. All filter fibre is under contract to the Filtrox Works, Ltd., of St. Gallen, Switzerland. We are the sole producer of this company's filter fibre. We are under contract for our Crude No. 2 with the Office of Defense Mobilization. We expect to find ore because we have ore across the entire length of the claims. We wish to explore the depth of the extent of the ore into the mountain.

   (g) Attached.

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, : ARIZONA

4. Accessibility of Property:

(a) The property can be reached by pickup truck. Transportation will be furnished by the Corporation to the OME representatives by notifying Mr. Jack L. Neal of their arrival time in Globe, Arizona.
(b) Supply and shipping point is Globe, Arizona, which is 55 miles from the mine.

5. Exploration Work:

(a) Maps attached.
(b) Map attached showing road work. (Road work now completed)
(c) Work can be started in thirty days after execution of contract. We anticipate an average daily rate of tunnel driving with Eimco 12B mucking machine of five feet per day. Total contract anticipate completion in nine to ten months.

6. Experience:

(a) Management of Metate Asbestos Corporation has been in the mining of asbestos in the Arizona field for 15 years. We are considered one of the two major producers in Arizona. We own one of the two modern processing mills in Globe, Arizona and, at the present time, are shipping asbestos fibre all over the world. Our mine superintendent, Roy Green, has been with our firm for two years and is well qualified to carry on the exploration work under the direct supervision of the president and general manager of Metate Asbestos Corporation. Mr. Green will have charge of our production tunnels as well as the exploration tunnel at our Crown Mine.

7. Estimate of Costs:

(a) Independent contracts
~~Road contractors bid attached~~.
Tunnel 6 x 7 estimate attached.
(b) Engineering
One engineer and one rod man for mapping two days each per week. These men are available for our work. Wage: Engineer $30.00 per day (see attached exhibit 7(b).
(c) Operating materials under $50.00:
Diesel fuel - 3200 gallons
Drill steel (Atlas Copco Tungsten carbide tip) - 20
Water (pump from stream) - 20,000 gallons
Powder, caps and fuse - 10 tons powder
4,000 caps
30,000' fuse
Track and accessories - 12 tons
Mine cars - 2
(d) Operating machinery over $50.00:

MINES AND MILLS
SAN CARLOS APACHE
INDIAN RESERVATION

Cable Address **METABEST**

METATE ASBESTOS CORPORATION

Producers of

WORLD'S FINEST CRUDES AND SPINNING FIBRE

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

7(d) Con't

One new Eimco 12-B Mucking machine - $210.00 month
One 600 Rotary Ingersol-Rand compressor - we own.
Two Atlas-Copco rock drills with jack legs
1500 feet 2" air line
1500 feet 3/4" water line
200 feet new rubber air hose
200 feet new rubber water hose
1 air receiver portal of tunnel
Miscellaneous air and water pipe fittings

(e) None

(f) None

(g) No repair costs. Maintenance of equipment estimated at $100.00 monthly. 10 months: $1,000.00

EXHIBIT 1(a)

GLOBE OFFICE

FIRST NATIONAL BANK OF ARIZONA

GLOBE, ARIZONA

May 2, 1961

Metate Asbestos Corporation
Box 111
Globe, Arizona

Attention: Mr. Jack Neal, President

Dear Mr. Neal:

In reply to your request for a loan to be used for the purpose of mining exploration and development, I am sorry to advise that we will be unable to assist you. At this time it is not the policy of our bank to grant this type of loan.

If at anytime in the future we may be of assistance to you in some other matter, we shall be very happy for the opportunity to serve you.

Very truly yours,

L. J. ERSTAD
Manager

LJE:al

THIS BANK IS QUALIFIED TO ACT AS EXECUTOR AND TRUSTEE UNDER YOUR WILL.

EXHIBIT 1(a)

VALLEY NATIONAL BANK

GLOBE OFFICE 101 SOUTH BROAD STREET GLOBE, ARIZONA

April 26, 1961

Metate Asbestos Corporation
Box 111
Globe, Arizona

Attention: Jack L. Neal, President

Dear Jack:

I am sorry to advise you that your application for a bank loan for exploration purposes has been declined, due to the fact that at the present time we are not accepting applications for loans of this nature.

