DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2659

DO NOT DETACH THIS SLIP

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This document has been recorded as

EXPLORATION PROJECT

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.

Routing Slip

Copies to USBM, USGS, and Region II.

To:	Code 600, Rm. 4637	Date	8-18-52
To:	Hearne	Date	8/19/52
To:	Op Com	Date	8-22-52
To:	Op Com	Date	11-7-52
To:		Date	
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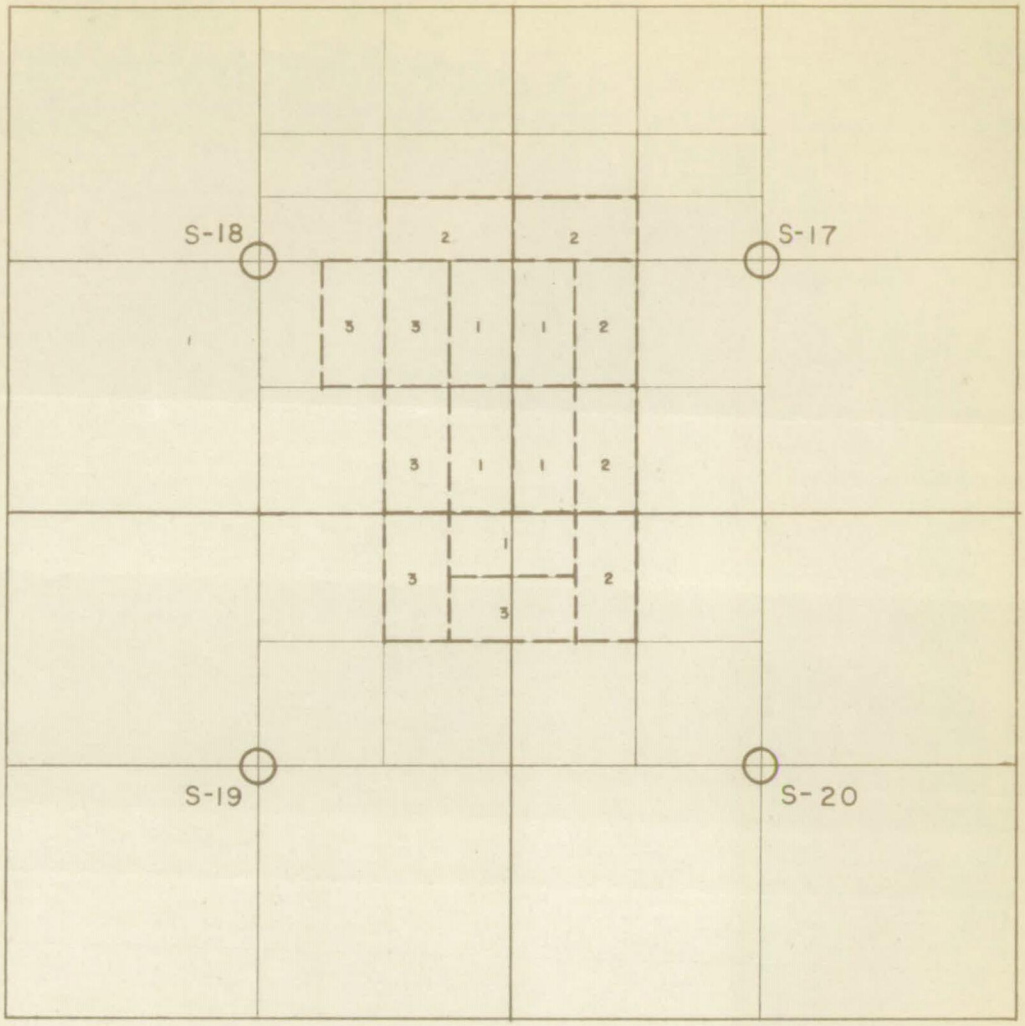
CONTROLLED DOCUMENT

Good Fibre
Medium Fibre
Poor Fibre
Waste
} Serpentinized Peridotite
Lava
Sediments

JOHNS-MANVILLE CORP.
GEOLOGY
BUTTE CREEK ASBESTOS DEPOSITE
Scale 1" = 200'

August 5, 1952 J.F.S.
J. GILL



TOWNSHIP PLAT.

STITHEN CLAIMS

ASBESTOS GROUP 1, 2 and 3

UNDER OPTION BY JOHNS MANVILLE CORP.

PART OF T.W.P. 11 SOUTH, RANGE 34 E.W.M.

GRANT COUNTY, OREGON

SCALE: 1" = 2000'

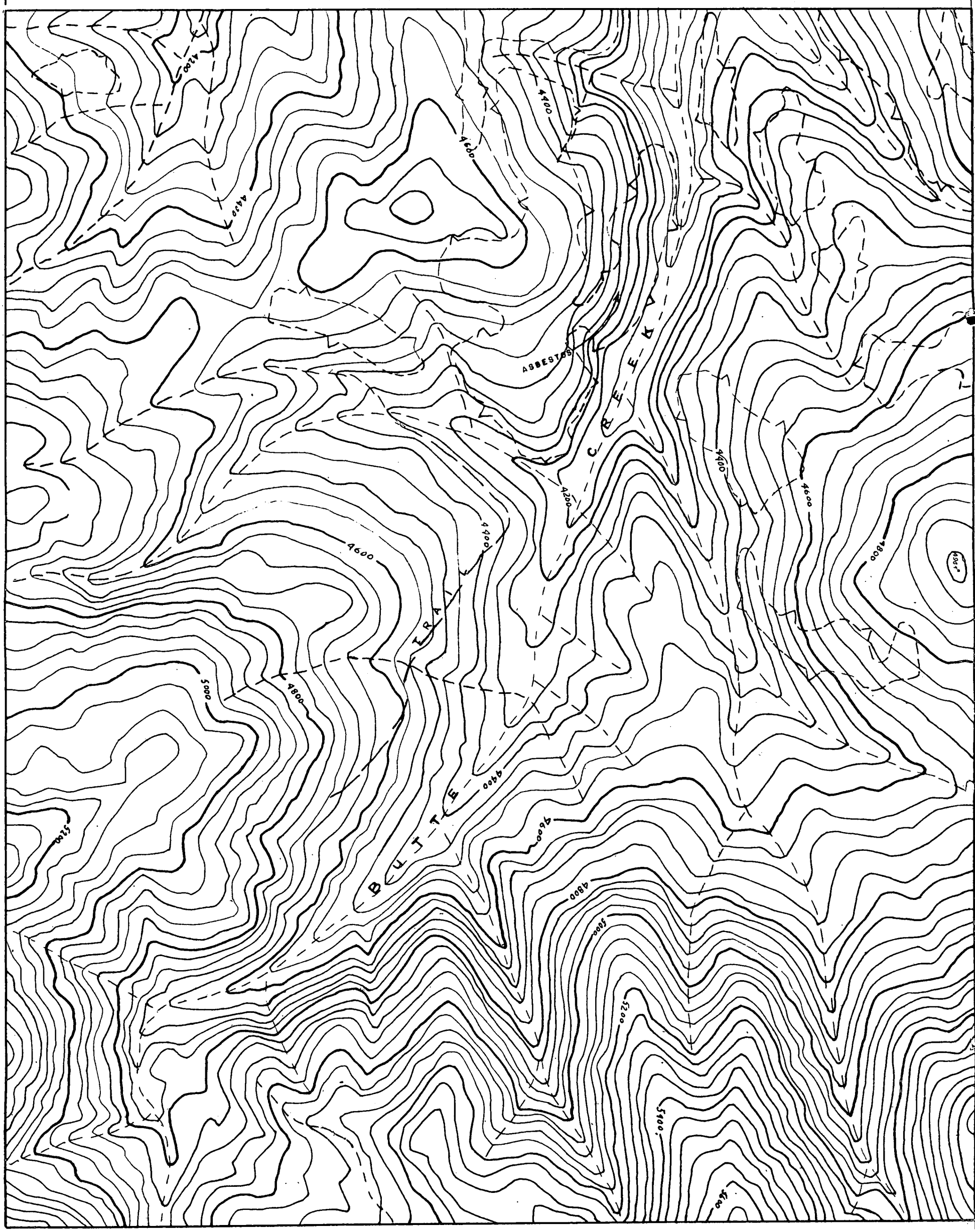
DATE: 1952

BIG BUTTE CREEK ASBESTOS DEPOSIT

MIDDLE FORK, JOHN DAY RIVER

GRANT Co. OREGON

118°40'



SCALE: 1" = 800' APPROX.

CONTOUR INTERVAL 40'

OPEN AREA IN FOREST

118°40'

DRAWN FROM PRELIMINARY SHEET OF BATES, OREGON. U.S.A.G. 1950

Copy.

Report referred to in answer to Item 4. (c)

BUTTE CREEK ASBESTOS PROSPECT

OREGON, U. S. A.

c

o

p

y

by

H. K. Conn.

Asbestos, Quebec. August, 1951.

Exploration Division

CANADIAN JOHNS-MANVILLE CO., LTD.

Johns-Manville Sales Corporation - 22 E. 40th Street, New York 16, N.Y.

Introduction:

An examination of the Stithem property in northeastern Oregon was made by the writer on July 25, 1951. The property consists of five adjoining claims, each of 20 acres, which cover the showings and include part of the surrounding peridotite mass. The following persons hold one claim apiece: Mr. Ray Stithem, Mr. G. DeWilt, Mrs. G. DeWilt, Mr. Ray Stithem's brother and the latter's son. Mr. Ray Stithem has performed all the prospecting and staking and assisted during examinations of the showing. He has also obtained verbal power of attorney from these individuals.

Location and Access:

The property is located near the head of Butte Creek, a small stream flowing into the middle fork of the John Day river, about 8 miles north of Bates. The latter village is several miles north of U. S. Highway #28, which passes through the town of John Day 32 miles to the westward.

A convenient means of reaching this locality is to fly by United Airlines from Seattle to Pendleton, and thence to drive directly to the property via John Day and Bates.

A good gravel road parallels the middle fork of the John Day river north of Bates, and continues past an old logging road which leads up Butte Creek for some two miles to the showing. This logging road runs southwestward from the gravel road, about 9 miles north from Bates. The turn-off is several hundred yards northwest of a fork in the road and nearly opposite several old wooden buildings.

The property is located in a rolling region forming part of the Blue Mountains, and is within a National Forest Reserve. Selective cutting of the forest, which is dominated by the immense Panderosa pine, has resulted in a network of usable logging roads in this area.

Acknowledgements:

The writer wishes to acknowledge the kindness and hospitality of Mr. and Mrs. G. DeWilt, who operate a small ranch about 10 miles north of Bates, on the northeast fork of the road.

The writer is indebted to Mr. Ray Stithem for accommodation arrangements at the DeWilt ranch, and for his active cooperation during the examination of the property.

Conclusions and Recommendations:

1. Chrysotile cross-fibre veins are intermittently exposed by trenching over a length of 1200 to 1400 feet and an approximate width of 100 feet. This zone appears to widen to the north, in the vicinity of the contact. Many of the outcrops on either side of the zone show little or no fibre, however, the paucity of the bedrock exposures must be taken into account when the area extent is being considered.

2. The greater part of this zone has fibre lengths which in general are less than 1/4" (bulk sample #2). A smaller section contains cross-fibre with a length of 7/16" (bulk sample #1).

3. The fibre is semi-harsh to harsh in texture.

4. The bulk samples were shipped to the Research Centre at Manville, N.J., but have been delayed en route and are not yet processed.

5. This property would be considered of immediate interest if located in the Eastern Townships of Quebec.

Description of the Property:

The writer could obtain little information on the regional geology during his brief visit to this district. The asbestos deposit occurs within an irregular mass of serpentinized peridotite, which appears to intrude the adjoining sedimentary formations. This is suggested by the zone of altered rock occurring near the inferred contact on the south side of the serpentine. Geological mapping indicates that the serpentine has a width of 2000 to 2400 feet in a north-south direction in the region of the deposit. Mr. Stithem stated that he had prospected in serpentine for at least 1/4 mile both eastward and westward from the showing. Bedrock is sparsely exposed in the area; occasional small pitted outcrops of weathered serpentine occur on the hillside, and some fresh-looking serpentine is partially exposed in the trenches. It is estimated that 95% of the bedrock is covered by clay overburden, 3 to 4 feet in depth.

The trenches in general follow the contour of the slope in a north to northeasterly direction. They have an average width of 10 feet and a maximum length of 1200 feet, and form a series of steps 50 to 70 feet apart down the 30° slope of the hill (Fig. 1). The trenches are numbered 1 to 4 from east to west, in an upslope direction. The upper trench was made by scraping an old logging road to expose a portion of the bedrock.

Trenches 1 and 4 contained very few outcrops of serpentine, and were not studied in detail, while trench 2 with the best exposures of bedrock was more closely examined. A traverse of trench 4 showed only small intermittent exposures.

The best section of fibre was observed at the south end of trench 4, some 50 feet north of its intersection with trench 3. Here a small outcrop displayed numerous veins of harsh fibre with a maximum width of 7/16". A vein count across a 3 foot section shows:

Length of fibre	1/16	1/8	3/16	1/4	5/16	3/8
Number of Veins	2	4	3	4	1	1 = 8% fibre

Some 40 feet north of this section is an outcrop showing a smaller number of veins.

Across a 3 foot section theyare:

Length of fibre	1/16	1/8	3/16	
Number of veins	4	4	3	= 2.6% fibre

A fault zone of sheared serpentine occurs in an outcrop exposed intermittently from 40 to 70 feet south of the best section, but only a few veins at 1/4" and smaller were observed. However, 50 feet further south, the longer fibre again occurs in a small outcrop beneath the road bed. Stithem stated that the best exposure of long fibre occurred at this point, but was covered during the trenching operations. An examination of the sparse outcrops on the old trail 70 feet above this area revealed only serpentine veinlets with no fibre.

A close study of scattered outcrops over a 100 foot length in trench 3, immediately downslope from the best fibre sections in trench 4, indicated a small number of narrow veins of which only several were 1/4" in width. Measurement across a 4 foot section gave these results:

Width of veins	1/16	1/8	1/4		
Number of veins	3	5	3	=	3.25% fibre

Detailed mapping along trench 2 indicated for the most part a small number of veins containing fibre lengths of less than 1/4". Some 600 feet from the south end of trench 2 a cross trail enters from the trench above, exposing a small well mineralized zone. A vein count across 3 feet showed:

Width of veins	1/16	1/8	3/16		
Number of veins	11	12	2	=	7.1% fibre

These narrow veins continued to be fairly plentiful in intermittent exposures along the remaining part of the trench, a distance of some 750 feet to the northward. The fibre rarely exceeds 1/4" in length.

Similar exposures of fibre veins occur in the northernmost 50 feet of trench 1, which terminates opposite trench 2 at its north end.

A few short-fibre veins were observed in the several serpentine outcrops extending for some 360 feet in a northeast direction, downslope from the north end of trench 2 toward the lower road.

A few narrow veins are also reported to occur in other small outcrops below these trenches, and also eastward across Butte Creek valley, on the lower slopes of the mountain opposite.

A bulk sample of 80 lbs. was taken from each of the following sections:

1. the well-fiberized zone at the south end of trench 4,

2. from a zone 110 feet long, beginning 166 feet from the north end of trench 2.

The vein counts and percentages listed above were made only on the better fiberized zones, and are not in any way representative samples. Similarly the bulk samples were taken in the two most favourable locations in order to discern the quality of the fibre.

A traverse was also made to tie in the north edge of the claims with the trenches. The claim outlines as shown on the map are very approximate.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Oregon, County of Grant, described as follows:1/

E½ of E½ of SE¼ of Sec.18; W½ of W½ of SW¼ of Sec.17; NE¼ of NE¼ of NE¼ of Sec.19; and NW¼ of NW¼ of NW¼ of Sec.20, all in Township 11 S, Range 34 E.W.M.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Johns-Manville Sales Corporation

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 60,354, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 2nd day of September, 195 2.

Ray D Kilburn [Seal]

[Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA-2659
Metal or Mineral
Date Received 8-18-52
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: Johns-Manville Sales Corporation

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

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

(*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

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Applicant has option on Asbestos Group Placer Mining Claim and is owner of Asbestos Group #2 Placer Mining Claim and Asbestos Group #3 Placer Mining Claim.

