DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. DMEA-3202

DO NOT DETACH THIS SLIP

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This document has been recorded as
Exploration Assistance

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

1cy to USBM, USGS, ~~REGION, DOCKET~~

Routing Slip

To:	600	Date	11-6-53
To:	Robertson	Date	11/7/53
To:	Code 600	Date	11/25/53
To:	Open Com	Date	2-12-54
To:	Open Com	Date	5-21-54
To:		Date	
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EXHIBIT E

Two traverses with a magnetometer were made over the serpentine lens and onto the waste on either side. No distinction could be noted between syenite, barren serpentine, asbestos-bearing serpentine and slate. This is typical of results obtained elsewhere in California, due to the low magnetite content of these deposits.

The 40 acres contained in the N.E. 1/4 of N.E. 1/4 of Sec. 2 T. 2S., R. 15 E. were staked by Flintkote to provide additional access and working space if the property developed into a mine. Seven tons of rock must be excavated from this 40 acres before December 18 and the work recorded in Sonora in order to keep the claim in good standing.

The geological mapping indicated that the serpentine lens is somewhat narrower than previously supposed. A few tiny slate outcrops near the northwest end of the property show dips at a variable steep angle to the northeast. It is very likely that the serpentine has a similar dip. It was found possible to locate approximately the downhill contact of the serpentine by observing when waste boulders started to appear in the overburden. All the serpentine boulders above the railroad cut and the southeast 3/4 of claim "Asbestos No. 1" are barren. The asbestos-bearing serpentine is confined to a zone along the footwall (downhill) contact (see map); this zone has a length of 1700 feet and a maximum possible width of from 125 - 150 feet. Many boulders derived from here grade at least 5% asbestos in veins up to 3/8" and one pit in bedrock on "Asbestos" claim (see map) grades 6 to 7% asbestos in veins up to 1/2".

EXHIBIT D

Favourable indications of an economic orebody are present on this property. These indications are in the form of many serpentine fragments bearing commercial quantities of fibre in veinlets up to at least 3/8 inch wide. The writer concurs with Messrs. Tonjes, Setinsky and Pecaro in recommending that Flintkote option the property. The new tentative terms are somewhat easier to live with than Ashley's former demands. Exploration would consist of bulldozing or test-pitting to bedrock to determine the serpentine contacts and permit bulk sampling, followed by diamond-drilling.

LOCATION

Ashley's three mining claims, totalling 60 acres, lie on the north east side of the Mocassin Creek valley in Sec. 35, T. 1 S., R. 15 E. and Sec. 1, T. 2 S., R. 15 E., Tuolumne County. The lower end of the access claim borders Highway 49 at elevation 1100 feet. The upper end of the claims lies at elevation 2000 feet. The nearest railway siding is at Chinese Camp, 10 miles to the west. Electric power is available 1-1/2 miles northeast from the Hetch Hetchy Power House, owned by the City of San Francisco. The old Hetch Hetchy railroad roadbed plus Ashley's new half mile long bulldozed road provide ready means of access for exploration purposes.

DESCRIPTION OF PROPERTY

No outcrops of serpentine can be seen on or in the immediate vicinity of this property. However, starting one mile southeast and extending 10 miles in the same direction, many road cuts along Highway 49 show that the serpentine mass is of con-

siderable length and hundreds of feet wide in places. One outcrop of slate is exposed in a dry creek bed on the access claim 200 yards from the Highway. The dip of the bedding is variably steep to the northeast. It is assumed that the serpentine mass would conform to this dip if it is representative of the general attitude of the bounding rocks.

On the property, many rock fragments litter the hillside which on the average approximates 25°- 30°. Most of the fragments are asbestos-bearing serpentinized peridotite and a massive white quartzite in no apparent recognizable pattern. Some of the serpentine fragments have rolled downhill below the slate outcrop. Few are to be seen as one goes very far up slope from the railway cut.

Practically all the serpentine boulders contain interesting amounts of cross fibre asbestos which attain maximum staple lengths of 3/8". Ernie Tonjes states that he has seen some rare 1/2" unbroken veins. The 3/8" veins are by no means rare. The fibre is not quite so silky and strong as at Thetford but is far from being poor quality. In attempts to reach bedrock, Mr. Ashley has dug six trenches into the hillside. None succeeded.

Despite the limitations placed on a property showing only float and no bedrock, it is believed that further work on our part is warranted by the concentration of asbestos in the loose fragments and the area over which they occur. If Flintkote decides to option the property, it would be necessary for Ashley to stake more claims for protection down the dip and for tailings disposal and mill site. Also the right of way of the Hetch Hetchy railroad must be purchased from the city of San Francisco.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV - 6 1953

EXHIBIT C

QUITCLAIM DEED

FOR VALUE RECEIVED, J. L. ANKER and HOWARD SHRIVER, hereby remise, release and forever QUITCLAIM unto The Flintkote Company, a corporation, having its head office located at 30 Rockefeller Plaza in the City of New York, State of New York, all of their right, title and interest in and to the following described mining claim situate in the Tuolumne Mining District, County of Tuolumne, State of California, to-wit:

> Being the "Susie Q" placer claim for building stone, being the NE¼ of NE¼ of Section 2, T. 2S., R. 15 E., M.D.M.
>
> Being the same property as per Notice of Location filed in the office of the County Recorder, Tuolumne County, California, being Recorder's No. 2679 for year 1953.

WITNESS our hands this 18th day of September, 1953.

/s/ J. L. ANKER
J. L. ANKER

/s/ HOWARD SHRIVER
HOWARD SHRIVER

STATE OF CALIFORNIA)
) ss.
County of Tuolumne)

On this 18th day of September, 1953, before me, JAMES R. HARDIN, a Notary Public in and for said county and state, personally appeared J. L. ANKER and HOWARD SHRIVER, known to me to be the persons described in and whose names are subscribed to the foregoing instrument and they duly acknowledged to me that they executed the same.

WITNESS my hand and official seal the day and year in this certificate above written.

(SEAL)

/s/ JAMES R. HARDIN
Notary Public in and for the County of Tuolumne
State of California

My commission expires: 8-5-57

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV - 6 1953

EXHIBIT B

THIS AGREEMENT, made and entered into in triplicate this day of , 1953,

B E T W E E N:

LLOYD C. ASHLEY, PALMER C. ASHLEY and ROBERT F. ASHLEY, doing business as "ASHLEY ASBESTOS ASSOCIATION LIMITED" in the State of California, hereinafter referred to as the "OPTIONORS"

OF THE FIRST PART

A N D:

THE FLINTKOTE COMPANY, a corporation having its head office located at 30 Rockefeller Plaza, in the City of New York in the State of New York, herein acting and represented by P. C. Rowe, its Vice-President, herein duly authorized for the purposes hereof, the said company hereinafter referred to as the "OPTIONEE"

OF THE SECOND PART

WHEREAS the said Optionors represent that they are the sole owners of certain unpatented mining property in Mining District of Tuolumne in the County of Tuolumne in the State of California, described as follows, to wit:

> Situate in Section 35, T. 1 S., R. 15 E. M.D.M. Section 1, T. 2 S. R. 15 E., M.D.M., described as follows, to wit: "Asbestos" located December 21, 1942, and Notice of Location of which is recorded in Vol. 19, of Quartz, at page 359, Tuolumne County Records.
>
> "Asbestos No. 1", located December 21, 1942, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 358, Tuolumne County Records.
>
> "Access Lode", located April 5, 1943, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 365, Tuolumne County Records.

WHEREAS the Optionee desires the right to carry on certain exploration and development work and to obtain the option to purchase the mines, minerals and mining rights on the lands above described, the Optionors are willing to grant on the terms and conditions herein contained.

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The Optionor undertakes to immediately provide the Optionee with all documents required by the solicitors of the Optionee, in order to establish insurable title to the property. The present option is made and entered into in consideration of the sum of One Thousand Dollars ($1,000.) from the Optionee, to be payable within sixty (60) days after the date of receipt by the Optionee of the title documents, if the Optionee is advised by its solicitors that they are satisfied as to title to the said rights. If within the said period of sixty (60) days from the delivery of the said documents the solicitors of the Optionee find certain flaws in the title or require additional information to enable them to complete their report, which flaws or which information it is, within the power of the Optionors to rectify or obtain, they shall be entitled to notify the Optionors to rectify such flaws or furnish such additional information and this the Optionor shall be bound to do. In such event and notwithstanding the expiration of the said period of sixty (60) days, the Option shall continue in force and the said One Thousand Dollars ($1,000.) shall not be payable until the said solicitors have been satisfied as to the title to the said rights and the authority of the Optionors to enter into and carry out the terms of this agreement. The Optionors shall not be held liable for damages for any reason whatsoever.