Yours very truly,

TWhite

Vice-President and Manager

T. S. White

fm

PROTECT YOUR FAMILY — APPOINT THE VALLEY BANK AS YOUR EXECUTOR AND TRUSTEE

EXHIBIT 7(a)

MINES AND MILLS
SAN CARLOS APACHE
INDIAN RESERVATION

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

Cable Address **METABEST**

METATE ASBESTOS CORPORATION
Producers of
WORLD'S FINEST CRUDES AND SPINNING FIBRE

COST PER FOOT
TUNNEL 1,000'

TOTAL COST OF TUNNEL - 6 x 7 foot: $41,903.60

TOTAL COST PER FOOT: $41.90

Government participation:	$31.42 per foot
Metate Asbestos Corporation:	10.48 per foot
	$41.90

MINES AND MILLS
SAN CARLOS APACHE
INDIAN RESERVATION

Cable Address **METABEST**

CROWN MINE
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

Exhibit 7(b) Personal services (Labor and taxes)

(Time based on 200 shifts
or five feet per day)

2 miners @ 12.00 per shift	$24.00	$ 4,800.00
2 muckers and framers @ 10.00 per shift	$20.00	4,000.00
1 foreman @ 20.00 per shift	$20.00 *	2,000.00

* (One-half foreman wage charged to production tunnel - one-half charged to exploration tunnel)

1 engineer - 1 day per month in field	$30.00	
1 day per month mapping	30.00	540.00
1 bookkeeper (office) 2 days per week	$12.00	1,056.00
		$12,396.00
Payroll taxes - 16%		1,983.36
		$14,379.36

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ARIZONA

EXHIBIT 7(c)

1,000 FOOT TUNNEL
CROWN MINE
MATERIAL BILL

6 x 7 foot tunnel - All material calculated f.o.b. mine site.

1 tie every 2' = 500 4 x 6 ties at 50¢ each	$ 375.00
1 6' steel for 20' drift @ $20.00 each - 50 pcs.	1,100.00
Accessories (fish plates, bolts, spikes)	
282 bolts @ 12¢ each	30.24
63 sets fish plates @ 1.00 ea	63.00
1 keg spikes	40.00
Track (rail) 12 tons @ $395.00 ton	4,740.00
Timber for portal 8x8 6' long @ $10.00 ea - 6	480.00
Dynamite, 18 hole, with burn cut, 2 boxes powder for 6 x 7 foot drift, 1,000' = 400 boxes @ $13.00 p/box	5,200.00
Fuse - 30,000 feet @ 11275+ per foot	382.50
Caps - 4,000 caps @ .2625 each	105.00
Power for miners' lamps - Carbide	50.00
2" air pipe - 1,000' @ 70¢ per foot	700.00
3/4" water pipe = 1,000' @ 25¢ per foot	250.00
Pipe fittings, accessories, valves, etc.	25.00
Air hose 1" - 50' @ 1.00 per foot	50.00
Water hose 1" - 50' @ 75¢ per foot	37.50
	$13,628.24

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ARIZONA

EXHIBIT 7(c)
(Continued)

FUEL BILL - Based on 200 shifts or five feet per day

Diesel fuel @ .22 per gallon

Rate 50 gal. per shift, $11.00 p/shift, 200 shifts:	$2,200.00

TRUCKS - Based on 200 shifts or five feet per day

1 Pick up truck @ $8.00 per day	1,600.00
1 GMC flat bed truck @ 12.00 per day (hauls supplies one day per week) Owned by Corporation	576.00

Gasoline, Oil and Tires

One trip per day from mine to camp (3 miles) $1.00 per day:	200.00
One trip per week, camp to Globe (110 miles) $.25 per mile:	660.00
	$5,236.00

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ARIZONA

EXHIBIT 7(d)

EQUIPMENT RENTAL

TEN-MONTH PERIOD

1	12-B Eimco Mucking Machine	$210.00 p/mo.	$2,100.00
1	Atlas Copco Jack Hammer	$ 80.00 p/mo.	800.00
1	Ingersol-Rand Compressor "600" Rotary One-half rental charged to exploration; one-half rental charged to production tunnel. (Owned by Corporation)	$400.00 p/mo.	4,000.00
2	Card Mine Cars "Z" type	$ 76.00 p/mo.	760.00
			$7,660.00

METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ARIZONA

COST BREAKDOWN FOR EXPLORATION TUNNEL - CROWN MINE
WHITE RIVER APACHE INDIAN RESERVATION

BY
METATE ASBESTOS CORPORATION
GLOBE, ARIZONA

CONTRACT TIME ESTIMATE

Contract for 1,000 feet of 6 x 7 tunnel on Claim A-9 of Apache Claims.