(*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. See attached.

(*e*) If you own the land, describe any liens or encumbrances on it No encumbrances.

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

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

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None

(*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. See attached

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

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

16—66551-1

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

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections 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. See attached

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

(*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. See attached

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. See attached

(*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.). None

(*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. See attached

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

(*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. See attached

(*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. No facilities are on the property that could be used for exploration.

(*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. See attached

(*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. See attached

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

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

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

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

[x] Money [ ] 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 August 15, 1952

JOHNS-MANVILLE SALES CORPORATION
(Applicant)

By [signature]
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

Item 1. (c)

JOHNS-MANVILLE SALES CORPORATION
22 E. 40th Street,
New York 16, N.Y.

Name	Title	Residence
L. M. Cassidy	Chairman of the Board	46 Crest Drive South Orange, N.J.
C. F. Rassweiler	Vice-Chairman	9 Montview Ave. Short Hills, N.J.
A. R. Fisher	President	1115 Fifth Ave. Apt. 5B New York City, N.Y.
H. W. Allen	Vice-President	20 East 83rd Street, New York 28, N.Y.
L. A. Baldwin	Vice-President	Birch Lane Greenwich, Conn.
H. R. Berlin	Vice-President	38 Gainsborough Road Scarsdale, N.Y.
Alvin Brown	Vice-President	1010 Fifth Avenue, New York 28, N.Y.
E. K. Clark	Vice-President	49 Ashland Avenue, Pleasantville, N.Y.
C. G. Dandrow	Vice-President	Manhattan House 200 East 66th St. New York 21, N.Y. Apt. C-1903
A. S. Elsenbast	Vice-President	Stanwich Lane Greenwich, Conn.
R. S. Hammond	Vice-President	50 East 72nd St., Apt.13-A New York 21, N.Y.
K. W. Huffine	Vice-President	7 Lookout Ave., Bronxville, N.Y.
G. R. Lewis	Vice-President	2729 Belvoir Blvd. Shaker Heights 22, Ohio
J. A. O'Brien	Vice-President	5 Dupont Ave. White Plains, N.Y.
H. M. Shackelford	Vice-President	R.D. No. 1 New Canaan, Conn.

Item 1. (c)

JOHNS-MANVILLE SALES CORPORATION
22 E. 40th Street,
New York 16, N.Y.

Name	Title	Residence
R. C. Simmons	Vice-President	Woodstock Tower Apt. 1808 320 E. 42nd St. New York 17, N.Y.
R. P. Townsend	Vice-President	98 Mercer Ave., Hartsdale, N.Y.
F. J. Wakem	Vice-President	338 Ryder Road, Manhasset, N.Y.
W. R. Wilkinson	Vice-President	2 Winslow Place, Larchmont, N.Y.
Roger Hackney	Treasurer	20 Maple Ave., Larchmont, N.Y.
Herbert Morton Ball	Secretary	1348 Midland Ave., Bronxville 8, N.Y.
J. L. Pichetto	Asst.Treasurer & Asst. Secretary	King St., Chappaqua, N.Y.
H. J. Brundage	Assistant Treasurer	The Buckingham Garth Road, Scarsdale, N.Y.
J. L. Wood	Assistant Treasurer	764 Palmer Rd. Bronxville, N.Y.
Irving J. Pedly	Assistant Secretary	25 Monroe Place Brooklyn 2, N.Y.

Business address: All of above - 22 E. 40th Street,
New York 16, N.Y.

Except: G. R. Lewis - 45 Prospect Avenue, N.W.
Cleveland, Ohio

Item 3. (a)

Johns-Manville Sales Corporation - 22 E. 40th Street, New York 16, N.Y.

The property involved is in Grant County, Oregon and consists of the following:

Asbestos Group Placer Mining Claim, unpatented, covering the following real property:

E½ of E½ of SE¼ of Sec. 18; W½ of W½ of SW¼ of Sec. 17; NE¼ of NE¼ of NE¼ of Sec. 19 and NW¼ of NW¼ of NW¼ of Sec. 20, all in Township 11 South of Range 34, E. W. M.;

Asbestos Group #2 Placer Mining Claim, unpatented, covering the following real property:

S½ of SW¼ of NW¼, and E½ of W½ of SW¼ of Sec. 17; SE¼ of NE¼ of NE¼ of Sec. 19; E½ of NW¼ of NW¼ and SW¼ of NW¼ of NW¼ of Sec. 20, all in Township 11 South of Range 34, E. W. M.;

Asbestos Group #3 Placer Mining Claim, unpatented, covering the following real property:

S½ of SE¼ of NE¼, W½ of E½ of SE¼, SE¼ of NW¼ of SE¼ and NE¼ of SW¼ of SE¼ of Sec. 18 and W½ of NE¼ of NE¼ of Sec. 19, all in Township 11 South of Range 34, E. W. M.

Item 3. (d)

Attached is copy of option agreement dated January 24, 1952 between Ray Stithem and Johns-Manville Sales Corporation covering Asbestos Group Placer Mining Claim, unpatented.

Item 3. (f)

Asbestos Group Placer Mining Claim, unpatented, location notice filed Volume Y page 556 of the Mining Records of Grant County, Oregon, amended location notice filed Volume Z page 342 of the Mining Records of Grant County, Oregon.

Asbestos Group #2 Placer Mining Claim, unpatented, location notice recorded Book Z page 371, Mining Records of Grant County, Oregon.

Asbestos Group #3 Placer Mining Claim, unpatented, location notice recorded Book Z page 372, Mining Records of Grant County, Oregon.

August 6, 1952.

4. PHYSICAL DESCRIPTION:

(a) No mining operations have ever been carried on at this prospect. G eological mapping, line cutting in preparation for a magnetometer survey, and trenching are presently being carried on. We are carrying on this work solely.

(b) No record of past production or any ore reserves.

(c) Little is known of the geology to date. The prospect appears to lie in an irregular mass of serpentinised peridotite, which in turn has intruded sedimentary formations. A report is attached.

(d) The prospect is located near the head of Butte Creek, approximately 8 miles north of Bates. Bates is a few miles north of U. S. Highway #28, this in turn passing through the town of John Day 32 miles to the westward. From Bates north access to the prospect is by means of a good gravel road and by means of an old logging road. If a commercial property is proven shipping should prove relatively simple.

(e) Manpower, materials, supplies, equipment, etc. are available as required for exploration. They could be reasonably obtained as required for exploration.

5. (b) The area of exploration is indicated in the report.

(c) An exploration program is presently being carried on.

(d) The applicant is the largest miner and producer of chrysotile asbestos fibres in the world. The exploration of this project will be carried out with personnel from its exploration department who are fully qualified in all phases of exploration and examination.

6. The costs and the exposures if the prospect indicates more work should be done as the exploration develops are as follows:

See next page.

THE REQUIREMENTS and COSTS:

(a)	Labour:				
	2 General labourers	(2 months)	@	$ 240.00	$ 960.00
	1 Geological assistant	(3 months)	@	300.00	900.00
(b)	1 Geologist	(4 months)	@	400.00	1,600.00
	Office staff charges and Chief Geologist charges				2,000.00
	1 Cook	(4 months)	@	250.00	1,000.00
(c)	-				
(d)	Cost tent camp - consisting of sleeping, eating and storage facilities, including equipment.				900.00
(e)	-				
(f)	Bulldozer - 80 hours		@	15.00/hr	1,200.00
	10,000 feet diamond drilling		@	5.00	50,000.00
	Auto rental	(3 months)	@	200.00	600.00
	Compressor	(1 month)			500.00
(g)	Magnetometer	(30 days)	@	10.00	300.00
	Surveying equipment	(30 days)	@	5.00	150.00
(h)	-				
(i)	Board		@	3.00/day	700.00
	Transportation				1,250.00
	Bulk Sample				5,000.00

ESTIMATED TOTAL
(MAILS + FILES - SD)

*
*

960
900
1,600
2,000
1,000
900
1,200
50,000
600
500
300
150
700
1,250
5,000
67,060 *

*

6. (c) See 6 above.

No data available as yet to enable this information to be furnished.

(d) No information regarding operational equipment can be given until exploration has advanced further than to date.

(e) No buildings or installations on the prospect.

(f) Not planning any installation.

(g) Information not available. No repairs, etc. to equipment are contemplated.

CONTINGENCIES:

We customarily allow 10% on total estimated cost.

Johns-Manville Sales Corporation - 22 E. 40th Street, New York 16, N.Y.

THIS AGREEMENT, dated the 24th day of January, 1952, between RAY STITHEM, a single man, of Bates, Grant County, Oregon, Seller, and JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, Purchase,

WITNESSETH:-

1. In consideration of the sum of Five hundred ($500) Dollars in hand paid by Purchaser to Seller upon execution of this Agreement, receipt of which is hereby acknowledged, Seller agrees to sell to Purchaser or its nominee and Purchaser agrees to buy from Seller subject to the terms and conditions of this Agreement all the unpatented mining claims known, described and situated as follows:

> The Asbestos Group Placer Mining Claim, unpatented, as the same is located, recorded and held, the original location notice thereof appearing of record in Volume Y at page 556 of the Mining Records of Grant County, Oregon, and an amended location notice thereof designed to correct certain errors and ambiguities appearing in the original location notice appearing of record in Volume Z at page 342 of said Mining Records, said claim covering the following described ground:
>
> The East half of the East half of the Southeast quarter of Section 18, the West half of the West half of the Southwest quarter of Section 17, the Northeast quarter of the Northeast quarter of the Northeast quarter of Section 19, and the Northwest quarter of the Northwest quarter of the Northwest quarter of Section 20, all in Township 11 South of Range 34, E.W.M. in no organized mining district, in Grant County, State of Oregon, containing 100 acres according to the public survey,

together with all rights and interests of whatsoever kind or description of Seller therein, thereunto belonging or in any way appertaining thereto (sometimes hereinafter collectively referred to as the "property"), all the foregoing to be free and clear of all liens, encumbrances, defects and exceptions except as herein-

after expressly set forth.

2. Seller hereby grants to Purchaser the exclusive continuing right for and during the period of two (2) consecutive calendar years next following the date of this Agreement to elect in Purchaser's sole discretion whether or not to purchase the property for the further and final sum of Fifty thousand ($50,000) Dollars as hereinafter provided. In the event that Purchaser so elects to purchase the property, Purchaser will notify Seller on or before the expiration of said period of its intention so to purchase. At the time of giving such notice to Seller, Purchaser will deliver to Seller the sum of One thousand ($1,000) Dollars in partial payment of said further and final sum of Fifty thousand ($50,000) Dollars. In the event that this Agreement is thereafter terminated for any reason or in the event that the property is not conveyed to Purchaser by Seller in accordance with the terms of this Agreement for any reason, Seller shall thereupon return said One thousand ($1,000) Dollars to Purchaser.

3. Upon receipt of Purchaser's notice of intention to purchase and of said partial payment, Seller will notify Purchaser of the day, date and hour within ten (10) days and not sooner than five (5) days following such receipt at which Seller will, and on which Seller shall, deliver to Purchaser at such address in Baker, Oregon, as Purchaser shall designate in said notice to Seller a good and sufficient deed of the property together with such other necessary instruments as may be required in connection therewith in accordance with the terms and conditions of this Agreement and Purchaser will pay to Seller simultaneously with such delivery the remaining balance of said further and final sum of Fifty thousand ($50,000) Dollars, namely Forty-nine thousand ($49,000) Dollars.

4. Seller represents and warrants that the unpatented mining claims included in the property have been duly located as placer claims as required by law, that Seller is the sole owner thereof, that Seller has the right to convey the same, and that Seller will not suffer or permit any encumbrance of the property. Seller further represents and warrants that there are no known vein or lode formations of asbestos or other minerals in, under or part of the real property subject to the placer mining claims described and set forth herein, and that no lode mining claims have been staked, filed or otherwise asserted with respect to or against any asbestos or other mineral deposits in such real property.

5. Purchaser at its own expense may procure abstracts of title or cause such other title examination of the property as it may desire. Purchaser may at any time during the term of this Agreement notify Seller of any and all liens, encumbrances, defects and exceptions of and to title to the property and Seller shall at his own expense cure and remove the same. In the event Seller shall be unable so to do, Purchaser in the exercise of its sole discretion shall have the option to accept such title as Seller may be able to convey or to terminate this Agreement without prejudice to Purchaser. Should Purchaser elect to accept title to the property subject to liens, encumbrances, defects or exceptions other than those expressly excepted herein and which Seller has not cured or removed under the terms of this Agreement, Seller shall thereafter cooperate fully with Purchaser to effect the cure or removal thereof and shall pay to Purchaser all costs and expenses incurred by Purchaser in effecting such cure or removal.

6. Seller hereby grants to Purchaser the rights of exclusive possession of the property and to enter immediately thereon for the purposes of examining, testing, exploring, prospecting and otherwise determining the extent and value of the deposits of asbestos or other minerals situated upon the property, including the rights to drill, mine, extract and retain as its own free of all charges or royalties not exceeding two hundred (200) tons of asbestos, metals and minerals resulting from such operations. Purchaser shall pay in full all expenses which it may incur for labor, materials and supplies, insurance (including but not limited to Workman's Compensation and Unemployment Insurance), and all other lienable indebtedness incurred by it in connection with such operations upon the property. Purchaser will hold Seller harmless against all liens and encumbrances which it may permit to attach to the property.

7. Purchaser will accomplish or cause to be accomplished such annual labor and/or assessment work and preparation and filing of such timely and proper proof thereof with the proper authorities for and during the term of this Agreement as may be required by law to keep the above claims in force. Purchaser at its own expense may prosecute or cause to be prosecuted during the term of this Agreement such patent proceedings with respect to the property as it may desire and Seller will cooperate fully in such proceedings and procure or execute such applications, affidavits or other instruments as may be required by law.

8. Seller shall pay in full all taxes or other sums assessed against the property during the term of this Agreement other than those which are specifically provided in this Agreement

to be the obligation of Purchaser. In the event Purchaser elects to purchase the property as provided herein, taxes and other sums assessed against the property for and during the year of such election which are the obligation of Seller under this Agreement shall be prorated as of the date on which title to the property is conveyed by Seller to Purchaser.

9. Purchaser shall have the right at any time during the term of this Agreement to terminate this Agreement by giving notice to Seller thirty (30) days in advance of the effective date of such termination at which time all executory obligations of Purchaser hereunder shall cease. In the event of such termination, Purchaser shall have the right within ninety (90) days thereafter to remove from the property all tools, equipment, machinery, buildings and other property placed therein or thereon by Purchaser and if during such removal period Purchaser is prevented from or hindered in such removal by causes beyond its control the term of such removal shall be extended for the time of the delay resulting from such prevention or hinderance.

10. Seller covenants that Purchaser, upon making the payments and performing the agreements on its part to be performed hereunder shall lawfully and quietly hold, occupy and enjoy the property, and further covenants to defend Purchaser therein against all persons claiming the property or any interest therein.

11. Notices given pursuant to this Agreement shall be deemed complete when deposited in either the Dominion of Canada or United States of America mail with postage prepaid, registered, and addressed to the other party at the address shown below or at such other place as may be designated in a notice conforming to

these requirements:

To Purchaser at: Legal Department,
Johns-Manville Sales Corporation
22 East 40th Street, New York 16, N.Y.

To Seller at: Harold Banta, Esq.
Hallock, Banta, Silven & Horton,
Second Floor, Sommer Building,
Baker, Oregon

12. This Agreement shall enure to the benefit of and be binding upon the heirs, representatives, successors and assigns of Seller and Purchaser as the case may be. By notice to Seller, Purchaser may at any time during the term of this Agreement designate a nominee to whom or to which Seller shall convey the property as provided herein.

13. This Agreement may be executed in any number of counterparts, and all said counterparts executed and delivered, such as an original, shall constitute but one and the same instrument. No change or modification of this Agreement shall be effective unless the same be in writing executed by the parties hereto.

14. Purchaser shall not be liable for delays or defaults in the performance of any of its obligations hereunder occasioned by any cause of any kind or extent beyond its control including but not limited to Acts of God, armed conflict or economic dislocation resulting therefrom, labor difficulties, civil disorders of any kind, action of civil or military authorities of any kind, and transportation or postal difficulties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed.