2. In consideration of the sum of One Thousand Dollars ($1,000.) mentioned in Paragraph 1, the Optionors hereby give and grant to the Optionee, or its nominee, the sole and exclusive option, irrevocable within the term limit herein for the exercise thereof and subject to the terms, provisoes and conditions hereinafter set forth, to purchase from the Optionors for the total sum of two Hundred and Fourty Thousand Dollars ($240,000.) the above mentioned mining rights together with any surface rights, water rights, and rights of way which the Optionors may possess. The Optionor agrees to grant to the Optionee the option to purchase at original cost to the Optionor any other contiguous claims which they later acquire.

3. The Optionee, or its nominee, its or his servants, agents or workmen, shall have full right and authority during a period of nine (9) months from the date of the payment of One Thousand Dollars ($1,000.) to go in and upon the said lots and to conduct all such exploration and prospecting work as the Optionee, or its nominee, may deem necessary to determine the mineral value of the said rights and the Optionee undertakes to reimburse any owners of the surface rights, other than the Optionors, for any and all damage to the trees, fences, cultivated or pasture land resulting from such entry, prospecting or any removal of ore, minerals or other matter by the Optionee, or its nominee, in, upon or from the said property, regardless of whether the damage is incidental, accidental or as a result of negligence of the Optionee.

4. It is agreed that any time before the said date of the expiry of this agreement, the Optionee, or its nominee, shall be entitled to exercise the right of option hereby granted and in such event the purchase price hereinabove stipulated shall thereupon become due and payable.

5. It is further agreed that the Optionee, or its nominee, during the currency of this option, shall have the exclusive possession of the said property (subject always to the rights of any owners of the surface rights other than the Optionors) and may possess, remove and dispose of such quantities of minerals as it or he may consider desirable for determining the mineral value of the said property, and in particular, but without in any way limiting the generality of the foregoing, the Optionee, or its nominee, shall be at liberty to mine and ship ore, minerals or other matter to an amount not exceeding one thousand (1,000) tons and in the event of the non-erxecise of this option the Optionee, or its nominee, shall not be under any obligation to reimburse the Optionors in respect of the ore, minerals or other matter so shipped.

T.D. /s/
P.A. /s/
R.F.A./s/
L.C.A./s/

6. All notices and payments required to be given by the Optionee, or its nominee, to the Optionors shall be properly given if contained in a registered letter, deposited in any one of Her Majesty's Post Offices in the Province of Quebec, postage prepaid addressed as follows:

Mr. Palmer C. Ashley
1211 Hill Street
Santa Monica, Calif.

and the time of the respective receipt of such notice shall be deemed to be four (4) days after the time of such deposit of the letter.

7. And it is hereby agreed and understood that in the event of the expiration and lapse of this option all plant, equipment, machinery, apparatus, buildings or other property which may have been erected, installed or brought upon the said lots by the Optionee, or its nominee, shall be and remain the property of the Optionee, or its nominee, respectively, irrespective of their character as real or personal property, provided, however, that the Optionee, or its nominee, shall remove all such plant, equipment, machinery, apparatus, buildings and other property from the said lots within the period of ninety (90) days from the date of the expiration or lapse of this option, and in default thereof any such plant, equipment, machinery, apparatus, buildings and other property remaining upon the said lots after the expiration of the said period of ninety (90) days shall become and be the property of the Optionors.

8. The Optionors hereby covenant and agree that the Optionee may register the present agreement by memorial and the Optionee binds and obliges himself that should it at any time decide to abandon the present agreement it will forthwith register the documents necessary to effect the cancellation of the said registration.

9. The Optionors covenant and agree with the Optionee not to encumber the said property after the execution of this agreement and during the period that the same is in effect.

10. It is distinctly understood and agreed that this is an Option Agreement only and that nothing herein contained or the payment of any part of the purchase price or monies for application toward the purchase price or the observance of the conditions herein contained shall, prior to the formal exercise of this option, obligate the Optionee to pay any further money or monies, as the case may be, or to expend any monies or any further monies, as the case may be, in exploration, development and/or mining work unless the Optionee shall see fit so to do.

11. During the option period, the Optionee agrees to furnish to the proper authorities certification of all the necessary proofs of labor for the annual expenditures and assessment as required by the revised statutes of the United States and the laws of the State of California for the purpose of holding said claims.

12. It is further agreed that in the event of lapse of this option that the Optionee will submit to the Optionors, within two weeks of the date of expiration, a complete and true copy of all the Optionee's maps, plans, test results, diamond-drill logs and other findings pertaining to the mineral value of the property and resulting from their investigations during the option period.

13. The Optionors hereby bind and oblige themselves that should the Optionee give formal notice at any time of its exercise of this option they will, forthwith, execute all documents necessary to convey to the Optionee a good title, free and clear, franc et quitte, of all hypothecs, charges and encumbrances of the rights which form the object of this agreement.

STATE OF CALIFORNIA,)
) ss.
County of Los Angeles)

On this 16 day of September, A.D., 1953, before me, KENNETH O. GRUBB, a Notary Public in and for said County and State, personally appeared LLOYD C.ASHLEY, PALMER C. ASHLEY, and ROBERT F. ASHLEY, known to me, to be the persons whose names are subscribed to the within Instrument, and acknowledged to me that they executed the same.

(SEAL)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ KENNETH O. GRUBB
Notary Public in and for said County and State.

My Commission Expires Aug. 11, 1957

14. Time shall be of the essence of this agreement and of the said option hereby granted.

This agreement shall extend to include, enure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day, month and year hereinabove set forth.

WITNESSES:

Witnesses as to the signatures of the Optionors

/s/ T. DAVIES

/s/ A. C. JEWETT

/s/ T. DAVIES

/s/ A. C. JEWETT

/s/ T. DAVIES

/s/ A. C. JEWETT

/s/ LLOYD C. ASHLEY
Lloyd C. Ashley

/s/ PALMER C. ASHLEY
Palmer C. Ashley

/s/ ROBERT F. ASHLEY
Robert F. Ashley

OPTIONORS

THE FLINTKOTE COMPANY

EXECUTIVE VICE PRESIDENT

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV - 6 1953

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

Not to be filled in by applicant

Docket No. DMEA-3202
Metal or Mineral
Date Received 11-6-53
Estimated Cost
Participation (Government %)

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:

The Flintkote Company - corporation, Massachusetts
30 Rockefeller Plaza
New York 20, New York

(*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. See attached sheet.

(*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 See attached sheet.

(*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
See attached sheet.

(*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
See attached sheet.

(*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. See attached sheet.

(*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 See attached sheet.

(*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)? See attached sheet.

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

[x] Money [ ] 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 October 30, 1953

THE FLINTKOTE COMPANY
(Applicant)

By P. C. Rowe

Executive Vice President

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

FORM MF-103 (April 1952)

NOV 6 1953

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

The Flintkote Company
30 Rockefeller Plaza
New York 20, N. Y.

1.(c) President - I. J. Harvey, Jr., 30 Rockefeller Plaza, New York 20, New York.

Executive Vice President - P. C. Rowe, 30 Rockefeller Plaza, New York 20, New York.

Vice President - Frank H. Neher, 30 Rockefeller Plaza, New York 20, New York.

Vice President - Stuart H. Ralph, 30 Rockefeller Plaza, New York 20, New York.

Vice President - George J. Pecaro, 55th and Alameda Streets, P. O. Box 2218, Terminal Annex, Los Angeles 54, California.

Vice President - H. Lester Evans, Oak Street and Central Avenue, East Rutherford, New Jersey.

Vice President and Treasurer - C. W. Gregg, 30 Rockefeller Plaza, New York 20, New York.

Vice President and Secretary - George K. McKenzie, 30 Rockefeller Plaza, New York 20, New York.

Assistant Treasurer - D. J. McNamara, Oak Street and Central Avenue, East Rutherford, New Jersey.

Assistant Treasurer - P. F. Breen, 55th and Alameda Streets, P. O. Box 2218, Terminal Annex, Los Angeles 54, California.