Time estimate to complete contract: Ten months

Tunnel driving estimated on 200 shifts due to selective mining to recover ore as exploration tunnels proceed. Ore to be stockpiled at mine site.

(Allowance on time estimate for contract completion allows for severe winter conditions through January and February at Crown Mine)

ADDITIONAL STATEMENT

MINES AND MILLS
SAN CARLOS APACHE
INDIAN RESERVATION

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

Cable Address METABEST

METATE ASBESTOS CORPORATION
Producers of
WORLD'S FINEST CRUDES AND SPINNING FIBRE

CROWN MINE EXPLORATION CONTRACT
WHITERIVER APACHE INDIAN RESERVATION

Due to the geology of this deposit, the Metate Asbestos Corporation has elected to drive the one 1,000 foot exploration tunnel at the Crown Mine on Claim A-9 on the mineralized zone, and carry the asbestos zone in the back. We elected to follow this method due to advice from our engineers regarding speed of driving tunnel and costs.

Ore will be tested every 25 feet as work progresses into the mountain.

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

OME
DEPARTMENT OF THE INTERIOR
OCT 9 1961
REGION III
DENVER, COLORADO

OCT 5 1961

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6180 (Asbestos)
Metate Asbestos Corporation
Crown Mine
Gila County, Arizona

The captioned application is referred to Region III for review, a field examination if necessary, and recommendations. Enclosed is an extra copy of the application for the use of the Field Officer.

The Applicant's understanding and acceptance of the Government's participation in exploration costs has been noted in Mr. Neal's letter of September 22, 1961, copy of which you forwarded to us.

George C. Selfridge

Enclosure

P.S. Please note from enclosed copy of our letter of this date to the Applicant that we need new bank letters, and why. Also note that Applicant's estimate of cost of drifting appears to be high, particularly in the items of cost of trucking and monthly cost of jackhammer with jackleg. High cost of drifting is due in part to Applicant's proposal to use drift crew for selective mining to recover and stockpile asbestos ore as drift advances. Such work is not properly chargeable to exploration.

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

OME
DEPARTMENT OF THE INTERIOR
OCT 9 1961
REGION III
DENVER, COLORADO

OCT 5 1961

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

Re: OME-6180 (Asbestos)
Metate Asbestos Corporation
Crown Mine
Gila County, Arizona

Dear Mr. Neal:

To avoid further delay, the application for assistance in exploring the subject property has been reviewed by the Division of Minerals of the Office of Minerals Exploration and referred to Mr. H. M. Connors, Acting Field Officer, Region III, Office of Minerals Exploration, Denver Federal Center, Denver 25, Colorado.

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

We note from your letter of September 22, 1961, to Mr. Connors that you understand the Government's participation in exploration contracts is limited to 50 percent, not 75 percent as assumed in the cost estimate attached to your application.

However, in order to assist us in determining your financial eligibility, we will need new bank letters for the following reasons: (a) The dates, April 26 and May 2, of letters from the Valley Bank and the First National Bank, respectively, do not fall within a 90-day period prior to the date (September 20) of the receipt of your application by the Regional Office, and (b) copies of your letters to the banks were not submitted with the application, and the banks' replies do not indicate the dates the loan was requested nor the amount of the loan request.

Please, therefore, again apply to two banks, one being your bank of account; (1) stating the amount you need for the proposed exploration work and the purpose for which it is to be used, and (2) requesting them to inform you upon what terms they would be willing to make the loan, if at all. Copies of your letters to the banks and their replies should then be sent to this office.