JOHNS-MANVILLE SALES CORPORATION

By K.W.Huffine
Vice-President

Attest:

Irving J. Pedly
Assistant Secretary

Ray Stithem (L.S.)
Ray Stithem

Witness:

Harold Banta
as to Seller

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 24 day of January, A.D. 1952, personally appeared K. W. Huffine, who being duly sworn did say that he is the Vice-President of JOHNS-MANVILLE SALES CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

Charles R. Binder
Notary Public

STATE OF OREGON)
) ss.:
COUNTY OF)

On this 24th day of January A.D. 1952, personally appeared the above named RAY S TITHEM and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:

Harold Banta
Notary Public

My commission Expires: Apr. 20, 1954

Received for record February 7, 1952 at 9:14 A.M.

#22407 Book 64 Page 513

KNOW ALL MEN BY THESE PRESENTS, That Walter P. Stithem, a single man and Gerald F. Stithem and Dorothy F. Stithem, husband and wife, in consideration of TEN and no/100 ----------($10.00) Dollars, and other good and valuable considerations to them paid by JOHNS-MANVILLE SALES CORPORATION, a Delaware corporation, do hereby remise, release and forever QUITCLAIM unto the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation and unto its successors and assigns all their right, title and interest in and to the following described parcel of real estate, together with the tenements, hereditaments and appurtenances, situate in the County of Grant State of Oregon, to-wit:

THE ASBESTOS GROUP #3 Placer Mining Claim as the same is located, recorded and held, said claim covering the following described land:

The S½ SE¼ of NE¼, the W½ of E½ of SE¼, the SE¼ of NW¼ of SE¼, and the NE¼ of SW¼ of SE¼ of Sec. 18; and W½ of NE¼ of NE¼ of Sec. 19, all in Twp. 11 S.R. 34, E.W.M., containing 100 acres according to the public survey; also the ASBESTOS GROUP #2 Placer Mining Claim as the same is located, recorded and held, said claim covering the following described land: The S½ of SW¼ of NW¼, and E½ of W½ of SW¼ of Sec.17; the SE¼ of NE¼ of NE¼ of Sec. 19; and E½ of NW¼ of NW¼, and the SW¼ of NW¼ of NW¼ of Sec. 20, all in Twp. 11 S.R. 34, E.W.M., containing 100 acres according to the public survey.

To have and to hold the same to the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, and to its successors and assigns forever.

IN WITNESS WHEREOF, they have hereunto set their hands and seals this 3rd day of January A.D. 1952.

Executed in the presence of

(Sgd) Luther C. Martin

(Sgd) Walter P. Stithem (Seal)
a single man

(Sgd) Gerald F. Stithem (Seal)

(Sgd) Dorothy F. Stithem (Seal)
wife of Gerald F. Stithem

STATE OF WASHINGTON,)
) ss.
COUNTY OF KING)

BE IT REMEMBERED, That on the 3rd day of January A.D. 1952 before me, the undersigned, a notary public in and for said County and State, personally appeared the within named Walter P. Stithem, a single man, and Gerald F. Stithem, and Dorothy F. Stithem, husband and wife, who

are known to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

(Sgd) Luther C. Martin
Notary Public for Washington

My Commission expires Dec. 14, 1953

Johns-Manville Sales Corporation - 22 E. 40th St., New York 16, N.Y.

#22408 Book 64 Page 515

KNOW ALL MEN BY THESE PRESENTS, that RAY STITHEM, PEACHA G. DeWITT, and T. GAIL DeWITT, in consideration of Ten and no/100--DOLLARS and other good and valuable considerations to them paid by JOHNS-MANVILLE SALES CORPORATION, a Delaware corporation do hereby remise, release and forever QUITCLAIM unto the said JOHNS-MANVILLE SALES CORPORATION a Delaware corporation, and unto its successors and assigns all their right, title and interest in and to the following described parcel of real estate, together with the tenements, hereditaments and appurtenances, situate in the County of Grant, State of Oregon, to-wit:

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The S½ of the SE¼ of the NE¼, the W½ of E½ of SE¼, the SE¼ of NW¼ of SE¼, and the NE¼ of SW¼ of SE¼ of Sec. 18; and W½ of NE¼ of NE¼ of Sec. 19, all in Twp. 11 S.R. 34, E.W.M., containing 100 acres according to the public survey; also the ASBESTOS GROUP #2 Placer Mining Claim as the same is located, recorded and held, said claim covering the following described land: The S½ of SW¼ of NW¼, and E½ of W½ of SW¼ of Sec. 17; the SE¼ of NE¼ of NE¼ of Sec. 19; and E½ of NW¼ of NW¼ and the SW¼ of NW¼ of NW¼ of Sec. 20, all in Twp. 11 S., R.34, E.W.M., containing 100 acres according to the public survey.

TO HAVE AND TO HOLD the same to the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, and to its successors and assigns forever.

IN WITNESS WHEREOF, they have hereunto set their hands and seals this 9th day of January A.D. 1952.

Executed in the presence of

(Sgd) Harold Banta

(Sgd) T. Gail DeWitt (Seal)

(Sgd) Peacha G. DeWitt (Seal)

(Sgd) Ray Stithem (Seal)

STATE OF OREGON)
)ss.
COUNTY OF GRANT)

BE IT REMEMBERED, That on this 9th day of January A.D. 1952 before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Ray Stithem, Peacha G. DeWitt and T. Gail DeWitt, wife and husband, who are known to me to be the identical individuals described in and who executed the

within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

(Sgd) Harold Banta
Notary Public for Oregon.

My Commission expires April 20, 1954

Mr. K. W. Huffine
Johns-Manville Sales Corporation
22 E. 40th Street
New York 16, N. Y.

Subject: DMEA-2659
Re: Exploration Assistance
Stithem Prospect
August 18, 1952

My dear Mr. Huffine:

The receipt of your application dated August 15, 1952, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2659 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-2659 in any future correspondence relating to your application.

Sincerely yours,

SIGNED
Wingfield Chamberlain
Acting Chief, Operation's
Control and Statistics Division

25451

KNOW ALL MEN BY THESE PRESENTS, That Walter P. Stithem, a single man and Gerald F. Stithem and Dorothy F. Stithem, husband and wife, in consideration of TEN and no/100 ----------($10.00) Dollars, and other good and valuable considerations to them paid by JOHNS-MANVILLE SALES CORPORATION, a Delaware corporation, do hereby remise, release and forever QUITCLAIM unto the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation and unto its successors and assigns all their right, title and interest in and to the following described parcel of real estate, together with the tenements, hereditaments and appurtenances, situate in the County of Grant State of Oregon, to-wit:

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To have and to hold the same to the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, and to its successors and assigns forever.

IN WITNESS WHEREOF, they have hereunto set their hands and seals this 3rd day of January A.D. 1952.

Executed in the presence of

(Sgd) Luther C. Martin

(Sgd) Walter P. Stithem (Seal)
a single man

(Sgd) Gerald F. Stithem (Seal)

(Sgd) Dorothy F. Stithem (Seal)
wife of Gerald F. Stithem

STATE OF WASHINGTON,)
) ss.
COUNTY OF KING)

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are known to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

(Sgd) Luther C. Martin
Notary Public for Washington

My Commission expires Dec. 14, 1953

Johns-Manville Sales Corporation - 22 E. 40th St., New York 16, N.Y.

#22408 Book 64 Page 515

KNOW ALL MEN BY THESE PRESENTS, that RAY STITHEM, PEACHA G. DeWITT, and T. GAIL DeWITT, in consideration of Ten and no/100--DOLLARS and other good and valuable considerations to them paid by JOHNS-MANVILLE SALES CORPORATION, a Delaware corporation do hereby remise, release and forever QUITCLAIM unto the said JOHNS-MANVILLE SALES CORPORATION a Delaware corporation, and unto its successors and assigns all their right, title and interest in and to the following described parcel of real estate, together with the tenements, hereditaments and appurtenances, situate in the County of Grant, State of Oregon, to-wit:

The ASBESTOS Group #3 Placer Mining Claim as the same is located, recorded and held, said claim covering the following described land:

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TO HAVE AND TO HOLD the same to the said JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, and to its successors and assigns forever.

IN WITNESS WHEREOF, they have hereunto set their hands and seals this 9th day of January A.D. 1952.

Executed in the presence of

(Sgd) Harold Banta

(Sgd) T. Gail DeWitt (Seal)

(Sgd) Peacha G. DeWitt (Seal)

(Sgd) Ray Stithem (Seal)

STATE OF OREGON)
)ss.
COUNTY OF GRANT)

BE IT REMEMBERED, That on this 9th day of January A.D. 1952 before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Ray Stithem, Peacha G. DeWitt and T. Gail DeWitt, wife and husband, who are known to me to be the identical individuals described in and who executed the

within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

(Sgd) Harold Banta
Notary Public for Oregon.

My Commission expires April 20, 1954

Copy.

Report referred to in answer to Item 4. (c)

BUTTE CREEK ASBESTOS PROSPECT

OREGON, U. S. A.

c

o

p

y

by

H. K. Conn.

Asbestos, Quebec. August, 1951.

Exploration Division

CANADIAN JOHNS-MANVILLE CO., LTD.

Johns-Manville Sales Corporation - 22 E. 40th Street, New York 16, N.Y.

Introduction:

An examin tion of the Stithem property in northeastern Oregon was made by the writer on July 25, 1951. The property consists of five adjoining claims, each of 20 acres, which cover the showings and include part of the surrounding peridotite mass. The following persons hold one claim apiece: Mr. Ray Stithem, Mr. G. DeWilt, Mrs. G. DeWilt, Mr. Ray Stithem's brother and the latter's son. Mr. Ray Stithem has performed all the prospecting and staking and assisted during examinations of the showing. He has also obtained verbal power of attorney from these individuals.

Location and Access:

The property is located near the head of Butte Creek, a small stream flowing into the middle fork of the John Day river, bout 8 miles north of Bates. The latter village is several miles north of U. S. Highway #26, which passes through the town of John Day 32 miles to the westward.

A convenient means of reaching this locality is to fly by United Airlines from Seattle to Pendleton, and thence to drive directly to the property via John Day and Bates.

A good gravel road parallels the middle fork of the John Day river north of Bates, and continues past an old logging road which leads up Butte Creek for some two miles to the showing. This logging road runs southwestward from the gravel road, about 9 miles north from Bates. The turn-off is several hundred yards northwest of a fork in the road and nearly opposite several old wooden buildings.

The property is located in a rolling region forming part of the Blue Mountains, and is within a National Forest Reserve. Selective cutting of the forest, which is dominated by the immense Ponderosa pine, has resulted in a network of usable logging roads in this area.

Acknowledgements:

The writer wishes to acknowledge the kindness and hospitality of Mr. and Mrs. G. DeWilt, who operate a small ranch about 10 miles north of Bates, on the northeast fork of the road.

The writer is indebted to Mr. Ray Stithem for accommodation arrangements at the DeWilt ranch, and for his active cooperation during the examination of the property.

Conclusions and Recommendations:

1. Chrysotile cross-fibre veins are intermittently exposed by trenching over a length of 1200 to 1400 feet and an approximate width of 100 feet. This zone appears to widen to the north, in the vicinity of the contact. Many of the outcrops on either side of the zone show little or no fibre, however, the paucity of the bedrock exposures must be taken into account when the area extent is being considered.

2. The greater part of this zone has fibre lengths which in general are less than 1/4" (bulk sample #2). A smaller section contains cross-fibre with a length of 7/16" (bulk sample #1).

3. The fibre is semi-harsh to harsh in texture.

4. The bulk samples were shipped to the Research Centre at Manville, N.J., but have been delayed en route and are not yet processed.

5. This property would be considered of immediate interest if located in the Eastern Townships of Quebec.

Description of the Property:

The writer could obtain little information on the regional geology during his brief visit to this district. The asbestos deposit occurs within an irregular mass of serpentinized peridotite, which appears to intrude the adjoining sedimentary formations. This is suggested by the zone of altered rock occurring near the inferred contact on the south side of the serpentine. Geological mapping indicates that the serpentine has a width of 2000 to 2400 feet in a north-south direction in the region of the deposit. Mr. Stithem stated that he had prospected in serpentine for at least 1/4 mile both eastward and westward from the showing. Bedrock is sparsely exposed in the area; occasional small pitted outcrops of weathered serpentine occur on the hillside, and some fresh-looking serpentine is partially exposed in the trenches. It is estimated that 95% of the bedrock is covered by clay overburden, 3 to 4 feet in depth.

The trenches in general follow the contour of the slope in a north to northeasterly direction. They have an average width of 10 feet and a maximum length of 1200 feet, and form a series of steps 50 to 70 feet apart down the 30° slope of the hill (Fig. 1). The trenches are numbered 1 to 4 from east to west, in an upslope direction. The upper trench was made by scraping an old logging road to expose a portion of the bedrock.

Trenches 1 and 4 contained very few outcrops of serpentine, and were not studied in detail, while trench 2 with the best exposures of bedrock was more closely examined. A traverse of trench 4 showed only small intermittent exposures.

The best section of fibre was observed at the south end of trench 4, some 50 feet north of its intersection with trench 3. Here a small outcrop displayed numerous veins of harsh fibre with a maximum width of 7/16". A vein count across a 3 foot section shows:

Length of fibre	1/16	1/8	3/16	1/4	5/16	3/8
Number of Veins	2	4	3	4	1	1 = 8% fibre

Some 40 feet north of this section is an outcrop showing a smaller number of veins.

Across a 3 foot section theyare:

Length of fibre	1/16	1/8	3/16	
Number of veins	4	4	3	= 2.6% fibre

A fault zone of sheared serpentine occurs in an outcrop exposed intermittently from 40 to 70 feet south of the best section, but only a few veins at 1/4" and smaller were observed. However, 50 feet further south, the longer fibre again occurs in a small outcrop beneath the road bed. Stithem stated that the best exposure of long fibre occurred at this point, but was covered during the trenching operations. An examination of the sparse outcrops on the old trail 70 feet above this area revealed only serpentine veinlets with no fibre.

A close study of scattered outcrops over a 100 foot length in trench 3, immediately downslope from the best fibre sections in trench 4, indicated a small number of narrow veins of which only several were 1/4" in width. Measurement across a 4 foot section gave these results:

Width of veins	1/16	1/8	1/4		
Number of veins	3	5	3	=	3.25% fibre

Detailed mapping along trench 2 indicated for the most part a small number of veins containing fibre lengths of less than 1/4". Some 600 feet from the south end of trench 2 a cross trail enters from the trench above, exposing a small well mineralized zone. A vein count across 3 feet showed:

Width of veins	1/16	1/8	3/16		
Number of veins	11	12	2	=	7.1% fibre

These narrow veins continued to be fairly plentiful in intermittent exposures along the remaining part of the trench, a distance of some 750 feet to the northward. The fibre rarely exceeds 1/4" in length.

Similar exposures of fibre veins occur in the northernmost 50 feet of trench 1, which terminates opposite trench 2 at its north end.

A few short-fibre veins were observed in the several serpentine outcrops extending for some 360 feet in a northeast direction, downslope from the north end of trench 2 toward the lower road.

A few narrow veins are also reported to occur in other small outcrops below these trenches, and also eastward across Butte Creek valley, on the lower slopes of the mountain opposite.

A bulk sample of 80 lbs. was taken from each of the following sections:

1. the well-fiberized zone at the south end of trench 4,

2. from a zone 110 feet long, beginning 166 feet from the north end of trench 2.

The vein counts and percentages listed above were made only on the better fiberized zones, and are not in any way representative samples. Similarly the bulk samples were taken in the two most favourable locations in order to discern the quality of the fibre.

A traverse was also made to tie in the north edge of the claims with the trenches. The claim outlines as shown on the map are very approximate.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA-2659
Metal or Mineral
Date Received 8-18-52
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: Johns-Manville Sales Corporation

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

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

(*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

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Applicant has option on Asbestos Group Placer Mining Claim and is owner of Asbestos Group #2 Placer Mining Claim and Asbestos Group #3 Placer Mining Claim.

(*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. See attached.

(*e*) If you own the land, describe any liens or encumbrances on it No encumbrances.