Assistant Secretary - J. A. Main, 30 Rockefeller Plaza, New York 20, New York.

3.(a) The Flintkote Company proposes to conduct a field survey of properties located in Sections 1 and 2, Township 2 South, Range 15 East, and Section 35, Township 1 South, Range 15 East, in Moccasin Quadrangle, Tuolumne County, California. The claims to be investigated are as follows:

1. Situate in Section 35, T. 1 S., R. 15 E. M.D.M. Section 1, T. 2 S. R. 15 E., M.D.M., described as follows, to wit: "Asbestos" located December 21, 1942, and Notice of Location of which is recorded in Vol. 19, of Quartz, at page 359, Tuolumne County Records.

2. "Asbestos No. 1", located December 21, 1942, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 358, Tuolumne County Records.

3. "Access Lode", located April 5, 1943, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 365, Tuolumne County Records.

The above claims are in an area 600 feet by 1500 feet, adjacent to Moccasin Creek at an elevation of about 2000 feet as indicated on the topographical map of Moccasin Quadrangle attached hereto as Exhibit "A".

4. Being the "Susie Q" placer claim for building stone, being the NE¼ of NE¼ of Section 2, T. 2 S., R. 15 E., M.D.M.

Being the same property as per Notice of Location filed in the office of the County Recorder, Tuolumne County, California, being Recorder's No. 2679 for year 1953.

3.(b) None.

3.(c) Claims 1, 2 and 3 above are owned by Lloyd C. Ashley, Palmer C. Ashley and Robert F. Ashley, doing business in the State of California as Ashley Asbestos Association Limited. They are subject, however, to an option agreement which provides for the ultimate purchase by The Flintkote Company and which is attached hereto as Exhibit "B".

Claim No. 4 is owned by The Flintkote Company under a Quitclaim Deed given on the 18th day of September by J. L. Anker and Howard Shriver, a copy of which is attached hereto as Exhibit "C".

3.(d) See answer to (c) above.

3.(e) None.

3.(f) See answer to (c) above.

4.(a) We have no knowledge of any prior asbestos prospecting or production on this property. Mr. J. H. Setinsky, a former Vice President in charge of manufacturing of The Flintkote Company and a graduate mining engineer, visited the property with Mr. Lloyd Ashley in 1950 and recommended further exploration work. Mr. Tudor Davies, a graduate geologist and

employee of Flintkote Mines Limited, the asbestos producing subsidiary of The Flintkote Company, inspected the property on August 28, 1953 and made a report, the pertinent portions of which are attached hereto as Exhibit "D". Mr. Davies during the week of September nineteenth, spent an additional three days at the subject property, gathering further information, including a reconnaissance map of the topography and geology, an attempt at a magnetometer survey and staking additional ground. The pertinent portions of Mr. Davies report of this work is attached as Exhibit "E".

Attached as Exhibit "F" is a map prepared by the Engineering Department of Flintkote Mines Limited, showing the estimated size of the orebody.

4.(b) See answer to (a) above.

4.(c) See answer to (a) above.

4.(d) The claims are situated adjacent to a paved highway; the nearest community is Jacksonville, about four miles from the site of the claims. The nearest rail shipping point is Chinese Camp, approximately ten miles away on the Sierra Railroad of California.

4.(e) The water supply in this area is ample for the needs of asbestos milling. Actually very little water is required in the processing of asbestos fiber as it is a dry process. The property is located about two miles from the Moccasin Reservoir where power is generated. The power requirements are 25 kw. hr. per daily ton and a mill processing 1,000 tons daily would represent about 3,300 connected horsepower.

5.(a) The exploration is for the purpose of finding a commercial orebody of asbestos, particularly the higher grades such as spinning grades down to 6 grades. However, all asbestos ore bodies contain varying grades of asbestos, and the exploration and development of spinning grades of asbestos cannot be confined to a search for that grade alone and must be conducted within the broader scope of exploration for commercially feasible ore deposits. As all ore bodies contain various classes and lengths of fiber, it is the function of good milling know-how together with technical and engineering skill to sort out the fibers in such a manner that the maximum yield of the longest fiber is produced. It is the length of fiber to be produced which is determinative on the question of the economic feasibility of ore deposit development.

The Flintkote Company
30 Rockefeller Plaza
New York 20, N. Y.

5.(b) The proposed work would proceed in two phases or sections. The first work would consist of five diamond drill holes of approximately 350 feet each, as well as the use of a bulldozer in order to determine the nature of the rock beneath the overburden. (This seems to be the most feasible method of exposing hidden outcrops and will limit the amount of diamond drilling which must be done.) The diamond drill cores would be shipped to Thetford Mines, Quebec, for study in our laboratory there. It is estimated that the initial phases of this project will take three months.

If the results of the preliminary exploration are favorable, the second phase will be undertaken. This will consist of making ten additional diamond drilling holes, approximately 350 feet each, evaluating these cores at our Thetford Mines laboratory, and then taking a 500 ton bulk sample, shipping this sample to Thetford Mines for further evaluation and milling tests. An additional period of six months will be required to complete this program in order to confirm and evaluate the ore body properly.

5.(c) The total project should cover nine months and will be commenced promptly upon the approval of this application.

5.(d) The Flintkote Company, through its wholly-owned subsidiary, Flintkote Mines Limited, Thetford Mines, P. Q., Canada, is engaged in the mining and milling of grades of asbestos and asbestos fiber from 3Z down to 8S sand. The present operation at Thetford Mines consists of open pit mining, using one Diesel shovel and one electric shovel, a fleet of carrying trucks, a mill capable of 1200 to 1300 tons per day, consisting of crushing, drying, storing, and proper grading by screens and inspiration so as to meet specifications of the various grades of fiber. In view of the world wide shortage of asbestos, this Company has undertaken an extensive exploration program and actually in the recent past has investigated considered properties in Quebec, Ontario, California and Vermont. By letter dated June 29, 1951, The Flintkote Company under application No. DMA-1097 (Asbestos) was authorized to proceed with an aerial magnetometer survey of certain areas in Vermont, receiving an exploration project contract in the amount of $12,000. These funds were not used, since after receiving the contract, it was learned that an aerial magnetometer survey had been made by another asbestos company of the same area covered by this project and the contract was cancelled by letter of Mr. C. O. Mittendorf, Director Production Expansion Division, dated July 24, 1951.

FORM MF-103 (April 1952)

The Flintkote Company
30 Rockefeller Plaza
New York 20, N. Y.

The program will be under the supervision of Mr. H. L. Evans, Vice President in change of manufacturing of The Flintkote Company, and he will be assisted by Mr. Gordon Gibbs, the manager of the Flintkote mining operations at Thetford Mines, and Mr. R. S. Coleman, the mine superintendent of Flintkote Mines, both of whom are graduate mining engineers with many years of operating and geological exploration experience in the asbestos field.

6.(a) It has not as yet been determined how much of the work will be let to contractors.

6.(b) The following estimates of cost are broken down into the two phases or sections explained in 5(b).

Phase One

Diamond Drilling - 5 holes, 350' @ $10		$17,500.00
Core Boxes - 70 @ $5		350.00
Core Evaluation and Shipping Expense		2,500.00
Bulldozing: 3 days @ $100/day		300.00
Engineering and Supervision		
1) 2 months' salary, Mr. Tudor Davies	$1,000	
2) Travel & Subsistence Expenses of Mr. Tudor Davies, including round trips from California to Thetford	1,000	2,000.00
Contingencies - 10%		2,265.00
Estimated Total Cost		$24,915.00

24915.-
73,700.-
Total 98,615.-

Phase Two

Diamond Drilling - 10 holes, 350' @ $10		$35,000.00
Core Boxes		1,000.00
Core Evaluation (freight)		2,500.00
Bulk Sample - 500 tons (including freight)		25,000.00
Engineering and Supervision		
1) 6 months' salary, junior engineer to supervise the work at the claim site	$2,500	
2) 2 months' salary, Mr. Tudor Davies	1,000	3,500.00
Contingencies - 10%		6,700.00
Estimated Additional Expense		$73,700.00

6.(c) See answer to (b) above.

6.(d) See answer to (b) above.

6.(e) See answer to (b) above.

35/15/75/175 52500

The Flintkote Company
30 Rockefeller Plaza
New York 20, N. Y.

6.(f) See answer to 6(b).

6.(g) See answer to 6(b).