Facsimile! 10/26/61 TMR

SPHolt/gla
(9-28-61) 10-4-61

Sincerely yours,

George Fumich, Jr.
Director

cc to: Director's Reading File
Region III (2)
Docket

EXHIBIT 3(a)

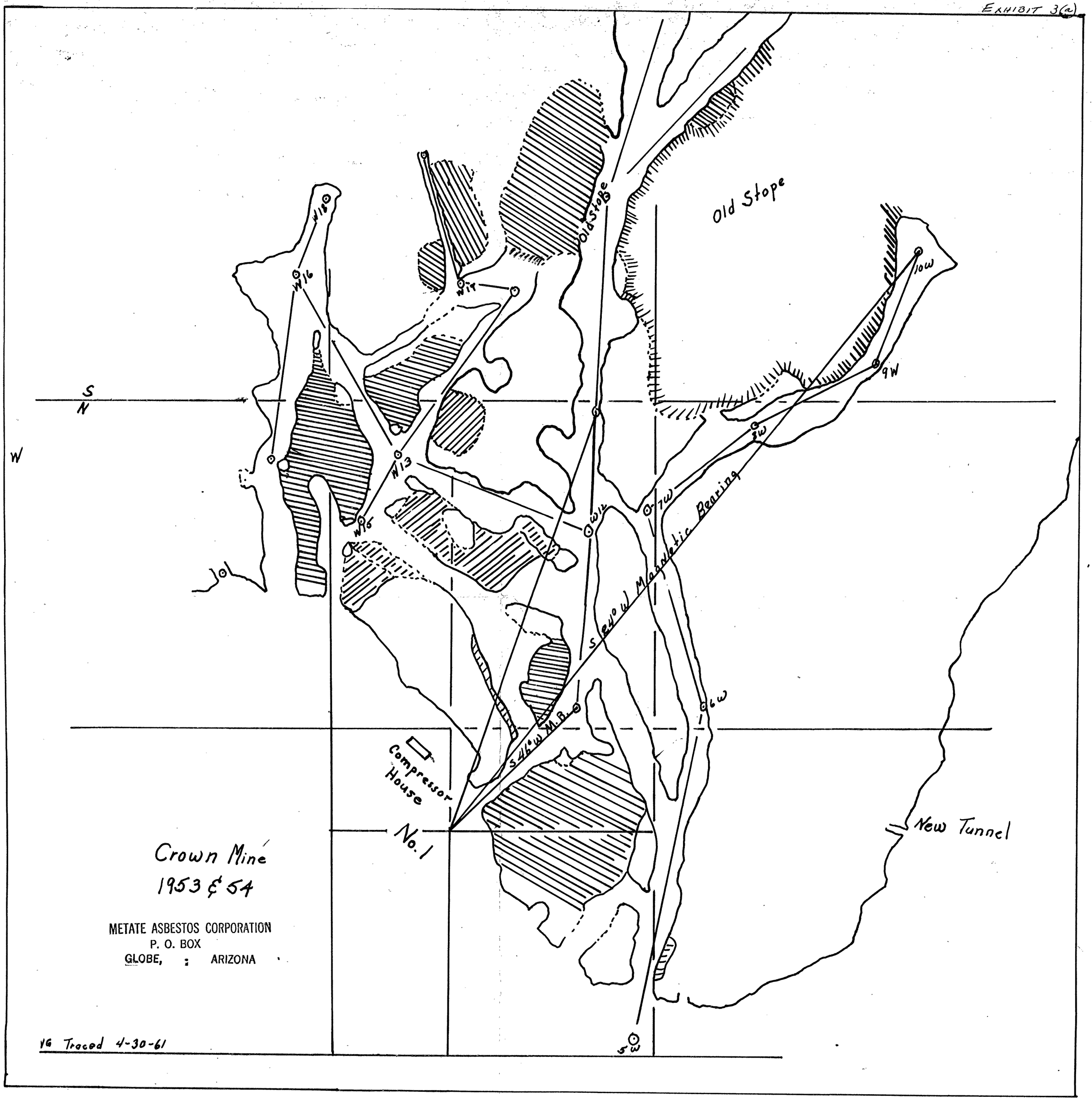
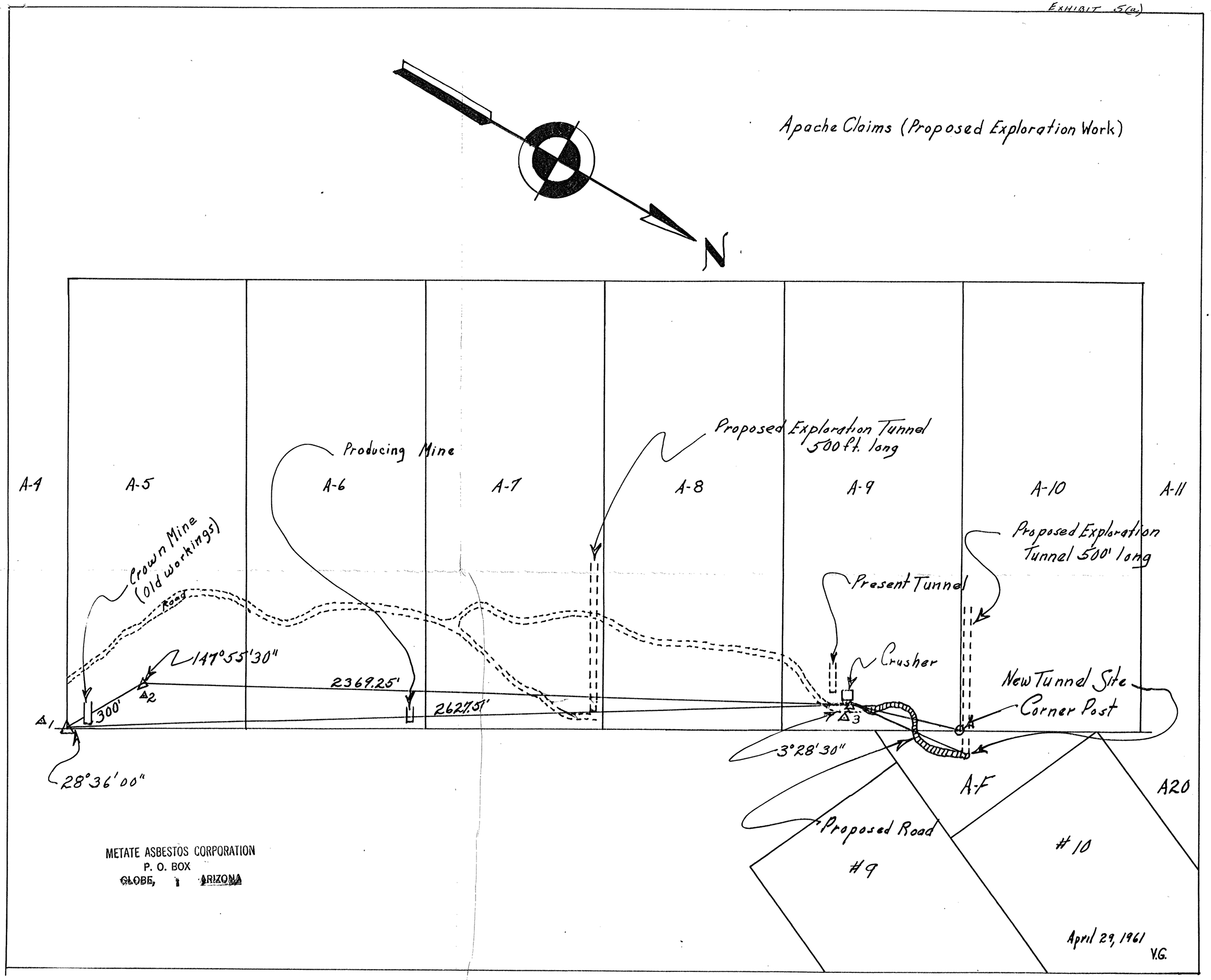

Old Stope
Old Stope
W18
W16
W17
W13
W15
W12
7W
10W
9W
8W
6W
5W
S
N
W
S 84° W Magnetic Bearing
S 46° W M.B.
Compressor House
No. 1
New Tunnel
Crown Mine
1953 & 54
METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ; ARIZONA
16 Traced 4-30-61

EXHIBIT 5(a)


Apache Claims (Proposed Exploration Work)
N
Producing Mine
Proposed Exploration Tunnel 500 ft. long
A-4
A-5
A-6
A-7
A-8
A-9
A-10
A-11
Crown Mine (Old workings)
Road
Proposed Exploration Tunnel 500' long
Present Tunnel
Crusher
147°55'30"
2369.25'
2627.51'
300'
Δ1
Δ2
Δ3
New Tunnel Site
Corner Post
3°28'30"
28°36'00"
A-F
A20
Proposed Road
#9
#10
METATE ASBESTOS CORPORATION
P. O. BOX
GLOBE, ARIZONA
April 29, 1961
Y.G.