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

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

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None

(*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. See attached

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

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

5. *The exploration project.*—State the mineral or minerals for which you to explore Chrysotile asbestos

(*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. See attached

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

(*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. See attached

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. See attached

(*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.). None

(*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. See attached

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

(*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. See attached

(*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. No facilities are on the property that could be used for exploration.

(*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. See attached

(*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. See attached

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

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

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

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

[x] Money [ ] 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 August 15, 1952

JAMES-HALVERSON MINES CORPORATION
(Applicant)

By R. H. Hutchine
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

Item 1. (c)

JOHNS-MANVILLE SALES CORPORATION
22 E. 40th Street,
New York 16, N.Y.

Name	Title	Residence
L. M. Cassidy	Chairman of the Board	46 Crest Drive South Orange, N.J.
C. F. Rassweiler	Vice-Chairman	9 Montview Ave. Short Hills, N.J.
A. R. Fisher	President	1115 Fifth Ave. Apt. 5B New York City, N.Y.
H. W. Allen	Vice-President	20 East 83rd Street, New York 28, N.Y.
L. A. Baldwin	Vice-President	Birch Lane Greenwich, Conn.
H. R. Berlin	Vice-President	38 Gainsborough Road Scarsdale, N.Y.
Alvin Brown	Vice-President	1010 Fifth Avenue, New York 28, N.Y.
E. K. Clark	Vice-President	49 Ashland Avenue, Pleasantville, N.Y.
C. G. Dandrow	Vice-President	Manhattan House 200 East 66th St. New York 21, N.Y. Apt. C-1903
A. S. Elsenbast	Vice-President	Stanwich Lane Greenwich, Conn.
R. S. Hammond	Vice-President	50 East 72nd St., Apt.13-A New York 21, N.Y.
K. W. Huffine	Vice-President	7 Lookout Ave., Bronxville, N.Y.
G. R. Lewis	Vice-President	2729 Belvoir Blvd. Shaker Heights 22, Ohio
J. A. O'Brien	Vice-President	5 Dupont Ave. White Plains, N.Y.
H. M. Shackelford	Vice-President	R.D. No. 1 New Canaan, Conn.

Item 1. (c)

JOHNS-MANVILLE SALES CORPORATION
22 E. 40th Street,
New York 16, N.Y.

Name	Title	Residence
R. C. Simmons	Vice-President	Woodstock Tower Apt. 1808 320 E. 42nd St. New York 17, N.Y.
R. P. Townsend	Vice-President	98 Mercer Ave., Hartsdale, N.Y.
F. J. Wakem	Vice-President	338 Ryder Road, Manhasset, N.Y.
W. R. Wilkinson	Vice-President	2 Winslow Place, Larchmont, N.Y.
Roger Hackney	Treasurer	20 Maple Ave., Larchmont, N.Y.
Herbert Morton Ball	Secretary	1348 Midland Ave., Bronxville 8, N.Y.
J. L. Pichetto	Asst.Treasurer & Asst. Secretary	King St., Chappaqua, N.Y.
H. J. Brundage	Assistant Treasurer	The Buckingham Garth Road, Scarsdale, N.Y.
J. L. Wood	Assistant Treasurer	764 Palmer Rd. Bronxville, N.Y.
Irving J. Pedly	Assistant Secretary	25 Monroe Place Brooklyn 2, N.Y.

Business address: All of above - 22 E. 40th Street,
New York 16, N.Y.

Except: G. R. Lewis - 45 Prospect Avenue, N.W.
Cleveland, Ohio

Item 3. (a)

Johns-Manville Sales Corporation - 22 E. 40th Street, New York 16, N.Y.

The property involved is in Grant County, Oregon and consists of the following:

Asbestos Group Placer Mining Claim, unpatented, covering the following real property:

E½ of E½ of SE¼ of Sec. 18; W½ of W½ of SW¼ of Sec. 17; NE¼ of NE¼ of NE¼ of Sec. 19 and NW¼ of NW¼ of NW¼ of Sec. 20, all in Township 11 South of Range 34, E. W. M.;

Asbestos Group #2 Placer Mining Claim, unpatented, covering the following real property:

S½ of SW¼ of NW¼, and E½ of W½ of SW¼ of Sec. 17; SE¼ of NE¼ of NE¼ of Sec. 19; E½ of NW¼ of NW¼ and SW¼ of NW¼ of NW¼ of Sec. 20, all in Township 11 South of Range 34, E. W. M.;

Asbestos Group #3 Placer Mining Claim, unpatented, covering the following real property:

S½ of SE¼ of NE¼, W½ of E½ of SE¼, SE¼ of NW¼ of SE¼ and NE¼ of SW¼ of SE¼ of Sec. 18 and W½ of NE¼ of NE¼ of Sec. 19, all in Township 11 South of Range 34, E. W. M.

Item 3. (d)

Attached is copy of option agreement dated January 24, 1952 between Ray Stithem and Johns-Manville Sales Corporation covering Asbestos Group Placer Mining Claim, unpatented.

Item 3. (f)

Asbestos Group Placer Mining Claim, unpatented, location notice filed Volume Y page 556 of the Mining Records of Grant County, Oregon, amended location notice filed Volume Z page 342 of the Mining Records of Grant County, Oregon.

Asbestos Group #2 Placer Mining Claim, unpatented, location notice recorded Book Z page 371, Mining Records of Grant County, Oregon.

Asbestos Group #3 Placer Mining Claim, unpatented, location notice recorded Book Z page 372, Mining Records of Grant County, Oregon.

August 6, 1952.

4. PHYSICAL DESCRIPTION:

(a) No mining operations have ever been carried on at this prospect. G eological mapping, line cutting in preparation for a magnetometer survey, and trenching are presently being carried on. We are carrying on this work solely.

(b) No record of past production or any ore reserves.

(c) Little is known of the geology to date. The prospect appears to lie in an irregular mass of serpentinised peridotite, which in turn has intruded sedimentary formations. A report is attached.

(d) The prospect is located near the head of Butte Creek, approximately 8 miles north of Bates. Bates is a few miles north of U. S. Highway #28, this in turn passing through the town of John Day 32 miles to the westward. From Bates north access to the prospect is by means of a good gravel road and by means of an old logging road. If a commercial property is proven shipping should prove relatively simple.

(e) Manpower, materials, supplies, equipment, etc. are available as required for exploration. They could be reasonably obtained as required for exploration.

5. (b) The area of exploration is indicated in the report.

(c) An exploration program is presently being carried on.

(d) The applicant is the largest miner and producer of chrysotile asbestos fibres in the world. The exploration of this project will be carried out with personnel from its exploration department who are fully qualified in all phases of exploration and examination.

6. The costs and the exposures if the prospect indicates more work should be done as the exploration develops are as follows:

See next page.

THE REQUIREMENTS and COSTS:

(a)	Labour:				
	2 General labourers	(2 months)	@	$ 240.00	$ 960.00
	1 Geological assistant	(3 months)	@	300.00	900.00
(b)	1 Geologist	(4 months)	@	400.00	1,600.00
	Office staff charges and Chief Geologist charges				2,000.00
	1 Cook	(4 months)	@	250.00	1,000.00
(c)	-				
(d)	Cost tent camp - consisting of sleeping, eating and storage facilities, including equipment.				900.00
(e)	-				
(f)	Bulldozer - 80 hours		@	15.00/hr	1,200.00
	10,000 feet diamond drilling		@	5.00	50,000.00
	Auto rental	(3 months)	@	200.00	600.00
	Compressor	(1 month)			500.00
(g)	Magnetometer	(30 days)	@	10.00	300.00
	Surveying equipment	(30 days)	@	5.00	150.00
(h)	-				
(i)	Board		@	3.00/day	700.00
	Transportation				1,250.00
	Bulk Sample				5,000.00

6. (c) See 6 above.

No data available as yet to enable this information to be furnished.

(d) No information regarding operational equipment can be given until exploration has advanced further than to date.

(e) No buildings or installations on the prospect.

(f) Not planning any installation.

(g) Information not available. No repairs, etc. to equipment are contemplated.

CONTINGENCIES:

We customarily allow 10% on total estimated cost.

THIS AGREEMENT, dated the 24th day of January, 1952, between RAY STITHEM, a single man, of Bates, Grant County, Oregon, Seller, and JOHNS-MANVILLE SALES CORPORATION, a Delaware Corporation, Purchase,

WITNESSETH:-

1. In consideration of the sum of Five hundred ($500) Dollars in hand paid by Purchaser to Seller upon execution of this Agreement, receipt of which is hereby acknowledged, Seller agrees to sell to Purchaser or its nominee and Purchaser agrees to buy from Seller subject to the terms and conditions of this Agreement all the unpatented mining claims known, described and situated as follows:

> The Asbestos Group Placer Mining Claim, unpatented, as the same is located, recorded and held, the original location notice thereof appearing of record in Volume Y at page 556 of the Mining Records of Grant County, Oregon, and an amended location notice thereof designed to correct certain errors and ambiguities appearing in the original location notice appearing of record in Volume Z at page 342 of said Mining Records, said claim covering the following described ground:
>
> The East half of the East half of the Southeast quarter of Section 18, the West half of the West half of the Southwest quarter of Section 17, the Northeast quarter of the Northeast quarter of the Northeast quarter of Section 19, and the Northwest quarter of the Northwest quarter of the Northwest quarter of Section 20, all in Township 11 South of Range 34, E.W.M. in no organized mining district, in Grant County, State of Oregon, containing 100 acres according to the public survey,

together with all rights and interests of whatsoever kind or description of Seller therein, thereunto belonging or in any way appertaining thereto (sometimes hereinafter collectively referred to as the "property"), all the foregoing to be free and clear of all liens, encumbrances, defects and exceptions except as herein-

after expressly set forth.

2. Seller hereby grants to Purchaser the exclusive continuing right for and during the period of two (2) consecutive calendar years next following the date of this Agreement to elect in Purchaser's sole discretion whether or not to purchase the property for the further and final sum of Fifty thousand ($50,000) Dollars as hereinafter provided. In the event that Purchaser so elects to purchase the property, Purchaser will notify Seller on or before the expiration of said period of its intention so to purchase. At the time of giving such notice to Seller, Purchaser will deliver to Seller the sum of One thousand ($1,000) Dollars in partial payment of said further and final sum of Fifty thousand ($50,000) Dollars. In the event that this Agreement is thereafter terminated for any reason or in the event that the property is not conveyed to Purchaser by Seller in accordance with the terms of this Agreement for any reason, Seller shall thereupon return said One thousand ($1,000) Dollars to Purchaser.

3. Upon receipt of Purchaser's notice of intention to purchase and of said partial payment, Seller will notify Purchaser of the day, date and hour within ten (10) days and not sooner than five (5) days following such receipt at which Seller will, and on which Seller shall, deliver to Purchaser at such address in Baker, Oregon, as Purchaser shall designate in said notice to Seller a good and sufficient deed of the property together with such other necessary instruments as may be required in connection therewith in accordance with the terms and conditions of this Agreement and Purchaser will pay to Seller simultaneously with such delivery the remaining balance of said further and final sum of Fifty thousand ($50,000) Dollars, namely Forty-nine thousand ($49,000) Dollars.

4. Seller represents and warrants that the unpatented mining claims included in the property have been duly located as placer claims as required by law, that Seller is the sole owner thereof, that Seller has the right to convey the same, and that Seller will not suffer or permit any encumbrance of the property. Seller further represents and warrants that there are no known vein or lode formations of asbestos or other minerals in, under or part of the real property subject to the placer mining claims described and set forth herein, and that no lode mining claims have been staked, filed or otherwise asserted with respect to or against any asbestos or other mineral deposits in such real property.

5. Purchaser at its own expense may procure abstracts of title or cause such other title examination of the property as it may desire. Purchaser may at any time during the term of this Agreement notify Seller of any and all liens, encumbrances, defects and exceptions of and to title to the property and Seller shall at his own expense cure and remove the same. In the event Seller shall be unable so to do, Purchaser in the exercise of its sole discretion shall have the option to accept such title as Seller may be able to convey or to terminate this Agreement without prejudice to Purchaser. Should Purchaser elect to accept title to the property subject to liens, encumbrances, defects or exceptions other than those expressly excepted herein and which Seller has not cured or removed under the terms of this Agreement, Seller shall thereafter cooperate fully with Purchaser to effect the cure or removal thereof and shall pay to Purchaser all costs and expenses incurred by Purchaser in effecting such cure or removal.

6. Seller hereby grants to Purchaser the rights of exclusive possession of the property and to enter immediately thereon for the purposes of examining, testing, exploring, prospecting and otherwise determining the extent and value of the deposits of asbestos or other minerals situated upon the property, including the rights to drill, mine, extract and retain as its own free of all charges or royalties not exceeding two hundred (200) tons of asbestos, metals and minerals resulting from such operations. Purchaser shall pay in full all expenses which it may incur for labor, materials and supplies, insurance (including but not limited to Workman's Compensation and Unemployment Insurance), and all other lienable indebtedness incurred by it in connection with such operations upon the property. Purchaser will hold Seller harmless against all liens and encumbrances which it may permit to attach to the property.

7. Purchaser will accomplish or cause to be accomplished such annual labor and/or assessment work and preparation and filing of such timely and proper proof thereof with the proper authorities for and during the term of this Agreement as may be required by law to keep the above claims in force. Purchaser at its own expense may prosecute or cause to be prosecuted during the term of this Agreement such patent proceedings with respect to the property as it may desire and Seller will cooperate fully in such proceedings and procure or execute such applications, affidavits or other instruments as may be required by law.

8. Seller shall pay in full all taxes or other sums assessed against the property during the term of this Agreement other than those which are specifically provided in this Agreement

to be the obligation of Purchaser. In the event Purchaser elects to purchase the property as provided herein, taxes and other sums assessed against the property for and during the year of such election which are the obligation of Seller under this Agreement shall be prorated as of the date on which title to the property is conveyed by Seller to Purchaser.

9. Purchaser shall have the right at any time during the term of this Agreement to terminate this Agreement by giving notice to Seller thirty (30) days in advance of the effective date of such termination at which time all executory obligations of Purchaser hereunder shall cease. In the event of such termination, Purchaser shall have the right within ninety (90) days thereafter to remove from the property all tools, equipment, machinery, buildings and other property placed therein or thereon by Purchaser and if during such removal period Purchaser is prevented from or hindered in such removal by causes beyond its control the term of such removal shall be extended for the time of the delay resulting from such prevention or hinderance.

10. Seller covenants that Purchaser, upon making the payments and performing the agreements on its part to be performed hereunder shall lawfully and quietly hold, occupy and enjoy the property, and further covenants to defend Purchaser therein against all persons claiming the property or any interest therein.

11. Notices given pursuant to this Agreement shall be deemed complete when deposited in either the Dominion of Canada or United States of America mail with postage prepaid, registered, and addressed to the other party at the address shown below or at such other place as may be designated in a notice conforming to

These requirements:

To Purchaser at: Legal Department,
Johns-Manville Sales Corporation
22 East 40th Street, New York 16, N.Y.

To Seller at: Harold Banta, Esq.
Hallock, Banta, Silven & Horton,
Second Floor, Sommer Building,
Baker, Oregon

12. This Agreement shall enure to the benefit of and be binding upon the heirs, representatives, successors and assigns of Seller and Purchaser as the case may be. By notice to Seller, Purchaser may at any time during the term of this Agreement designate a nominee to whom or to which Seller shall convey the property as provided herein.

13. This Agreement may be executed in any number of counterparts, and all said counterparts executed and delivered, such as an original, shall constitute but one and the same instrument. No change or modification of this Agreement shall be effective unless the same be in writing executed by the parties hereto.

14. Purchaser shall not be liable for delays or defaults in the performance of any of its obligations hereunder occasioned by any cause of any kind or extent beyond its control including but not limited to Acts of God, armed conflict or economic dislocation resulting therefrom, labor difficulties, civil disorders of any kind, action of civil or military authorities of any kind, and transportation or postal difficulties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed.

JOHNS-MANVILLE SALES CORPORATION

By K.W.Huffine
Vice-President

Attest:

Irving J. Pedly
Assistant Secretary

Ray Stithem (L.S.)
Ray Stithem

Witness:

Harold Banta
as to Seller

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 24 day of January, A.D. 1952, personally appeared K. W. Huffine, who being duly sworn did say that he is the Vice-President of JOHNS-MANVILLE SALES CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

Charles R. Binder
Notary Public

STATE OF OREGON)
) ss.:
COUNTY OF)

On this 24th day of January A.D. 1952, personally appeared the above named RAY S TITHEM and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:

Harold Banta
Notary Public

My commission Expires: Apr. 20, 1954

Received for record February 7, 1952 at 9:14 A.M.