6.(h) See answer to 6(b).

7.(a) The applicant is prepared to invest its pro-rata share of the estimated cost of exploratory work and whatever additional capital is necessary to acquire property and construct a mill thereon, which would represent a total investment of approximately three million dollars.

This statement is based on the approval of this application and the allowance under DMEA Order No. 1 of 90 per cent of the estimated exploratory costs as requested herein.

FILE COPY
SURNAME:

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

600

January 8, 1954

Memorandum

To: Mr. Paul M. Ambrose, Chief, Metallurgical Division, Bureau of Mines, Region VIII

From: Lawrence G. Houk, Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

Subject: Asbestos sample - Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California

Transmitted under separate cover is one bag containing asbestos rock. We would be pleased to have the approximate asbestos content of the rock, and the total iron and magnetic iron that is contained in the asbestos.

Please save the rejects of asbestos fiber, if it is possible to make the separation of the asbestos fiber from the rock.

LGHouk:gad 1/8/54
Copy to: Admr. R. File
Docket File
Mr. Larrabee, G-232 GSA Bldg.
Dr. Bowles, 3516
Mr. Houk

R.C.B. 1-8-54

FILE COPY
SURNAME: 13

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Rewritten by

Houk
Rubin
AEKane
Pntin
Mitlendorf
Asbestos

NOV 25 1953

Mr. James D. Moran
The Flintkote Company
30 Rockefeller Plaza
New York 20, New York

Re: Docket No. DMEA-3202 - The Flintkote Company
Tuolumne County, California

Dear Mr. Moran:

Reference is made to our telephone conversation of November 9, 1953, requesting additional information necessary to process your application for exploration assistance.

Your present option covering the three important claims does not provide a sufficient length of time nor is it a sufficient interest in the land for the purposes of an exploration project contract.

This office would be pleased to receive a representative sample of the asbestos taken from the bedrock together with any analyses relating to the iron content of the asbestos. Your application fails to mention the size of the diamond drill core to be taken. The price of $10.00 per foot for diamond drilling appears to be excessive for drilling in this type of material. We would be pleased to receive any information you may have to justify these costs.

Inasmuch as your application was received subsequent to November 3, Midnight, the effective date of Amendment No. 3 of DMEA Order-1, which alters Section 7 of DMEA Order-1 in which the Government participation is reduced from 90% to 75% in the case of asbestos (chrysotile only), please indicate in your letter that you wish to have your application processed under this new rate. Under Amendment No. 3 of DMEA Order-1, exploration assistance in the case of asbestos (chrysotile only) is limited to those deposits which may produce a substantial quantity of spinning grade low-iron asbestos of the type of material being accepted now for the National Stockpile.

LGHouk/AEKane/ema 11-24-53
Copy to: Docket
Adm. R. File
(2) Field Team, Region III
Dr. Bowles, 3516
Mr. Larrabee,
G-232 GSA Bldg.
Op. Comm.
Mr. Houk
A. E. Kane
J. L. Hofflund Chron. Pending

Sincerely yours,
SIGNED
Lawrence G. Houk, Chief
Nonmetallic Minerals Division

HHP 11-25-53

FILE COPY
SURNAME:

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

N. S. in R. R.

November 12, 1953

Memorandum

To: The Administrator
Through: Mr. L. G. Houk

From: Chief Counsel

Subject: The Flintkote Company
Docket No. DMEA-3202 (Asbestos)

Mr. Houk has requested me to give my opinion of the sufficiency of the interest of the applicant in the real property involved in order to obtain an Exploration Project Contract.

Claim No. 4 is owned by the applicant, and there is no doubt that a contract can be written with respect to it.

Claims Nos. 1, 2, and 3 are owned by Lloyd C., Palmer C., and Robert F. Ashley, and are subject to an option agreement with the applicant. The copy of this agreement in our files bears no date except the year 1953, but it is acknowledged on September 16, 1953. Under this agreement,

(1) The applicant agrees to pay $1,000 within 60 days after receipt of satisfactory title documents from the owners.

(2) For this $1,000, the applicant obtains the option to purchase for $240,000 the owners' mining, surface, and water rights, and rights-of-way.

(3) For 9 months after payment of the $1,000, the applicant is authorized to go upon the property and do exploration work to determine the mineral value of the rights. During this period, the applicant must exercise its option to purchase the claims, but is authorized to remove not in excess of 1000 tons of ore.

Consequently, it is plain that, with respect to claims Nos. 1, 2, and 3, all that the applicant has here is a lease for 9 months (if the $1,000 has been paid), with an option to purchase. Under these circumstances, an Exploration Project Contract may be entered into with the applicant only if the applicant—

(1) furnishes a sufficient guaranty of performance or performance bond; or

(2) if the work can be performed in 9 months, obtains an Owners' Consent to Lien; or

(3) obtains a 10-year lease, or purchases the property.

Albert E. Kane

for J. L. Hofflund
Chief Counsel

AEKane:ep

Copy to: Mails & Files
Mr. Houk
Mr. Hofflund
Mr. Kane
Chron.

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

November 12, 1953

Memorandum

To: The Administrator
Through: Mr. L. G. Houk

From: Chief Counsel

Subject: The Flintkote Company
Docket No. DMEA-3202 (Asbestos)

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(1) furnishes a sufficient guaranty of performance or performance bond; or

(2) if the work can be performed in 9 months, obtains an Owners' Consent to Lien; or

(3) obtains a 10-year lease, or purchases the property.

J. L. Hofflund
Chief Counsel

IN REPLY REFER TO:
G-MD-CNM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1953

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

Memorandum

November 9, 1953

REVIEW OF APPLICATION DMEA-3202 (asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Flintkote Company, 30 Rockefeller Plaza, New York 20, New York.
Name of property: Asbestos, Asbestos No. 1, and Access Lode.
Location of property: Tuolumne County, California.
Summary of applicant's proposal:

Stage 1. 5 core drill holes @ 350' each.
Bulldozer trenching to bedrock.

Stage 2. 10 drill holes @ 350' each.
500 ton bulk sample.

Sources of information on applicant's property:
U. S. G. S. Folio 41, Sonora quadrangle shows serpentine area.

Comments:

1. Inasmuch as this application was received by DMEA November 6, I assume that the Government participation would be 75%, not 90%.

2. Cost of core drilling, and of core boxes, appear excessive by 50%, generally. Is there a special reason for this, and if so, what? One-half mile of water line is not too bad.

3. What size core?

4. Core shipping expense looks very high.

5. Total expenses for such a small job look way out of line. (It would be interesting to know what the company would budget this job for, if on its own.)

6. No target is given, but one is assumed. What are the anticipated grade and reserves?

7. Is this short (-½") fiber really strategic? There is some doubt as to its spinning qualities. Flintkote's main interest is in shorter fibers for roofing and siding, is it not?

RECOMMENDATION:

Request additional data on points raised under comments, before submitting to the Field Team for an examination.

D. M. Larrabee

D. M. Larrabee

The Flintkote Company
Corporation of Massachusetts
30 Rockefeller Plaza
New York 20, New York

November 6, 1953

Subject: DMEA-3202
Re: Exploration Assistance

Dear Mr. Moran:

The receipt of your application dated October 30, 1953, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3202 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-3202 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Chief, Operations Control
and Statistics Division

THE FLINTKOTE COMPANY
INCORPORATED
30 ROCKEFELLER PLAZA
NEW YORK 20, N. Y.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV - 6 1953

November 5, 1953 Date mailed

Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Attention: Mr. C. O. Mittendorf
Administrator

Dear Sir:

Enclosed herewith executed in quadruplicate on behalf of The Flintkote Company is Form MF-103 (April 1952), requesting aid for an exploration project for asbestos in Tuolumne County, California.

We would appreciate it if this application could receive your prompt attention, since as you will note in Exhibit E, some excavation work must be done on one of the claims before December eighteenth in order to keep it valid.

We trust that the information enclosed is all you will need for an expeditious and favorable determination of the application. We would appreciate a call at Plaza 7-5500, New York, if any additional information is required.

Yours very truly,

THE FLINTKOTE COMPANY

James D. Moran

James D. Moran
Assistant to Vice President
and Secretary

JDM:HL
Enclosures 4

FILE COPY
SURNAME:

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

600

JAN 11 1954

Mr. James D. Moran
The Flintkote Company
30 Rockefeller Plaza
New York 20, New York

Re: Docket No. DMMA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California

Dear Mr. Moran:

Receipt is acknowledged of the samples of asbestos bearing serpentine from Tuolumne County, California.