IN REPLY REFER TO:

G-MD-CNM

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

August 20, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2659 (Asbestos)

To: L. W. Houk, Defense Minerals Exploration Administration
From: P. L. Weis, U. S. Geological Survey
Applicant: Johns-Manville Sales Corporation
Name of property: Stithem Prospect
Location of property: Grant County, Oregon
Estimated cost of project: $67,060
Summary of applicant's proposal: Not clearly stated. Will include some bulldozing and geologic work, and 10,000 feet of diamond drilling.
Sources of information on applicant's property:
None
Comments:
It is assumed that details of the proposed geologic work and exploratory drilling will be worked out to the satisfaction of the field team if the application is approved.
RECOMMENDATION:
Refer to the field team.

Paul L. Weis

Paul L. Weis

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

August 20, 1952

Memorandum

To: Mr. Lawrence G. Hawk

From: Oliver Bowles

Subject: DMEA-2659
Johns-Manville Sales Corporation

The only record the Bureau of Mines has of asbestos in Grant County, Oregon is a brief statement in Mineral Resources of the U.S. for 1918, chapter on asbestos, to the effect that Oregon Asbestos Mine Company, of Portland, Oregon, worked an asbestos deposit a few miles north of Mt. Vernon, Grant County, and produced a small quantity of short-fiber chrysotite in 3 grades. No subsequent reference to this deposit is available.

I would recommend that the field team make an examination of this deposit.

Oliver Bowles

Oliver Bowles, Commodity Specialist
Construction and Chemical Materials Branch

FILE COPY
SURNAME:

Hearne
Houk
Lemmon
Henson
Miller

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

AUG 25 1952

Mr. K. W. Huffine
Vice-President, Johns-Manville
Sales Corporation
22 East 40th Street
New York, New York

Subject: Docket No. DMEA-2659
Asbestos
Stithem Prospect
Grant County, Oregon

Dear Mr. Huffine:

The above application has been referred to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington, for further investigation in the field.

As soon as the Field Team's recommendations are received, you will be advised of the outcome.

Your interest in exploration for asbestos deposits is appreciated.

Sincerely yours,

C. O. Mittendorf (for) 8/25/52

Acting Administrator

LFHearne:gad 8/25/52

Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Field Team, Region II (2)
Mr. Norton, G-232 GSA Bldg.
Dr. Oliver Bowles, 3516
Mr. Houk

FILE COPY
SURNAME:

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

600

Hearne
Robertson
Johnson
Selfridge
Lemmon

Mr. K. W. Huffine, Vice-President
Johns-Manville Sales Corporation
22 East 40th Street
New York, New York

Subject: Docket No. DMEA-3659
Asbestos
Stithem Prospect
Grant County, Oregon

Dear Mr. Huffine:

Your application is being referred to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington, for further information.

Sincerely yours,

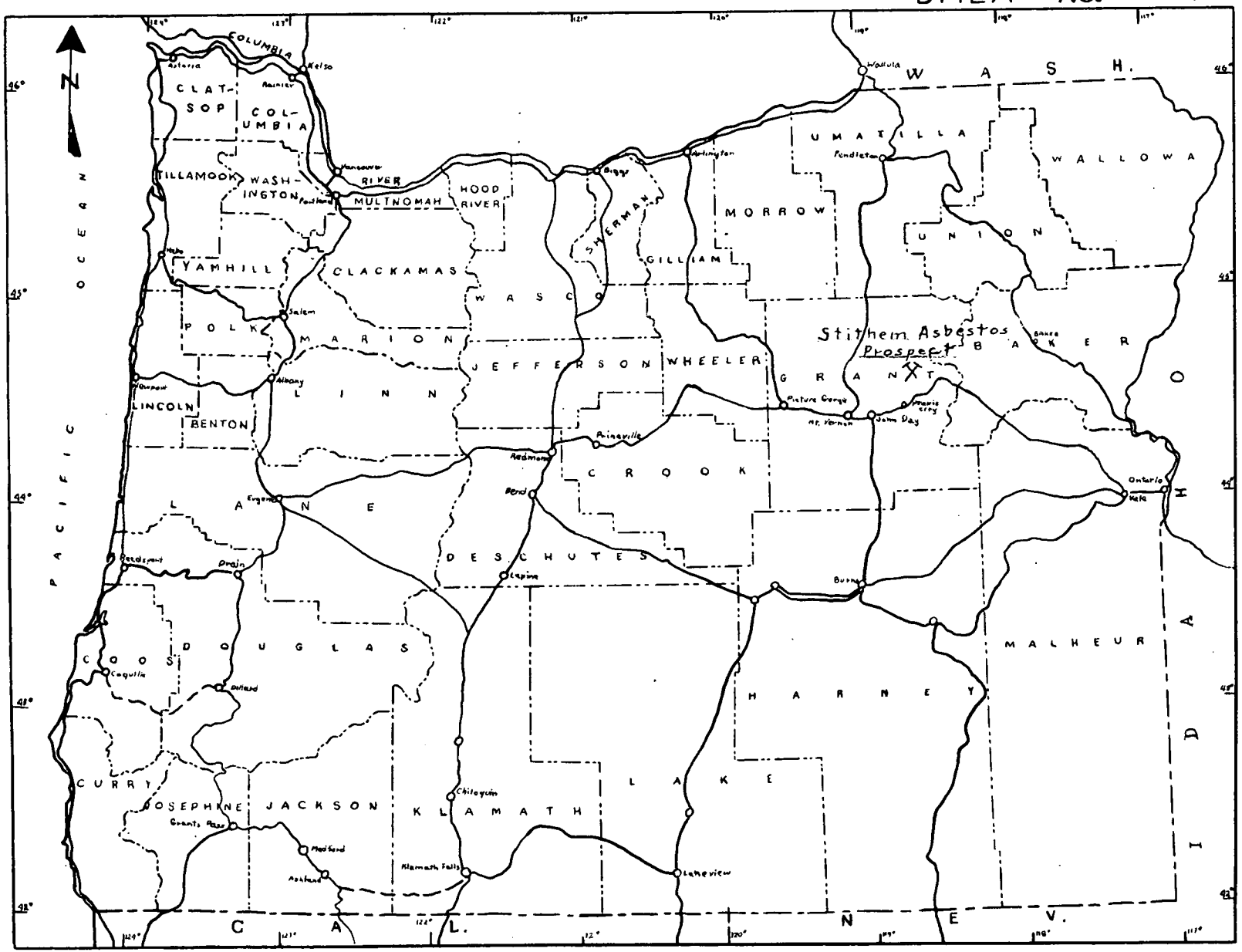
~~C. O. Mittendorf~~

Acting Administrator
Defense Minerals Exploration
Administration

LFHearne:mp 8/20/52
cc: Docket File
Adm. Reading File
Operating Committee
Mr. Norton, G-232, GSA Bldg.
Dr. Oliver Bowles, 3516
Mr. Houk
Field Team, Region II

Rewritten

DMEA No. 2659



INDEX MAP

STATE OF OREGON

Scale 10 0 10 20 30 40 Miles

Map 1

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

October 28, 1952

Mr. K. M. Muffine, Vice-President
Johns-Manville Sales Corporation
22 E. 40th Street
New York 16, N. Y.

Re: DMEA Docket No. 2650 - Asbestos
Stithem prospect
Grant County, Oregon

Dear Mr. Muffine:

Your Stithem prospect has been examined by our engineers, and a report is in preparation relative to your application for Government participation in testing the prospect.

The application as submitted does not outline a definite program of exploration but does request 80 hours of bulldozing, 10,000 feet of diamond drilling, and a magnetometer survey. Some or all of the bulldozing requested has been completed, and the magnetometer survey is finished.

We examined the property on September 18 and 19 with the able assistance of your resident geologist, Mr. John G. Gill. It was Mr. Gill's understanding that a diamond drilling program was planned, and he had tentatively located four holes totalling 1200 feet.

We concur with your plan to test the prospect with a properly planned and supervised diamond drilling program, and we favor a multiple stage program. Preliminary drilling of 2,000 to 3,000 feet of hole for general geological information, followed by a more detailed program of drilling, would be desirable. Do you have a definite program of this type in mind, and, if so, could we be advised of the specific plans?

The geologic report of Mr. A. K. Conn accompanying your application states that bulk samples of the fiberized rock had been collected and shipped for analysis. Would you please advise us of the results obtained?

Sincerely yours

A. M. Weissenborn,
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Kirkemo

FILE COPY
SURNAME:

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

Hearne
Robertson
Hutt

SEP 12 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2659 - Asbestos
Johns Manville Sales Corporation
Stithen Prospect
Grant County, Oregon

Dear Mr. Weissenborn:

The above-subject applicant recently left photostatic copies of geologic, topographic and claim maps for the Stithen Prospect with this office.

One copy of each map is enclosed for your information.

Sincerely yours,
Signed
J. Robertson
for Lawrence G. Houk, Chief
Nonmetallic Minerals Division

J.H.
9-12-52

Enclosures 3

LHearne:gad 9/12/52

Copy to: Admin. Reading File
Docket File
Dr. Bowles, 3522
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

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

600

AUG 25 1952

Hearne
Robertson
Selfridge

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2659 - Asbestos
Johns-Manville Sales Corporation
Stithem Prospect
Grant County, Oregon

Dear Mr. Weissenborn:

A field examination of the above project is requested.

Memoranda from the U. S. Bureau of Mines and U. S. Geological Survey are attached for your information.

This office has advised the applicant that "Owner's Consent to Lien" should be obtained for the claim upon which he holds an option, that three separate bids should be secured for diamond drilling, and that you should be informed of the name and address of the proper person to contact before making the examination.

Preliminary geological work has already been started independently by the applicant, and it is therefore urged that the Field Report be completed as soon as possible.

Sincerely yours,

S. C. Selfridge 8/25 GHB

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

C. N. Johnson
Member, Bureau of Mines (GHB)

D. M. Lemmon
Member, Geological Survey

LFHearne:mp 8/19/52
cc: Docket File
Adm. Reading File
Operating Committee
Dr. Oliver Bowles, Rm 3516
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

Enclosures - 2

P.S. You may contact John C. Gill, Bates, Oregon, in charge of property. He can be reached by phone, person to person, c/o Ray Stithem, Bates, Oregon.

DMEA No. 2659

Cross Section A-A'

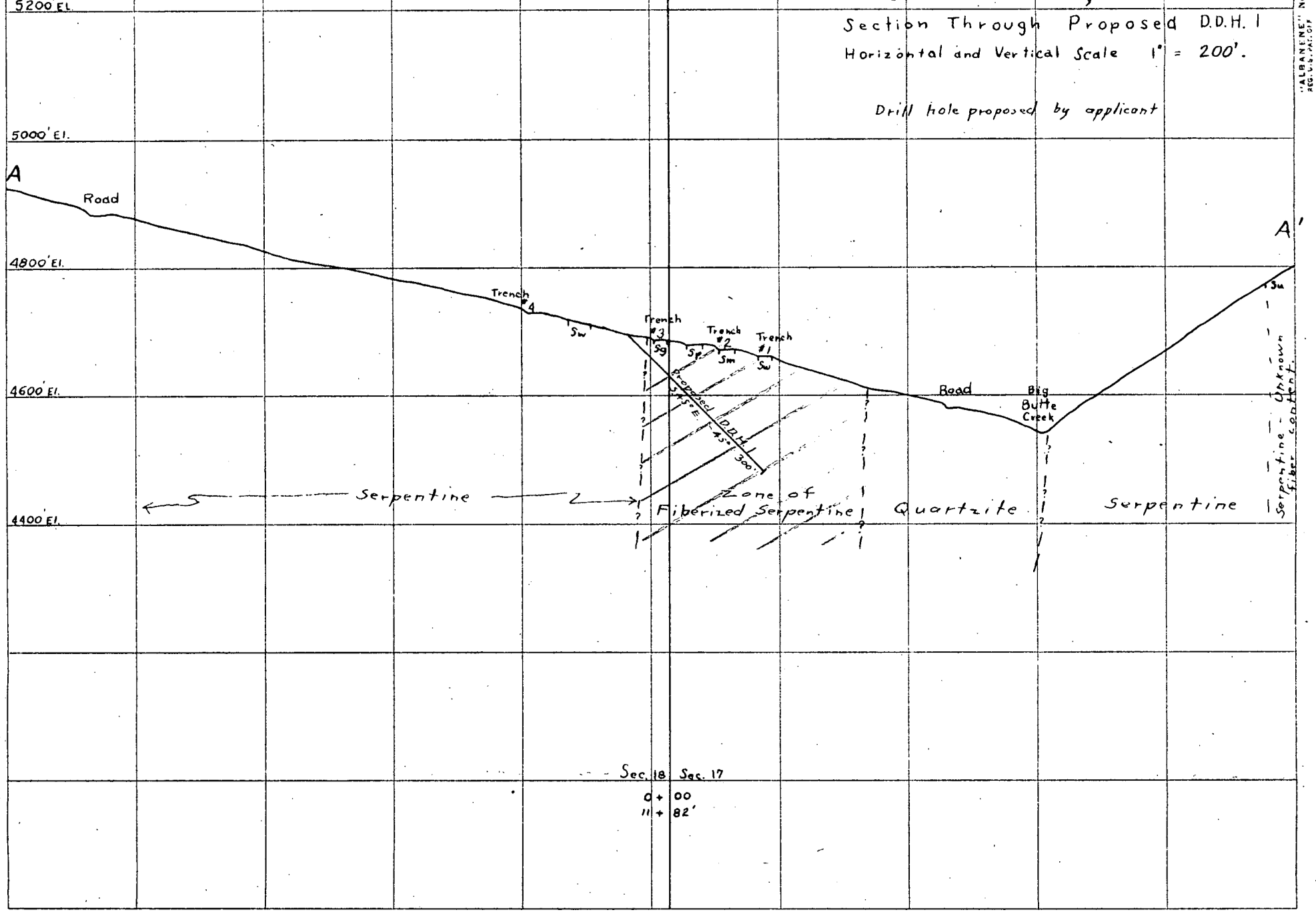
STITHEM ASBESTOS PROSPECT

GRANT COUNTY, OREGON

Section Through Proposed D.D.H. 1

Horizontal and Vertical Scale 1" = 200'.

Drill hole proposed by applicant

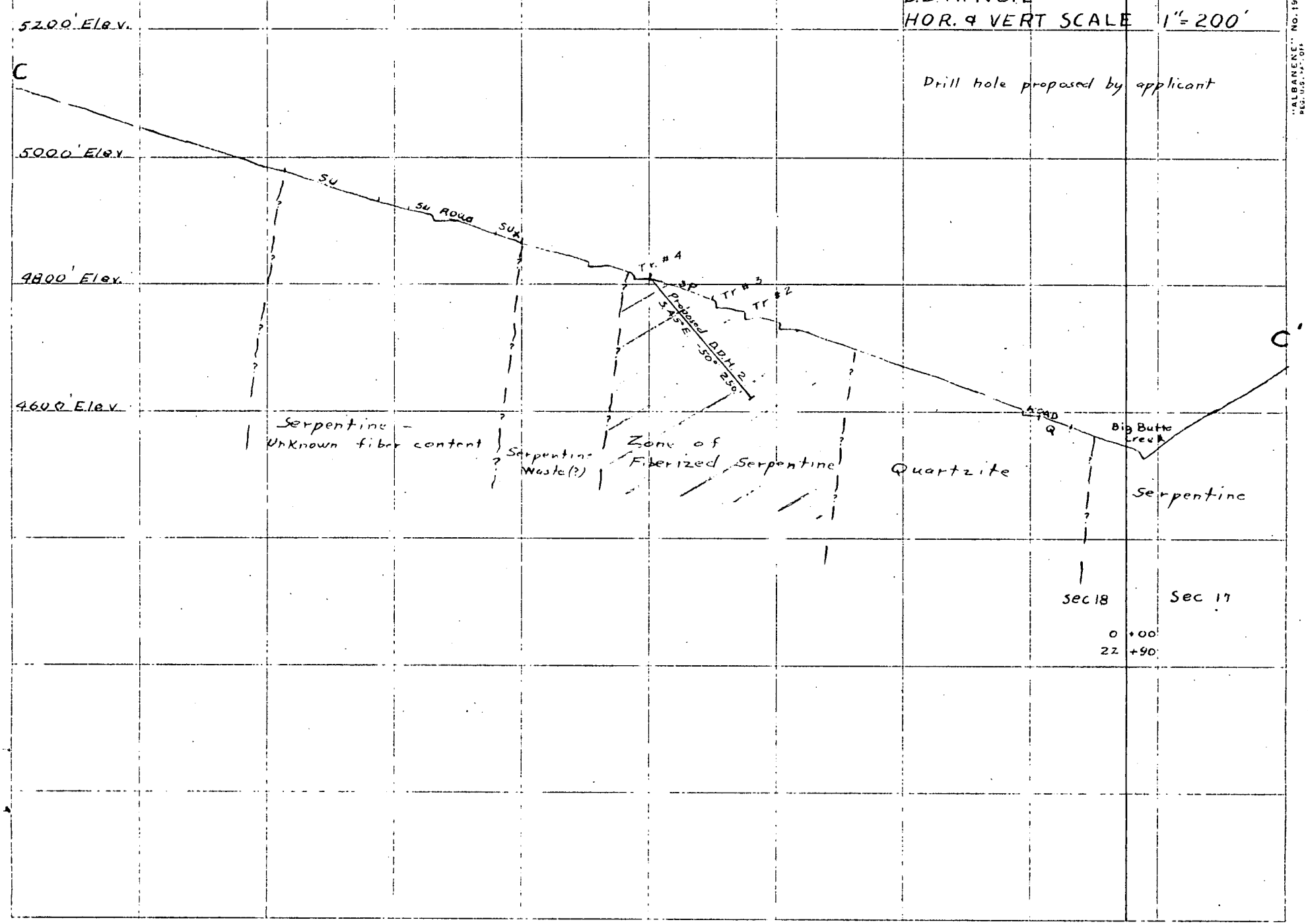


MAP 4

UMEA DOCKET NO. 2659

Cross Section C-C'

STITHEM ASBESTOS PROSPECT
GRANT COUNTY OREGON
SECTION THROUGH PROPOSED
D.D.H. NO. 2
HOR. & VERT SCALE 1" = 200'

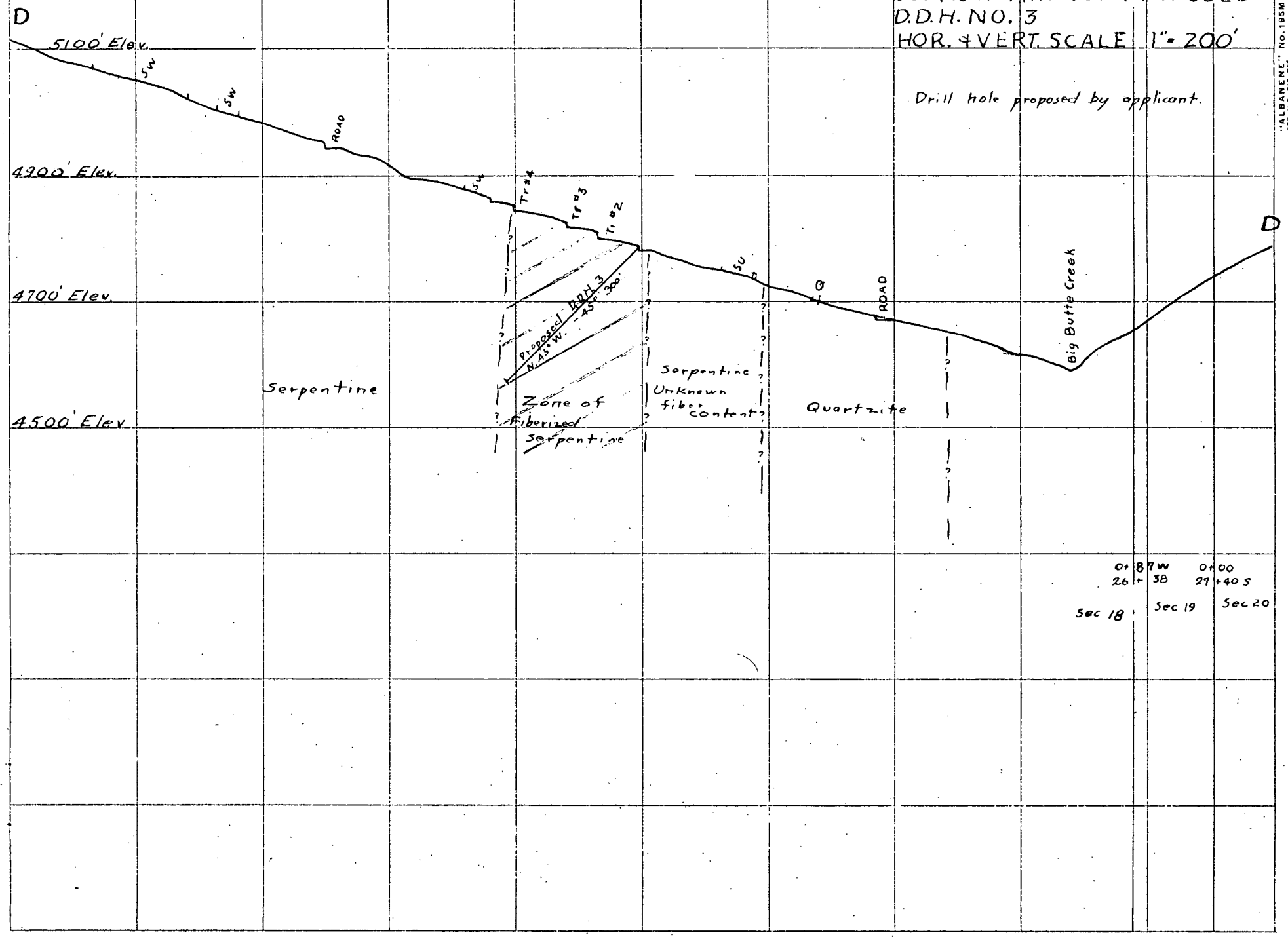


MAP 6

DMEA DOCKET NO 2659

Cross Section D-D'

STITHEM ASBESTOS PROSPECT
GRANT COUNTY, OREGON
SECTION THROUGH PROPOSED
D.D.H. NO. 3
HOR. & VERT. SCALE 1" = 200'



MAP 7

DMEA NO. 2659

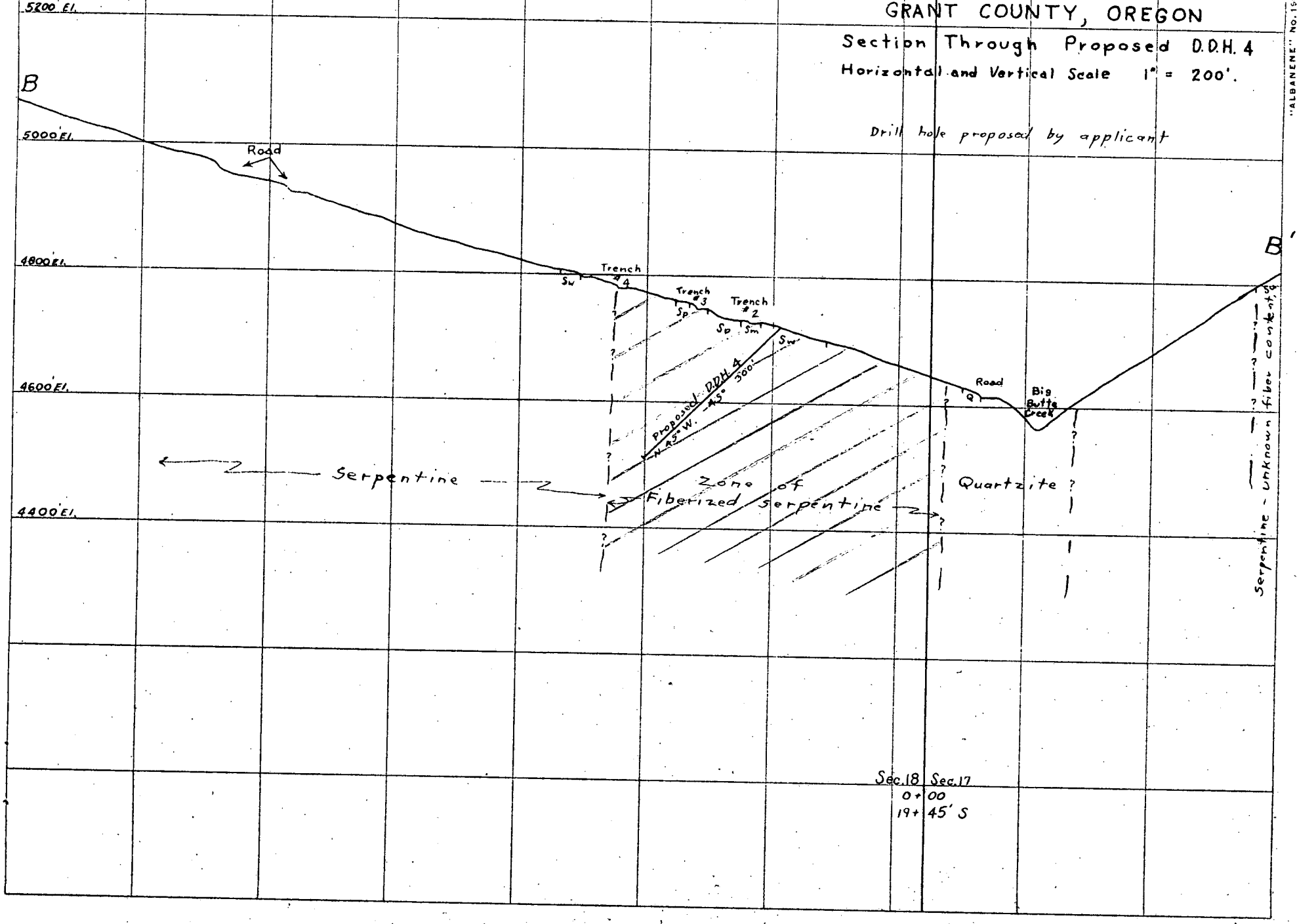
Cross Section B-B'

STITHEM ASBESTOS PROSPECT

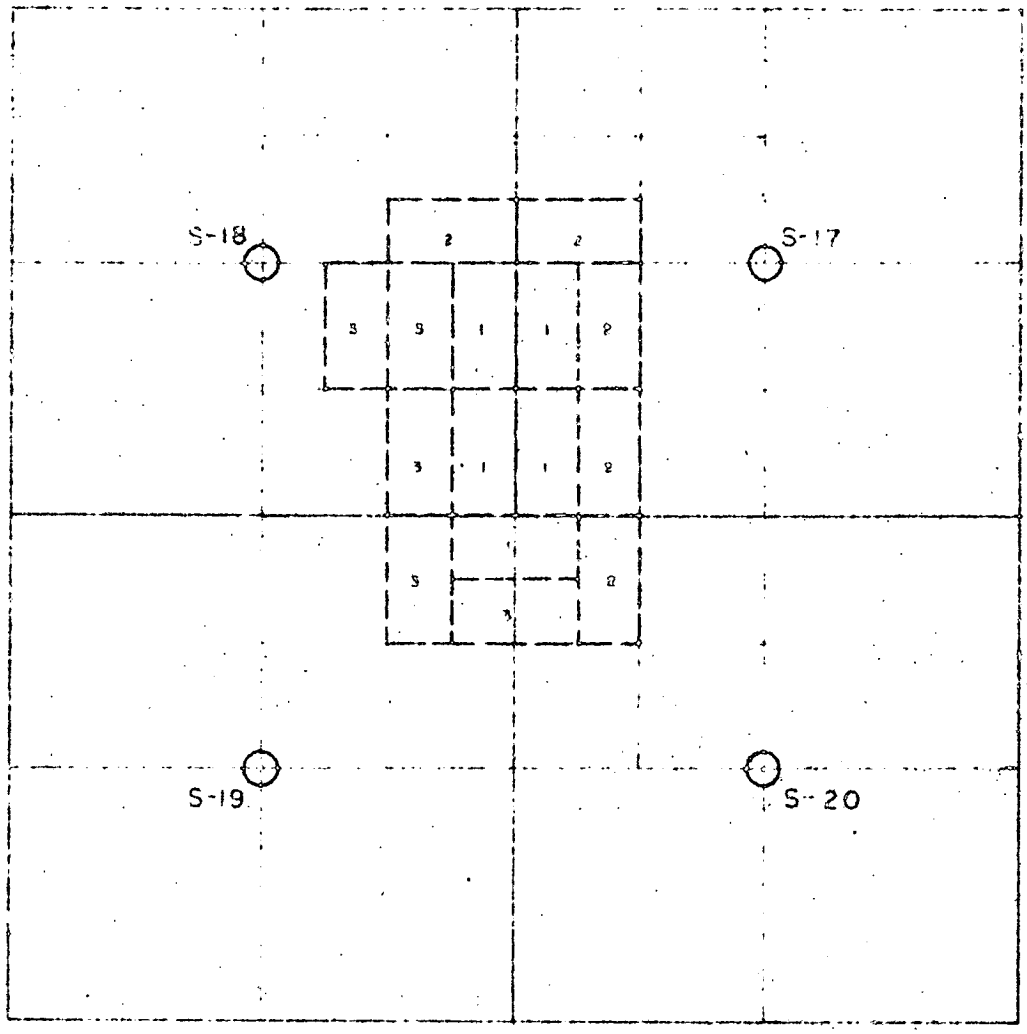
GRANT COUNTY, OREGON

Section Through Proposed D.D.H. 4

Horizontal and Vertical Scale 1" = 200'.



"ALBANENE" No. 155M K&E CO., N.Y. REG. U.S. PAT. OFF.



TOWNSHIP PLAT

STITHEM CLAIMS

ASBESTOS GROUP 1, 2 and 3

UNDER OPTION BY JOHNS MANVILLE CORP.

PART OF T.W.P. 11 SOUTH, RANGE 34 E.W.M.

GRANT COUNTY, OREGON

SCALE: 1" = 2000'

DATE: 1982

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
No. 157 Howard Street
Spokane 4, Washington

March 27, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 28 1953

Re: Docket No. DMEA-2653 (Asbestos)
Johns-Manville Sales Corp.
Stithem Asbestos Prospect
Grant County, Oregon

Dear Mr. Selfridge:

The examination report with maps and cross sections of the Stithem Asbestos deposit, Grant County, Oregon, by Harold Kirkham, Geologist, U. S. Geological Survey, and Constantine C. Popoff, Mining Engineer, U. S. Bureau of Mines, is enclosed. The Field Team concurs with the recommendation of the examining team that this application for exploration be approved.

The applicant did not offer a definite program for exploration but suggested a general program which included with other work, 10,000 feet of diamond drilling. The resident geologist for Johns-Manville, John S. Gill, informed the examining team he had been instructed to select drill sites for a preliminary diamond drilling program totaling 1200 feet and stated that he had no knowledge of any further exploration plans by his company. He was negotiating for bids on the preliminary program and if a drilling firm was engaged in September, the initial drilling may have been completed last fall.

The Field Team on October 28, 1952 wrote to W. W. Buffine, Vice-President Johns-Manville Sales Corporation, for information about; (1) the tentative drilling program mentioned by Mr. Gill, (2) specific plans, if any, for a definite program of exploration, and (3) results of mill tests on bulk samples from the Stithem prospect collected by H. A. Conn, company geologist in 1951. We have not had the reply from Mr. Buffine.

A. F. Shride from the Tucson office, U. S. Geological Survey, reviewed the maps, specimens, and information gathered by the examining team when he was in Spokane last October. He was

Reviewed by
DMEA OPERATING COMMITTEE
3-27-53
(date)

favorably impressed by the appearance of fiber in the specimens and by the general description of the geology of the property and suggested a general method of exploration and testing.

In line with instructions from Washington we are submitting the data we have assembled on the Stithem prospect with a general suggested program of exploration. Details of the project, we understand, will be planned by DMEA personnel in Washington with officials of the Johns-Manville Corporation.