An examination of the samples indicates there will be sufficient material to conduct our preliminary test to determine the iron content of the asbestos.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 1/8/54

Copy to: Mr. T. Davies, Chief Geologist
Flintkote Mines Limited
Thetford Mines, P. Q.
Canada

Copy to: Admr. R. File
Docket File
Field Team, Region III
Dr. Bowles, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G. 1-11-54

FLINTKOTE MINES LIMITED

SUBSIDIARY OF THE FLINTKOTE COMPANY

ASBESTOS FIBRE MINING AND MILLING

THETFORD MINES, P.Q.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

December 23, 1953

Nonmetallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D.C.

Attention: Mr. Lawrence G. Houk, Chief

Gentlemen:

Re: Docket No. DEMA-3202 - Asbestos
The Flintkote Company, Tuolumne County, California.

Our Mr. J.D. Moran of the New York office has requested that we forward to you a sample of the asbestos ore from the deposit in Tuolumne County, in which we are interested.

We have received from the property owner the requested samples which I am forwarding to you today under separate cover. Unfortunately, they are not representative of the widest asbestos veins to be found. No analyses have been made to determine the iron content of the fibre.

It is hoped that the samples are sufficient to meet your needs.

Yours very truly

FLINTKOTE MINES LIMITED

T. Davies

T. Davies
Chief Geologist

TD/m

File Copy
Surname:

Houk
Larrabee
Hedges
Mittendorf

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

FEB 15 1954

Mr. James D. Moran
The Flintkote Company
30 Rockefeller Plaza
New York 20, New York

Re: Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

Dear Mr. Moran:

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. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 2, California, 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 that you may give the members of the field team during the examination will be appreciated.

In the samples you submitted the total iron and magnetic iron are below the maximum allowable.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 2/11/54

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region III
Dr. Bowles, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.S.S.
2-16-54

File Copy
Surname:

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

FEB 15 1954

Mr. H. C. Miller
Executive Officer, DMEA
Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Subject: Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

Dear Mr. Miller:

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

Copies of memoranda from the Geological Survey, dated November 9, 1953, and from the Bureau of Mines, dated February 8, 1954, are enclosed for your information.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures 4

P.S. A chemical analysis of the asbestos sample submitted to College Park indicates that it is acceptable for stockpiling from the standpoint of the iron content. If practical, please supply this office with a sample of the asbestos, we will then endeavor to determine its tensile strength and acceptability for stockpiling.

LGHouk:gad
Copy to: Admr. R. File
Docket File
Operating Committee
Dr. Bowles, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.
2-16-54

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

February 8, 1954

Memorandum

To: Mr. Lawrence G. Houk, Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

From: Commodity Specialist, Construction and Chemical Materials Branch

Subject: Application of The Flintkote Company for exploration loan Docket No. 3202

In view of the favorable report from College Park on the iron content of the asbestos I would recommend that the field team make an examination of the prospect. It is important to note if any significant percentage of spinning fiber appears in this deposit.

Oliver Bowles

Oliver Bowles

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
COLLEGE PARK, MARYLAND

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1954

February 1, 1954

Memorandum

To: Mr. L. G. Houk, Chief, Nonmetallic Minerals Division, DMEA

From: Mr. P. M. Ambrose, Chief, Metallurgical Division, Bureau of Mines, Region VIII

Subject: Analysis of asbestos sample -
Docket No. DMEA -3202 - Asbestos
The Flintkote Co.
Tuolumne County, California

As requested in your memorandum of January 8, 1954 our analysis of the sample of asbestos rock from Tuolumne County, California is as follows:

	Percent
Asbestos content of rock	10
Total iron in asbestos	2.5
Magnetic iron in asbestos	0.8

A portion of the separated asbestos is transmitted herewith.

P. M. Ambrose

P. M. AMBROSE

cc: J. E. Conley
F. D. Lamb
C. P. Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
P. O. BOX 1551
RENO, NEVADA

April 7, 1954.

Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Exploration Admin.,
Washington 25, D.C.

Subject: Docket DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

Dear Mr. Selfridge:

In compliance with the request in the footnote in your letter of February 15, 1954, to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, we are mailing to you under separate cover samples of asbestos, obtained by one of our engineers, from the Ashley Asbestos property so that you can have determined its tensile strength and acceptability for stockpiling.

Please advise us of the results of the test so that the data may be included in our engineer's examination report for the subject Docket.

Sincerely yours,

A. C. Johnson
Chief, Mining Division
Region III

FILE COPY
SURNAME:

Selfridge
Forrester
(C 2) Johnson

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

APR 19 1954

Hon. John J. Forbes
Director, Bureau of Mines
Department of the Interior
Washington 25, D. C.

Dear Mr. Forbes:

In support of an application for aid in exploring an asbestos deposit (Docket No. DMEA-3202, The Flintkote Company, Ashley Asbestos property, Tuolumne County, California), we have received a rock sample from which the asbestos fiber should be extracted for testing purposes.

Mr. Paul M. Ambrose, Chief, Minerals Technology Division, Region VIII, has indicated informally that he has the facilities and personnel to do this work on a reimbursable basis.

I would appreciate your authorizing Mr. Ambrose to do this work for DMEA when convenient on the above-mentioned basis.

The asbestos fiber should be returned to our Washington office. The reject can be discarded.

Sincerely yours,

C. O. Mittendorf (flv)

Administrator

LGHouk/GCSelfridge/gad/esf
(4/16/54)
Copy to: Admr. R. File
Docket
Oper. Committee
Mr. Paul M. Ambrose
Mr. Houk
Mr. Selfridge

R.C.J.

File Copy
Surname:
Houk
Edwards
Hodges
Fellows
Johnson

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

April 14, 1954

Memorandum

To: Director, Bureau of Mines

From: Administrator, Defense Minerals Exploration Administration

Subject: Authorization to make separation of asbestos from rock.

Paul M. Ambrose, Chief, Minerals-Technology Division, Region VIII has indicated informally that he has the facilities and personnel to do this work on a reimbursable basis. Please authorize Mr. Ambrose to proceed with the testing. He should return the asbestos to the Washington Office and discard the rejects. The samples of asbestos bearing rock are from Tuolumne County, California (DMEA-3202).

Administrator

LGHouk:gad 4/14/54
Copy to: Admr. R. File
Docket File
Mr. Houk
Mr. Paul M. Ambrose
Open Conn

Mr. Frank D. Lamb, Metallurgist, Region VIII, Bureau of Mines

April 15, 1954

Lawrence G. Houk, Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

Docket No. DMEA-3202, Tuolumne County, California

Confirming our telephone conversation of yesterday, there are attached hereto samples of asbestos rock for separation.

One-half should be put through the rolls and one-half through the hammer mill. The one-half through the hammer mill may be screened through 1/2", 4, and 10 mesh for about two minutes to give us an idea of the length of the fiber, which, of course, would be very rough.

Attachments

LGHouk:gad 4/15/54

Copy to: Admr. R. File
Docket file
Mr. Houk

File Copy
Surname:

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

APR 19 1954

Mr. E. G. Miller
Executive Officer, DMEA
Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Subject: Docket No. DMEA-3202 - Asbestos
The Pittsburgh Company
Ashley Asbestos Property
Tuolumne County, California

Dear Mr. Miller:

Receipt is acknowledged of samples of asbestos from the Ashley Asbestos Property, Tuolumne County, California.

A visual inspection of the asbestos bearing rock indicates the fiber length in most cases may pass the minimum requirements. The fiber strength appears adequate. Further testing will be required to determine its acceptability.

As the testing will require some little time, we would appreciate receiving the engineer's examination report for evaluation of the deposits.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

/s/ C. H. Johnson (JHB)
Member, Bureau of Mines

D. M. Larrabee (JHB)
Member, Geological Survey

LGHouk:gad 4/15/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Larrabee, G-232 GSA Bldg.
Dr. Bowles, 3516
Mr. Houk

R.C.B.

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service
Washington 25, D. C.

In reply refer to: EPO

May 14, 1954

Defense Minerals Exploration Administration
U. S. Department of the Interior
18th and C Streets, N.W.
Washington 25, D. C.

Attention: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Gentlemen:

Sample of Asbestos
DMEA #3202

Reference is made to your letter of April 21 and the small sample of asbestos fiber from an exploration project in California.

We enclose a copy of the report on the sample from our consultant, Mr. Jesse M. Weaver, dated May 8, 1954.

Very truly yours,

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

Enclosure

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service
Washington 25, D. C.

In reply refer to: EPO

May 14, 1954

Defense Minerals Exploration Administration
U. S. Department of the Interior
18th and C Streets, N.W.
Washington 25, D. C.

Attention: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

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DMEA #3202

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

Enclosure

OMBrooks/b

GENERAL SERVICES ADMINISTRATION

EPO

Emergency Procurement Service
Washington 25, D.C.

4411 North 18th Street
Phoenix, Arizona.

May 8, 1954.

Emergency Procurement Service,
7th & D Streets, S.W.
Washington, 25 D.C,

E P O

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

Dear Capt. Maull:

DMEA Sample No. 3202
EPS No. 1104
Your letter of May 6, 1954

The sample is chrysotile that is similar to that produced at Thetford Mines, Quebec, but with the difference that it contains less talc of self-binding material.

The grade is very short, such as could be used for the making of asbestos paper or millboard, for which the material would be suitable. It also is suitable for the making of asbestos roofing cement. Further disintegration and hammering to reduce the length would improve it for roofing paint. Asphalt tile is an other product of large production for which this type of asbestos fiber would probably be found acceptable when made shorter, thoroughly screened to eliminate stone and splints and graded to the exceedingly short fiber required for that product.

It is not a stockpile grade.

If in the operation of the deposit it yielded any textile grade fiber its quality probably would be suitable for all asbestos textile products not intended for electrical purposes.

Yours very truly,

Jesse H. Weaver,
Consultant.

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

May 19, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report.

1. DMEA Docket No. 3202 - Asbestos
   Property: Ashley Asbestos Association Ltd.
   Tuolumne County, California

   Applicant: The Flintkote Company
   30 Rockefeller Plaza
   New York 20, New York

2. Application, Form MF-103, dated October 30, 1953

   Applicant's proposal Phase I and Phase II:

(a) Preparation of D.D. sites	$300.00
(b) Diamond drilling 15 holes 350' each or 5,250 ft. @ $10.00/ft.	52,500.00
(c) Core preparation, sampling evaluation, etc.	31,350.00
(d) Supervision and travel	5,500.00
(e) Contingencies	8,965.00
	$98,615.00

3. A chemical analysis of the asbestos sample submitted to College Park indicates that it is acceptable from the standpoint of the iron content.

4. Mr. Jesse M. Weaver, Asbestos Consultant for Emergency Procurement services examined a sample from the property and submits the following comments:

   1. The sample is chrysotile similar to that produced at Thetford Quebec.
   2. It is not a stockpile grade.
   3. It could be used for the making of asbestos paper or millboard, for which the material would be suitable.
   4. It is also suitable for the manufacture of roofing paint, asphalt tile and roofing cement.
   5. Mr. Weaver further states, "If in the operation of the deposit it yielded any textile grade fiber its quality probably would be suitable for all asbestos textile products not intended for electrical purposes.

5. Because the asbestos fiber is not of a stockpile grade, the Nonmetallic Minerals Division recommends denial of the application for exploration assistance.

James Hopkins
Nonmetallic Minerals Division

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

May 20, 1954

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA
Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

Reference is to your letter dated February 15, 1954, requesting a review and field examination of the Ashley Asbestos Property.

The property was examined by an engineer and a geologist on March 25. Attached are four copies of their report entitled "DMEA-3202, The Flintkote Co., Ashley Asbestos Property, Tuolumne County, California," by Harold K. Stager, Geologist, U. S. Geological Survey, and Frank J. Wiebelt, Mining Engineer, U. S. Bureau of Mines, dated May 14, 1954.

The examiners found asbestos bearing serpentine on the Ashley Asbestos claims and agreed that exploration will be necessary to determine the size and grade of the deposit. They have recommended a Two-Phase exploration program, of which Phase I will consist of five diamond drill holes approximately 350 feet in depth, followed by three days of bulldozing if drilling is favorable. In the event that Phase I is successful, Phase II could be carried out.

The applicant's request for work estimated to cost a total of $98,615.00 was reduced, as indicated in the report, to $39,675.00.

I concur in the engineer's and geologist's recommendations that a contract for the reduced amount on a two-stage basis should be granted.

H. C. Miller

H. C. Miller, Executive Officer
DMEA Field Team, Region III

Reviewed by
DMEA OPERATING COMMITTEE
5/28/54
(date)

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-3202, The Flintkote Co.

Ashley Asbestos Property

Tuolumne County, California

Harold K. Stager, Geologist
U. S. Geological Survey

Frank J. Wiebelt, Mining Engineer
U. S. Bureau of Mines

May 14, 1954

Reviewed by
DMEA OPERATING COMMITTEE
5/28/54
(date)

EXAMINATION REPORT

Docket No.: DMEA-3202 (Asbestos)

Name and address of applicant: The Flintkote Co.,
30 Rockefeller Plaza
New York 20, N.Y.

Name and location of property: Ashley Asbestos Property (Asbestos, Asbestos No. 1, Access Lode claims and the Susie "Q" placer claim), Tuolumne County, Calif.

SUMMARY

The Ashley Asbestos claims are underlain by an elongate mass of asbestos-bearing serpentine lying along the Mother Lode fault zone. Seams of chrysotile asbestos up to 1/2 inch thick occur locally in the lower half of the serpentine body for a strike length of about 1,500 feet. Except for one small exposure in an old railroad cut, the asbestos-bearing serpentine was not observed to crop out on the property but its presence beneath the thick overburden is evidenced by abundant fragments and boulders of asbestos-bearing material in the slope wash. The estimated grade of the asbestos-bearing material in the wash is from 5 to 10 percent visible asbestos.

The applicants proposed work consisted of two phases. The first work would consist of five diamond drill holes of approximately 350 feet each, as well as the use of a bulldozer in order to determine the nature of the rock beneath the overburden. The diamond drill cores would be

shipped to Thetford Mines, Quebec, Canada, for study in their laboratory there. If the results of the phase one exploration was favorable, then the second phase would be undertaken. This would consist of making ten additional diamond drill holes, approximately 350 feet each, evaluating the cores at their Thetford Mines laboratory and then taking a 500 ton bulk sample, shipping this sample to Thetford Mines for further evaluation and milling tests. The total project would require nine months (3 for phase one and 6 for phase 2) to complete the program. Their estimated cost was $24,915.00 for phase 1 and $37,700.00 for phase 2, or a total for both phases of the work of $98,615.00.

The examining field team recommends the elimination of the 500-ton bulk sample which was to be sent to Quebec Canada and also that the evaluation of the cores be done at the project site. They recommend two phases of work consisting of:

Phase 1 - five diamond drill holes approximately 350 feet each, followed by 3 days of bulldozing if drilling is favorable.

Phase 2 - ten diamond drill holes approximately 350 feet each only if phase 1 is favorable .

The diamond drilling would be based on a $7.50 per foot cost basis. This price to include actual drilling costs, supervision, core boxes, and other costs connected with the project. In addition to the drilling, three days of bulldozing would be allowed under phase one at a unit cost of $100 per day. The estimated cost of phase one follows:

5 holes, 350 feet each = 1,750 feet of hole at $7.50	$13,125
3 days of bulldozing @ $100 per day	300
	$13,425

Estimated cost of phase 2 follows:

10 holes, 350 feet each = 3,500 feet of hole at $7.50	$26,250
Grand total costs phase 1 and phase 2	$39,675

CONCLUSIONS AND RECOMMENDATIONS

Asbestos-bearing serpentine occurs on the Ashley Asbestos claims and exploration by diamond drilling will be necessary to determine the size and grade of the deposit. The probability of developing a large tonnage of spinning quality asbestos is poor. However, because of the critical need for asbestos, the easy accessibility of this particular property, and the possibility of discovering better grade fiber at depth, it is recommended that Government participation in phase 1 of the proposed exploration program be favorably considered. If phase 1 is successful, Government participation planned under phase 2 of the program is recommended.

INTRODUCTION

The examiners, consisting of Harold Stager of the Geological Survey and Frank J. Wiebelt of the Bureau of Mines, spent March 25, 1954 on the property. They were not accompanied by any representatives of the company.