By Field Team, Region II

A. E. Weissenborn, Executive Officer
(Geological Survey)

M. E. Volin, Member
(Bureau of Mines)

Enclosures
cc: USBM (2)
Kirkemo

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

March 5, 1953
Reviewed by
DMEA OPERATING COMMITTEE
3-27-53
(date)

MEMORANDUM

To: DMEA Field Team, Region II

From: Harold Kirkemo, Geologist, U. S. Geological Survey, and Constantine C. Popoff, Mining Engineer, U. S. Bureau of Mines

Subject: Docket No. DMEA-2659 (Asbestos), Examination Report, Johns-Manville Sales Corporation, Stithem Asbestos Prospect, Grant County, Oregon.

SUMMARY AND RECOMMENDATIONS

The Stithem asbestos deposit of medium to low grade chrysotile is being tested by the Johns-Manville Sales Corporation. Available geologic information indicates that further exploration is warranted to determine first the presence, and later, the size and shape of commercial ore bodies that could be mined by open-pit mining. The examining team recommends granting of an exploration loan in the amount of $79,200.00 subject to reappraisal after completion of an initial drilling program. The amount is larger than requested by the company due to anticipated higher cost of drilling than estimated by the company in its application.

The examining team also recommends that the project should be supervised by a competent resident geologist and that the drilling should be done by experienced drillers. BX or AX size core barrels should be used. The core and mill test samples should be tested for magnetic and free iron content in accordance with the National Stockpile Specifications for asbestos. The procedure for mill test sampling should be worked out by the corporation and approved by the Regional DMEA Office prior to actual work.

INTRODUCTION

The Stithem prospect was visited by the examining team on September 17 and 18, 1952. Mr. John C. Gill, Geologist, Johns-Manville Co., Ltd., Quebec, Canada, and in charge of exploration at the property, accompanied the team on the field trips. Copies of geologic and magnetometer survey maps were obtained and the results of work completed were discussed with Mr. Gill.

APPLICANT

The applicant, the Johns-Manville Sales Corporation, 22 E. 40th Street, New York City, is a subsidiary of the Johns-Manville Co.,

Ltd., Quebec, the largest producer of asbestos products in the world.

LOCATION

The prospect is in secs. 17, 18, 19, and 20, T. 11 S., R. 34 E., Willamette Principal Meridian, Grant County, Oregon. Bates, a logging and mill camp a few miles north of U. S. Highway 28, is the nearest town. The prospect is reached from U. S. Highway 28 by driving on gravelled county road 9 miles northwest along the Middle Fork John Day River and 2 miles southwest on an old logging road within the boundaries of Malheur National Forest to the head of Butte Creek. The county road from Bates to Susanville, a small community, is kept open the year around and serves extensive logging operations in the area.

OWNERSHIP

The property consists of 15 unpatented claims recorded in groups of five as the Asbestos Group Placer Mining Claim, the Asbestos Group No. 2 Placer Mining Claim, and the Asbestos Group No. 3 Placer Mining Claim (see map 8). The Johns-Manville Sales Corporation has an option to purchase from Mr. Ray Stithem the Asbestos Group Placer Claim for $50,000.00 during the next two years. The option expires on January 24, 1954. Other claims are owned by the corporation by virtue of two quitclaims. The purchase agreement and quitclaims are properly recorded in the Grant County Courthouse at Canyon City.

HISTORY

A lode claim was staked on the property in 1942 following discovery of chromite, but the grade of ore was too low towarrant much work and the claim was abandoned.

The main asbestos claims were located by Ray Stithem and his relatives in 1942. These were relocated and new claims added in 1950. The Asbestos Corporation leased the property for a short time in 1951 and completed some trenching. The present operator, the Johns-Manville Sales Corporation, acquired the purchase option in January 1952.

DESCRIPTION OF PROPERTY

No!? At present the exploration work is limited to the Asbestos Group Mining Claim, an area of about 100 acres.

The workings consist of 5 bulldozer trenches 30 to 70 feet apart and up to 1,200 feet in length. There was no building and no mining equipment on the ground when the examining team visited the property.

Water for drilling is available from Big Butte creek several hundred feet horizontally and less than 300 feet vertically from the proposed drill sites.

The deposit is favorably situated for open-pit mining. It is located on the steep west bank of Big Butte creek and the cover of overburden is only one to three feet thick.

GEOLOGY

The prospect is 5 to 6 miles north of the Quartzburg gold mining district and 6 to 7 miles southwest of the Greenhorn gold mining district. The asbestos area lies between these districts on the southwest bank of Big Butte creek, a northeast flowing tributary of the Middle Fork John Day River.

The regional geology of the area is best described by Waldemar Lindgren 1/:

> "The geologic structure of this area is complicated, but, in general, the rocks consist of diorite, diabase, and other greenstones together with serpentine enclosing smaller areas of clay slates, the exact age of which is not known. They are, however, older than the accompanying intrusive rocks. Between the Middle and South Forks of John Day River rises a complex of older rocks culminating in the round topped Dixie Butte which attains an elevation of 7,700 feet. It is probably on all sides surrounded by Miocene lava flows."

The underlying rocks in the area embraced by the claims includes in order of their probable age: argillaceous quartzite, serpentine, syenite, tuff, basalt, and gravels (see map 2).

Patches of dark argillaceous quartzite occur in a zone about 2,200 feet long between the creek and Trench 1. The formation consists of thin beds 1 to 6 inches thick. There are tight folds, joint planes, quartz veinlets, and poorly defined bedding planes striking N. 50° E. and dipping to the northwest within the quartzite.

West of and roughly parallel to the quartzite are outcrops of serpentinized peridotite within an area about 2,400 feet long and 1,500 feet wide elongated in a north-south direction. The zone of fiberized serpentine uncovered by bulldozing within the serpentine mass is 250 to 350 feet wide and 1,200 feet long.

Within the fiberized zone are irregular, sinuous, sheared zones, 2 to 5 feet wide, of light grey, bleached serpentine. Some shearing appears to trend in a northeasterly direction.

1/ Lindgren, Waldemar, "Gold Belt of the Blue Mountains of Oregon", 22nd Annual Report of the U. S. Geological Survey, 1900-1901, pp. 708-709.

The Stithem deposit contains the chrysotile variety of cross fiber asbestos. It is soft to semi-harsh in texture. The asbestos veinlets range from 1/32 to 3/4 of an inch in width and have a distinctive silvery sheen in sunlight. Many of the veinlets are broken by diagonal partings caused by seams of light green picrolite, a less flexible and non-commercial variety of chrysotile, cleavage planes, and thin slivers of serpentine. Picrolite is also common in fractures and slips in shear zones and is of earlier age than the fibrous chrysotile. A few grains of chromite were noted in the serpentine.

Results of mill tests made on two bulk samples obtained in July 1951 by H. K. Conn, Geologist, Canadian Johns-Manville Co., have not been reported to DMEA representatives. A letter to the applicant from the DMEA Field Team inquiring about these tests has not been answered.

EXPLORATION WORK COMPLETED

Exploration work completed by the Johns-Manville Sales Corporation to September 18, 1952, included bulldozer trenching, geologic mapping, magnetometer surveying, and sampling. Areas containing good, medium-grade, and low-grade asbestos have been roughly outlined by Mr. Gill. The visual method accepted by Johns-Manville of evaluating the grade and quality of asbestos fibers in outcrops is to count and measure asbestos veinlets 1/32-inch or more in width across an outcrop 10 feet wide and to compile this information on a classification chart. When the field examination was made, the visual method of estimating the general quality and grade of the deposit was handicapped by lack of enough exposures 10 feet wide within the fiberized zone.

A magnetometer survey across the fiberized zone was made by Mr. Gill in July and August 1952. A Sharpe magnetometer instrument with a 4-inch dial was used to obtain gamma readings of the field intensity across the fiberized zone. Readings were made at 200-foot intervals along a previously surveyed grid and at closer intervals when strong anomalies were detected.

Accompanying map 3 shows several centers of strong magnetic anomalies; whether they are due to concentrations of asbestos, to iron-bearing rocks or minerals, or to concealed rock structures, cannot be evaluated at present.

RESERVES

Surface examination of the Stithem asbestos deposit indicates a zone of fiberized serpentine 1,300 feet long, 250 feet wide, and 200 feet in vertical extent between the highest and lowest outcrops.

Available evidence suggests the fiber content in part of the deposit at least may average 1½ percent. Determination of grade and tonnage is the objective of the proposed exploration program.

DESCRIPTION OF THE APPLICANT'S PROPOSAL

No detailed exploration program is given by the applicant. The company estimates the cost of exploration at $67,060.00 plus 10 percent contingencies, or a total of $73,766.00. This includes bulldozer trenching, magnetometer surveying, 10,000 feet of diamond drilling, and bulk sampling. At the time of examination, Mr. Gill had no knowledge of the 10,000-foot drilling program, or of the plan for bulk sampling. However, he had been instructed to locate four diamond drill holesites for an initial diamond drilling program totalling 1,200 feet. The drilling was proposed for completion by the end of the 1952 field season. The proposed holes, 300 to 500 feet apart and within the boundaries of magnetic anomalies, are scattered in chessboard pattern. They are alternately inclined at minus 45 degrees and minus 50 degrees in planes striking S. 45° E. and N. 45° W. Cross sections through each hole are given on the attached maps 4, 5, 6, and 7.

A bid for this drilling had been received in September 1952 from Lynch Bros., diamond drill contractors, Seattle, Washington at $5.95 per foot plus cost of cementing. Other companies declined the bid offer.

PROPOSED PROGRAM

Since there is doubt that the initial drilling was completed last year, the following program includes both the preliminary and the detailed stages of exploration.

Stage I

To determine the presence of commercial grade ore below the outcrops a preliminary program of 2,000 feet of diamond drilling is recommended. The footage allows for more drilling than originally planned by the applicant.

Vertical holes are preferred in this stage of the exploration. If inclined holes are drilled, however, two holes in the same vertical section across the probable strike of the fiberized zone will be important for interpretation of the strike and dip.

Stage II

Eight thousand feet of drilling is anticipated for detailed exploration for commercial ore bodies. Experimental mining with bulk mill test sampling is included in this stage, as proposed by the company. No special funds are provided for analysis or for the mill tests by the company facilities. Excluded are the overhead cost of office charges and consultation by the company's chief geologist.

The total cost is estimated as follows:

	Stage I	Stage II	Total
Diamond drilling by contract			
2,000 feet @ $6.25	$12,500.00		$12,500.00
8,000 feet @ $6.00		$48,000.00	48,000.00
Bulldozer work by contract	200.00	200.00	400.00
Geologist, 6 mos. @ $500	1,000.00	2,000.00	3,000.00
Samplers (2), 5 mos. @ $250 per mo.	500.00	1,000.00	1,500.00
Auto rental @ $50 per mo.	100.00	200.00	300.00
Equipment misc. (tent, etc.)	300.00	200.00	500.00
Materials	200.00	600.00	800.00
Bulk sampling (not broken)		5,000.00	5,000.00
Totals	$14,800.00	$57,200.00	$72,000.00
Contingencies	$ 1,500.00	$ 5,700.00	$ 7,200.00
Totals	$16,300.00	$62,900.00	$79,200.00

Enclosures (8)
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Kirkemo

DMEA No. 2659

Cross Section A-A'

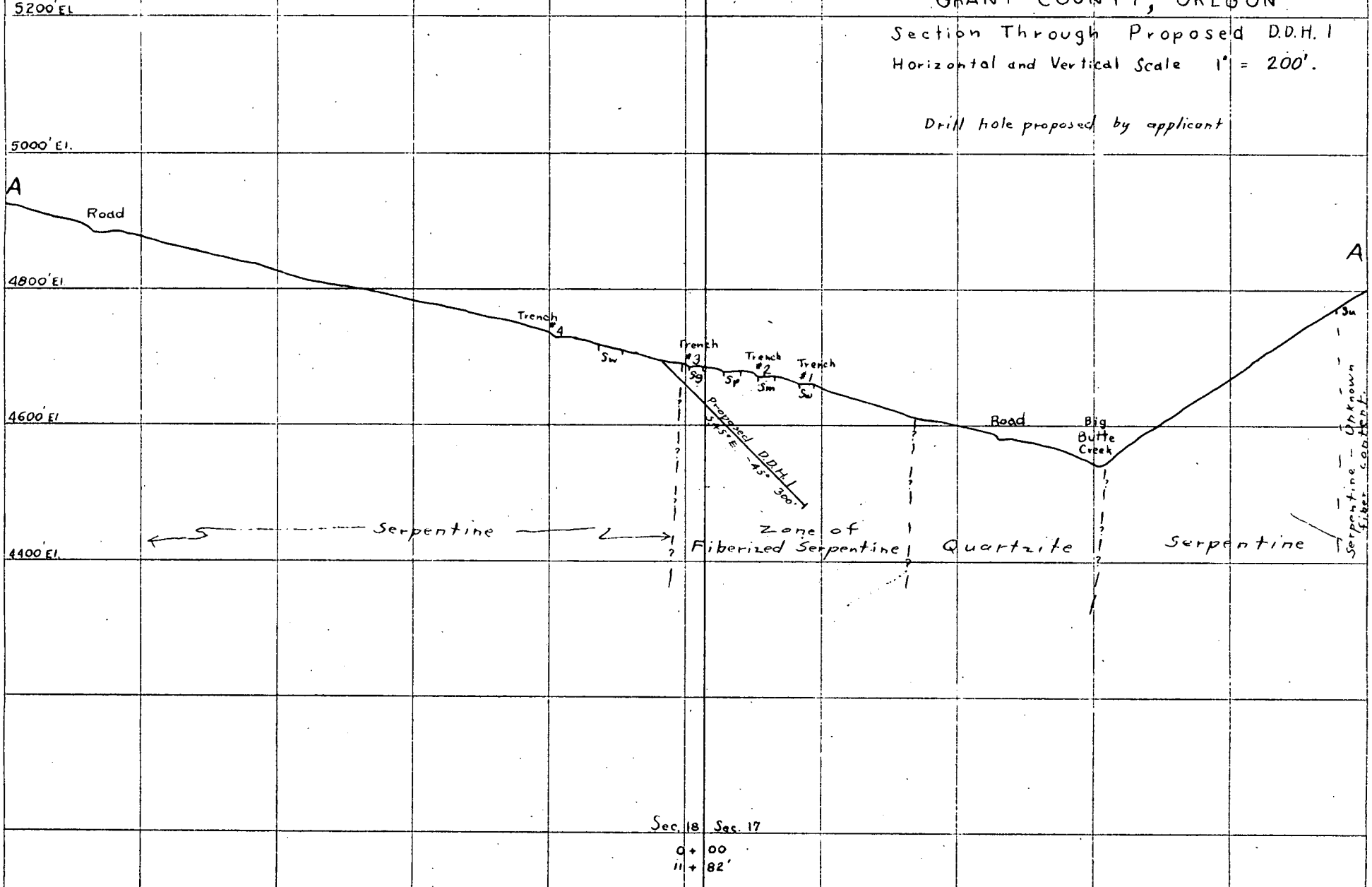
STITHEM ASBESTOS PROSPECT

GRANT COUNTY, OREGON

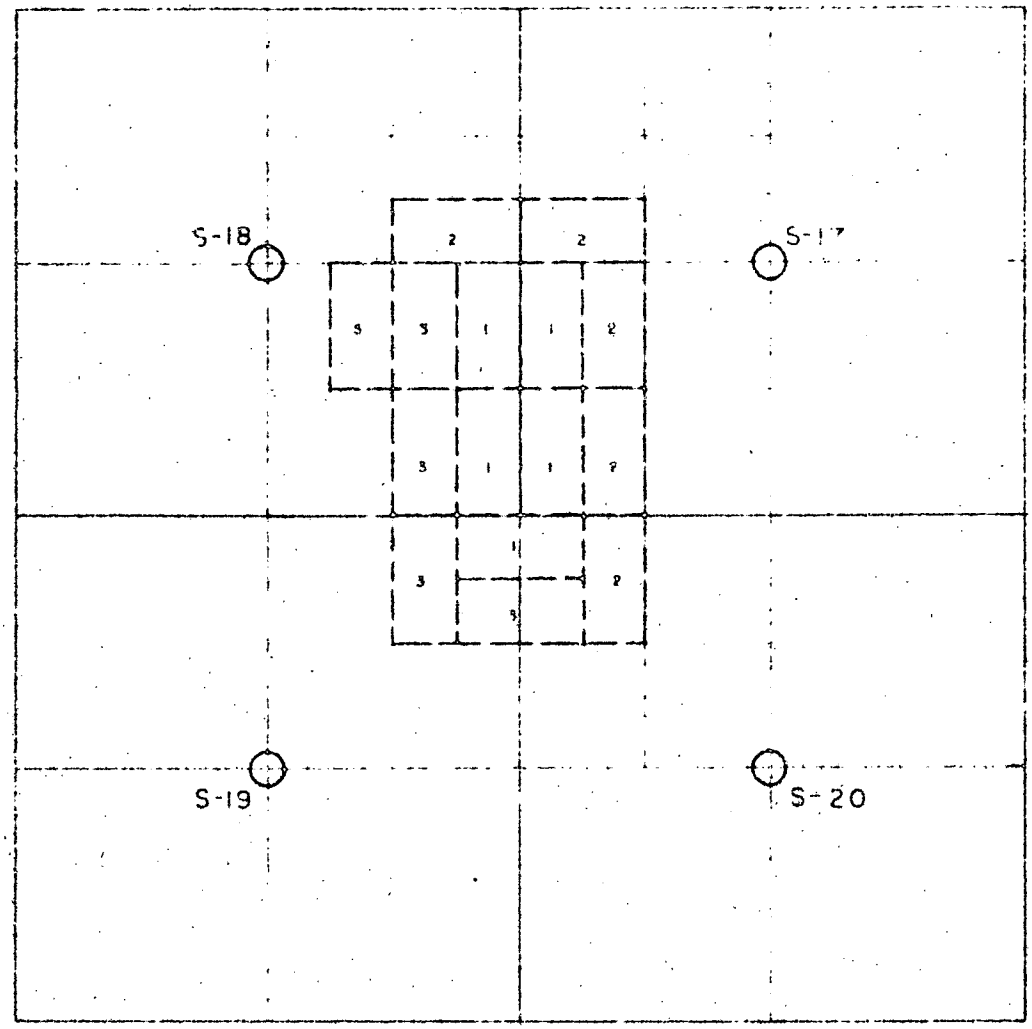
Section Through Proposed D.D.H. 1

Horizontal and Vertical Scale 1" = 200'.