NAME AND LOCATION OF PROPERTY

The property is known as the Ashley Asbestos Property. It is reached from Sonora, California by traveling 10 miles southwesterly on

State Highway 108, and thence 15 miles southeasterly via Highway 49. At this point the Access Lode claim lies adjacent to Highway 49 and its long axis extends 1,500 feet to the northeast, where it adjoins the side lines of the Asbestos and Asbestos No. 1 claims. The property is in secs. 1 and 2, T. 2 S., R. 15 E. in southern Tuolumne County, Calif.

ACCESSIBILITY

The property is readily accessible throughout the entire year.

COMPETENCY OF APPLICANT

The examiners do not know the applicants but the applicant "The Flintkote Company" is well known throughout the United States and Canada and is engaged in the mining and milling of asbestos and there can be no doubt as to their competency.

APPLICANTS' PROPERTY RIGHTS

According to the application, the property involved in the proposed exploration aid request is as follows:

1. "Asbestos" claim, located Dec. 21, 1942, and Notice of Location of which is recorded in Vol. 19, of Quartz, at page 359, Tuolumne County Records.

2. "Asbestos No. 1" located Dec. 21, 1942, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 358, Tuolumne County, Records.

3. "Access Lode" located April 5, 1943, and Notice of Location of which is recorded in Vol. 19 of Quartz, at page 365, Tuolumne County Records.

4. The "[illegible] Q" placer claim for building stone, being the NE 4 of NE 4 of sec. 2, T. 2 S., R. 15 E., M.D.B.&M., and Notice of Location filed in the office of County Recorder,

Tuolumne, California, being Recorder's No. 2679 for year 1953.

The Asbestos, Asbestos No. 1 and Access Lode claims are owned by Lloyd C. Ashley, Palmer C. Ashley and Robert F. Ashley, doing business in the State of California as Ashley Asbestos Association, Limited. They are subject, however, to an option agreement which provides for the ultimate purchase by The Flintkote Company.

The Susie "Q" place claim is owned by The Flintkote Company under a Quitclaim Deed given on the 18th day of September 1953, by J. L. Anker and Howard Shriver.

DESCRIPTION OF PROPERTY

There are no buildings and mine equipment on the property.

Exploration work to date consists of several shallow pits and trenches dug in the slope wash and are now caved and filled with overburden.

Selected samples of the asbestos-bearing serpentine were sent to Mr. George C. Selfridge, Chairman Operating Committee, DMEA, Washington, D.C. for the determination of its tensile strength and acceptability for stockpiling.

GEOLOGY

The Ashley Asbestos claims are underlain by an elongate mass of asbestos-bearing serpentine lying along the Mother Lode fault zone. The geology of this section of the Mother Lode area has been described

by Turner and Ransome[1/] and the Ashley property was the subject of a report by Shattuck of the U. S. Bureau of Mines [2/].

Exposures on the property are poor due to a deep overburden of slope wash and a thick brush cover. Slates, shales, and sandstones of the Jurassic Mariposa formation crop out in small patches along the western margin of the property. These rocks have a northwest strike and dip steeply northeastward under the serpentine. The serpentine, probably derived from peridotite and pyroxenite, is dark-greenish-gray, massive, and forms an elongate band about 200 feet wide across the property. Overlying the serpentine body on the east is a dike of soda-syenite made up of albite with porphyritic crystals of plagioclase.

ORE DEPOSITS

Seams of chrysotile asbestos up to 1/2 inch thick occur locally in the lower half of the serpentine body for a strike length of about 1,500 feet (see fig. 2). Except for one small exposure, in an old railroad cut, the asbestos-bearing serpentine was not observed to crop out on the property but its presence beneath the thick overburden is evidenced by abundant fragments and boulders of asbestos-bearing material in the slope wash. The estimated grade of the asbestos-bearing material in the float is from 5 to 10 percent visible asbestos. A picked sample of serpentine taken by

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the Bureau of Mines in 1943 was roughly 15 percent asbestos fiber, ranging from 0.005 inch to a maximum of 0.5 inch in length, although less than 1 percent was in the 0.25 to 0.5 inch fiber length range. A simulated mill test, run by the Bureau of Mines, showed a screen distribution equivalent to group no. 7 on the Quebec Asbestos Producers Association scale. Group no. 7 is non-spinning fiber, which is classed as "refuse" or "shorts", and is marketed for use in some brands of boiler cement and other heat resistant or insulating materials. A selected sample taken by the DMEA field team was sent to Mr. Oliver Bowles, Commodity Specialist for the Bureau of Mines. The sample is being tested in Washington, D. C. and the results of the testing will be reported on at a later date. A preliminary visual inspection indicates the fiber length in most cases may pass the minimum requirements. The fiber strength appears adequate.

ORE RESERVES

The asbestos-bearing serpentine zone is about 1,500 feet long, from 50 to 100 feet wide, and dips steeply into the hillside to an undetermined depth. The grade, based on estimates of the fiber content of the float, ranges from 5 to 15 percent and averages about 7 percent visible asbestos fiber. If the proposed drilling is successful, and the asbestos-bearing zone is found to persist to 100 feet or more below the outcrop, several hundred thousand tons of short fiber asbestos ore can be inferred.

PAST OPERATION

No production of asbestos from this property has yet been made.

MANPOWER, SUPPLIES, ETC.

Manpower is available from the nearby towns of Sonora and Jacksonville. Materials and equipment may be obtained in Sonora. The property is situated about two miles from the Moccasin Reservoir where power is generated at the Hetch Hetchy Power House, owned by the City of San Francisco. The water supply in this area is ample for the needs of asbestos milling. The old Hetch Hetchy railroad roadbed plus Ashley's new half mile long bulldozed road provide means of access for exploration purposes.

APPLICANTS PROPOSAL

"The applicants proposed work would proceed in two phases or sections. The first work would consist of five diamond drill holes of approximately 350 feet each, as well as the use of a bulldozer in order to determine the nature of the rock beneath the overburden. The diamond drill cores would be shipped to Thetford Mines, Quebec, for study in their laboratory there. It is estimated that the initial phases of this project would take three months. If the results of the preliminary exploration were favorable, the second phase would be undertaken. This would consist of making ten additional diamond drilling holes, approximately 350 feet each, evaluating these cores at their Thetford Mines laboratory, and then taking a 500 ton bulk sample, shipping this sample to Thetford Mines for further evaluation and milling tests. An additional period of six months would be required to complete this program in order to confirm and evaluate the

ore body property." The location and inclination of the holes was not given in the application.

The examining field team recommends the following portion of the above program:

Phase I consists of five diamond drill holes of about 350 feet each which if successful and the asbestos of spinning quality and grade is found to be present, a limited amount of bulldozing would be justified. As the serpentine probably dips into the hill at about 80°, the initial five holes should be collared along the old railroad grade above the body and inclined so as to cut the asbestos-bearing mass from the hanging-wall side (see fig. 2). These holes should be spaced from 300 to 400 feet apart along the strike of the body to determine its length and should pass through the asbestos-bearing zone at depths of from 50 to 100 feet below the outcrop to determine its thickness and grade. This phase 1 of the exploration plan is apparently sound and should suffice to prove, or disprove, the presence of a minable asbestos-bearing serpentine body.

Phase II, based on the success of phase I, would consist of ten additional diamond drill holes of about 350 feet each.

The location of all holes should receive prior approval of the DMEA field team before being drilled and all cores from the holes should be logged on the property by a geologist for the Flintkote Company, and the logs and cores checked by a geologist or engineer of the field team before the cores are sent to Quebec for further study in the company laboratories.

The field team do not believe that the mining and shipment of a 500-ton bulk sample of ore should be classed as exploration and should not be considered as a part of the exploration program.

OPERATOR'S PROPERTY RIGHTS

The property to be included in the project consists of the Asbestos, Asbestos No. 1, and the Access Lode claims and the "Susie Q" placer claim.

EXPLORATION PROJECT

The applicant states in their application that work will be commenced promptly upon the approval of their application and the total project should cover nine months.

DESCRIPTION OF PROJECT

The following is a description of the project recommended by the field team:

> Phase 1 - consists of 1,750 feet of diamond drill holes. If favorable results are obtained this drilling will be followed by three days of bulldozing.
>
> Phase 2 - consists of 3,500 feet of diamond drill holes.

ALLOWABLE COSTS

The estimated costs as given in the original application are considered by the field team to be way out of line and that the work be set up on a unit basis cost. The field team believes a unit price of $7.50 a foot for diamond drilling AX size hole should cover actual drilling expenses, supervision, core boxes and other expenses connected with the

drilling program.

Phase 1.

5 holes, 350 feet each = 1,750 feet at $7.50/ft.	$13,125
3 days of bulldozing at $100/day	300
Total expenses phase 1	$13,425

Phase 2.

10 holes, 350 feet each = 3,500 feet @ $7.50/ft.	$26,250
Grand total expenses phase 1 and phase 2	$39,675

If this exploration project is recommended, the applicant should be notified that his share of the cost of the proposed project is 25% and not 10% as he mentions in his application.

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

May 20, 1954

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA
Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

Reference is to your letter dated February 15, 1954, requesting a review and field examination of the Ashley Asbestos Property.

The property was examined by an engineer and a geologist on March 25. Attached are four copies of their report entitled "DMEA-3202, The Flintkote Co., Ashley Asbestos Property, Tuolumne County, California," by Harold K. Stager, Geologist, U. S. Geological Survey, and Frank J. Wiebelt, Mining Engineer, U. S. Bureau of Mines, dated May 14, 1954.

The examiners found asbestos bearing serpentine on the Ashley Asbestos claims and agreed that exploration will be necessary to determine the size and grade of the deposit. They have recommended a Two-Phase exploration program, of which Phase I will consist of five diamond drill holes approximately 350 feet in depth, followed by three days of bulldozing if drilling is favorable. In the event that Phase I is successful, Phase II could be carried out.

The applicant's request for work estimated to cost a total of $98,615.00 was reduced, as indicated in the report, to $39,675.00.

I concur in the engineer's and geologist's recommendations that a contract for the reduced amount on a two-stage basis should be granted.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-3202, The Flintkote Co.

Ashley Asbestos Property

Tuolumne County, California

Harold K. Stager, Geologist
U. S. Geological Survey

Frank J. Wiebelt, Mining Engineer
U. S. Bureau of Mines

May 14, 1954

EXAMINATION REPORT

Docket No.: DMEA-3202 (Asbestos)

Name and address of applicant: The Flintkote Co.,
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Name and location of property: Ashley Asbestos Property (Asbestos, Asbestos No. 1, Access Lode claims and the Susie "Q" placer claim), Tuolumne County, Calif.

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The applicants proposed work consisted of two phases. The first work would consist of five diamond drill holes of approximately 350 feet each, as well as the use of a bulldozer in order to determine the nature of the rock beneath the overburden. The diamond drill cores would be

shipped to Thetford Mines, Quebec, Canada, for study in their laboratory there. If the results of the phase one exploration was favorable, then the second phase would be undertaken. This would consist of making ten additional diamond drill holes, approximately 350 feet each, evaluating the cores at their Thetford Mines laboratory and then taking a 500 ton bulk sample, shipping this sample to Thetford Mines for further evaluation and milling tests. The total project would require nine months (3 for phase one and 6 for phase 2) to complete the program. Their estimated cost was $24,915.00 for phase 1 and $37,700.00 for phase 2, or a total for both phases of the work of $98,615.00.

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Manpower is available from the nearby towns of Sonora and Jacksonville. Materials and equipment may be obtained in Sonora. The property is situated about two miles from the Moccasin Reservoir where power is generated at the Hetch Hetchy Power House, owned by the City of San Francisco. The water supply in this area is ample for the needs of asbestos milling. The old Hetch Hetchy railroad roadbed plus Ashley's new half mile long bulldozed road provide means of access for exploration purposes.

APPLICANTS PROPOSAL

"The applicants proposed work would proceed in two phases or sections. The first work would consist of five diamond drill holes of approximately 350 feet each, as well as the use of a bulldozer in order to determine the nature of the rock beneath the overburden. The diamond drill cores would be shipped to Thetford Mines, Quebec, for study in their laboratory there. It is estimated that the initial phases of this project would take three months. If the results of the preliminary exploration were favorable, the second phase would be undertaken. This would consist of making ten additional diamond drilling holes, approximately 350 feet each, evaluating these cores at their Thetford Mines laboratory, and then taking a 500 ton bulk sample, shipping this sample to Thetford Mines for further evaluation and milling tests. An additional period of six months would be required to complete this program in order to confirm and evaluate the

ore body property." The location and inclination of the holes was not given in the application.

The examining field team recommends the following portion of the above program:

Phase I consists of five diamond drill holes of about 350 feet each which if successful and the asbestos of spinning quality and grade is found to be present, a limited amount of bulldozing would be justified. As the serpentine probably dips into the hill at about 80°, the initial five holes should be collared along the old railroad grade above the body and inclined so as to cut the asbestos-bearing mass from the hanging-wall side (see fig. 2). These holes should be spaced from 300 to 400 feet apart along the strike of the body to determine its length and should pass through the asbestos-bearing zone at depths of from 50 to 100 feet below the outcrop to determine its thickness and grade. This phase 1 of the exploration plan is apparently sound and should suffice to prove, or disprove, the presence of a minable asbestos-bearing serpentine body.

Phase II, based on the success of phase I, would consist of ten additional diamond drill holes of about 350 feet each.

The location of all holes should receive prior approval of the DMEA field team before being drilled and all cores from the holes should be logged on the property by a geologist for the Flintkote Company, and the logs and cores checked by a geologist or engineer of the field team before the cores are sent to Quebec for further study in the company laboratories.

The field team do not believe that the mining and shipment of a 500-ton bulk sample of ore should be classed as exploration and should not be considered as a part of the exploration program.

OPERATOR'S PROPERTY RIGHTS

The property to be included in the project consists of the Asbestos, Asbestos No. 1, and the Access Lode claims and the "Susie Q" placer claim.

EXPLORATION PROJECT

The applicant states in their application that work will be commenced promptly upon the approval of their application and the total project should cover nine months.

DESCRIPTION OF PROJECT

The following is a description of the project recommended by the field team:

Phase 1 - consists of 1,750 feet of diamond drill holes. If favorable results are obtained this drilling will be followed by three days of bulldozing.

Phase 2 - consists of 3,500 feet of diamond drill holes.

ALLOWABLE COSTS

The estimated costs as given in the original application are considered by the field team to be way out of line and that the work be set up on a unit basis cost. The field team believes a unit price of $7.50 a foot for diamond drilling AX size hole should cover actual drilling expenses, supervision, core boxes and other expenses connected with the

drilling program.

Phase 1.

5 holes, 350 feet each = 1,750 feet at $7.50/ft.	$13,125
3 days of bulldozing at $100/day	300
Total expenses phase 1	$13,425

Phase 2.

10 holes, 350 feet each = 3,500 feet @ $7.50/ft.	$26,250
Grand total expenses phase 1 and phase 2	$39,675

If this exploration project is recommended, the applicant should be notified that his share of the cost of the proposed project is 25% and not 10% as he mentions in his application.

FILE COPY
Surname:

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

MAY 20 1954

Mr. James D. Moran
The Flintkote Company
30 Rockefeller Plaza
New York 20, New York

Re: Docket No. DMEA-3202 - Asbestos
The Flintkote Company
Ashley Asbestos Property
Tuolumne County, California

Dear Mr. Moran:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of stockpile grade asbestos by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

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. Mittenderf

Administrator

LGHouk:gad 5/18/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region III
Dr. Bowles, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

June 1, 1954

Memorandum

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

From: Commodity Specialist, Construction and Chemical Materials Branch

Subject: Docket No. DMEA 3202 - Asbestos
The Flintkote Company
Tuolumne County, California
Ashley Asbestos Property

I have read the field team report on this property, dated May 14, 1954, and I concur in the recommendation that Stage 1 of the program, involving the sinking of five 350-foot drill holes with subsequent bulldozing, be carried out. It appears, however, from documents previously received that the application has already been denied on the basis that the fiber is not of stockpile grade.

This deposit is in the large serpentine area of Northern California which bears promise of having deposits of commercial-grade asbestos somewhere within its borders, and, in view of our overwhelming dependence upon foreign supplies, it is highly desirable that exploratory work be conducted at several points in the area. Apparently more stringent rules are now in effect limiting exploration to deposits of stockpile-grade asbestos. I realize that such regulation must be necessary, but it is unfortunate that the possibilities of this deposit cannot be explored with DMEA assistance.

Oliver Bowles

Oliver Bowles