Drill hole proposed by applicant



MAP 4



TOWNSHIP PLAT

STITHEM CLAIMS

ASBESTOS GROUP 1, 2 and 3

UNDER OPTION BY JOHNS MANVILLE CORP.

PART OF T.W.P. 11 SOUTH, RANGE 34 E.W.M.

GRANT COUNTY, OREGON

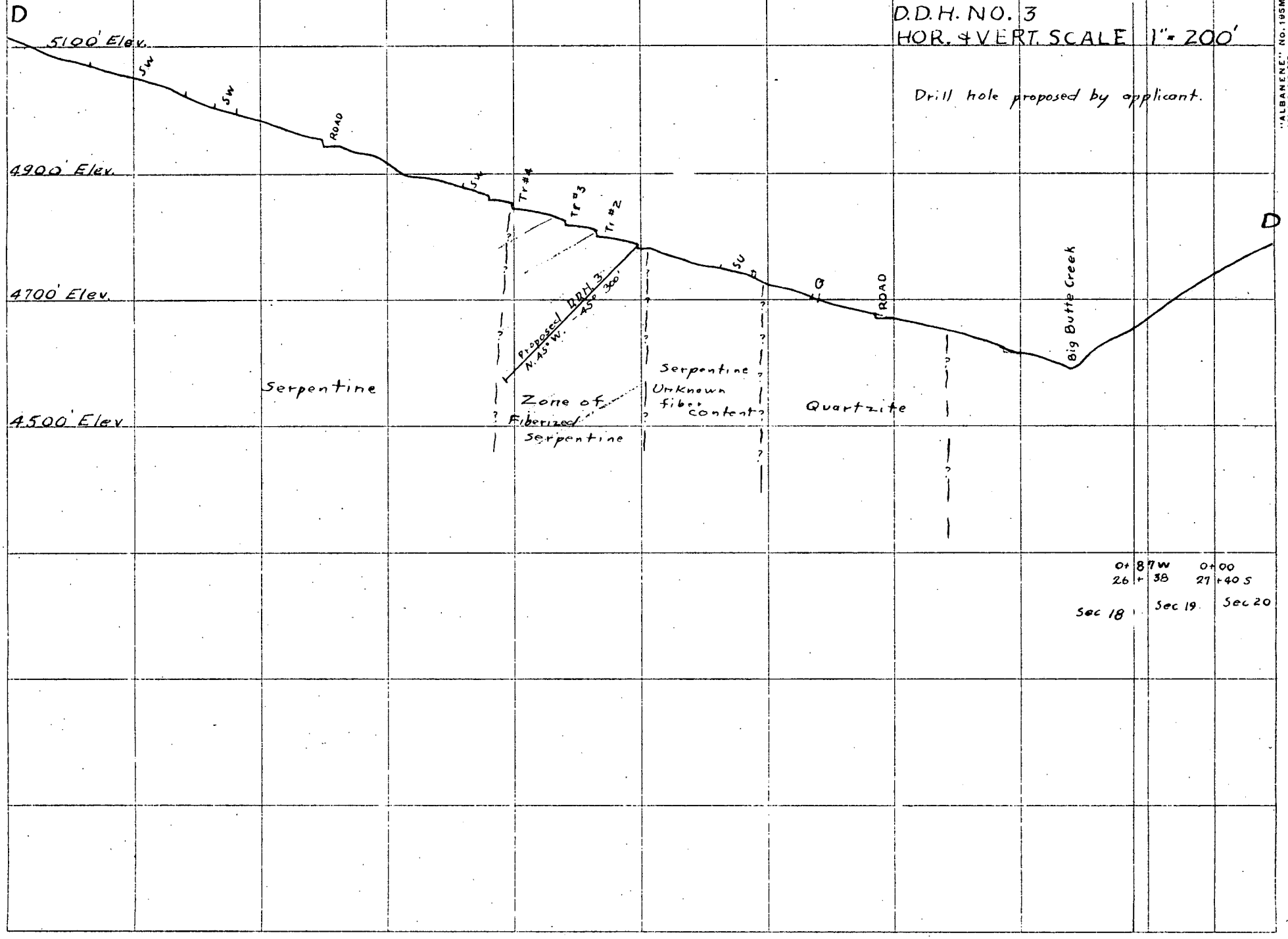
SCALE. 1" = 2000'

DATE: 1952

DMEA DOCKET NO 2659

Cross Section D-D'

STITHEM ASBESTOS PROSPECT
GRANT COUNTY, OREGON
SECTION THROUGH PROPOSED
D.D.H. NO. 3
HOR. & VERT. SCALE 1" = 200'

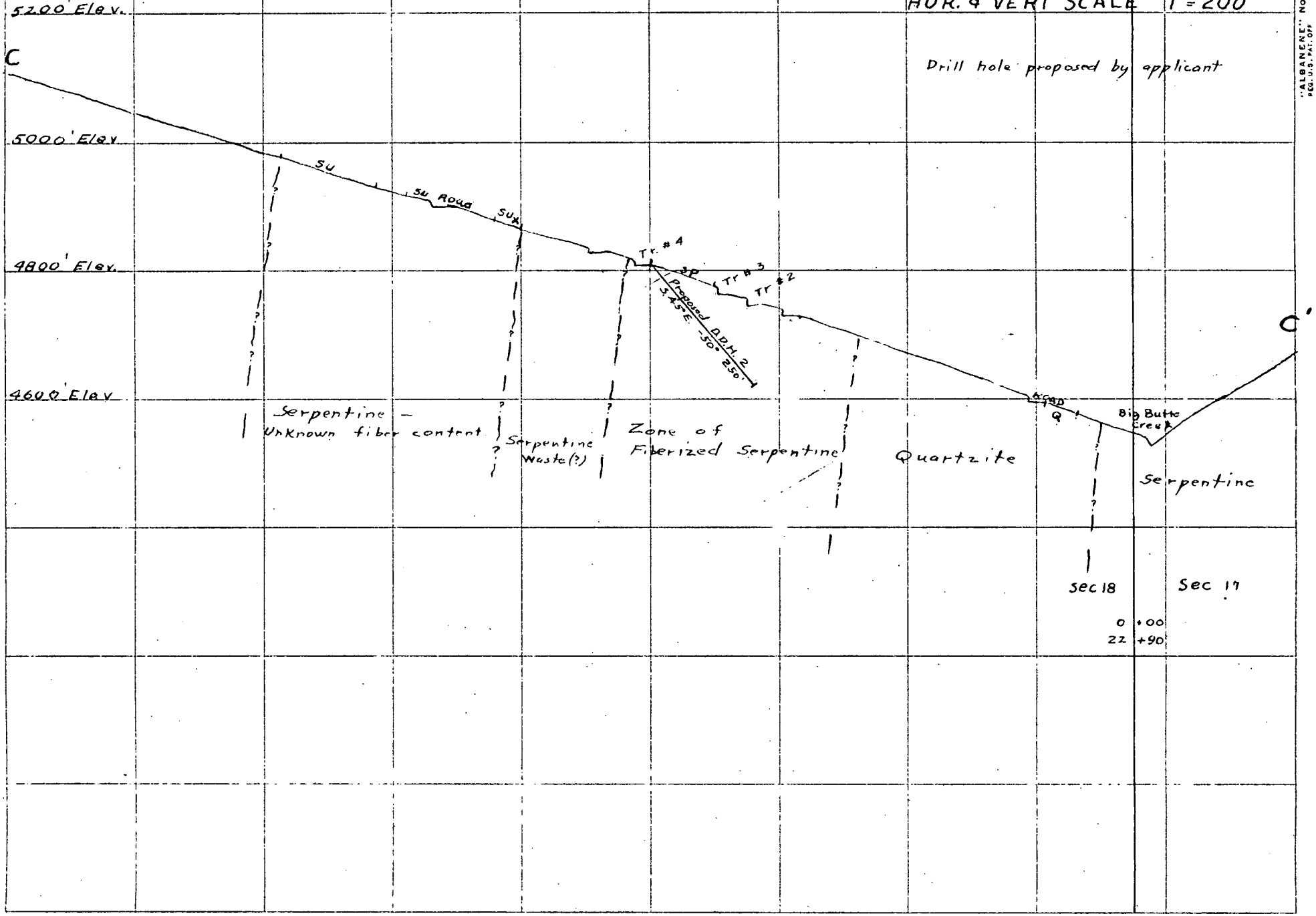


Drill hole proposed by applicant.

"ALBANENE" NO. 195M K&E CO., N.Y. REG. U.S. PAT. OFF.

DMEA DOCKET NO. 2659

Cross Section C–C'
STITHEM ASBESTOS PROSPECT
GRANT COUNTY OREGON
SECTION THROUGH PROPOSED
D.D.H. NO. 2
HOR. & VERT SCALE 1" = 200'



MAP 6

DMEA NO. 2659

Cross Section B-B'

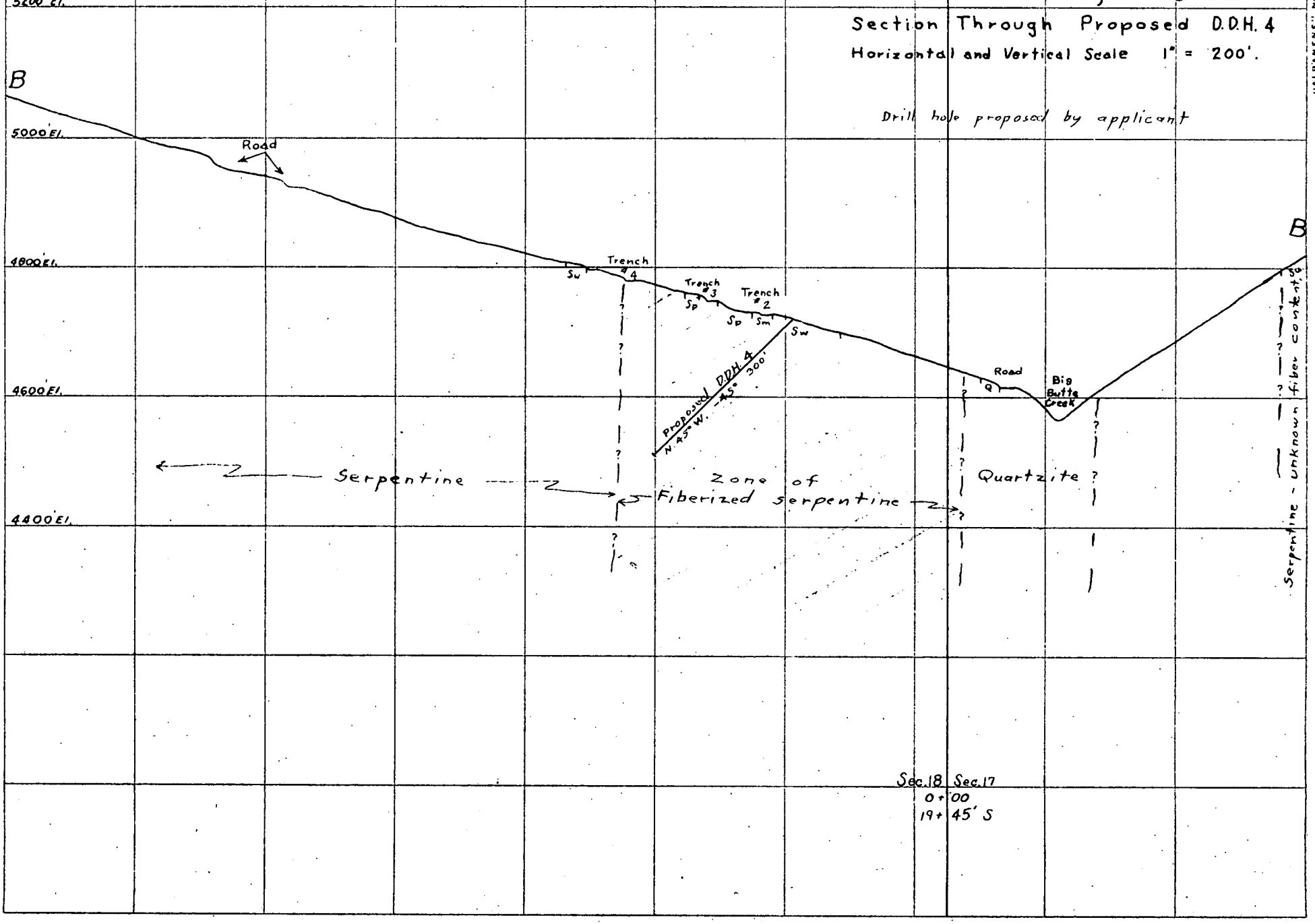
STITHEM ASBESTOS PROSPECT

GRANT COUNTY, OREGON

Section Through Proposed D.D.H. 4

Horizontal and Vertical Scale 1" = 200'.

Drill hole proposed by applicant



MAP 5

IN REPLY REFER TO:
G-MD-CNM

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

April 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2659 (Asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: Johns-Manville
Name of property: Stithem asbestos prospect.
Location of property: Secs. 17, 18, 19, and 20, T. 11 S., R. 34 E., Grant County, Oregon.
Date of field team report: March 5, 1953.
Authorship of field team report: Harold Kirkham and C. C. Popoff.
Field team's recommendation:

Stage 1. 2,000 feet of diamond drilling to determine presence of commercial ore.

Stage 2. 8,000 feet of diamond drilling, bulk sampling, experimental mining, and mill testing to determine grade and reserves.

Total cost: $79,200.

Comments:

1. Available data are not sufficiently specific to evaluate this project, but apparently exploration is worth undertaking. The company, however, has done some sampling and possibly drilling that would indicate whether or not further work is justified.
2. Field Team mentions an asbestos content of 1½ percent, which seems rather low.
3. The company officials exhibit remarkably little interest in their own application. They have not replied to Field Team letter of October 28, 1952, requesting data on (1) a 1,200-foot drilling program the company was undertaking, (2) definite plans for the DMEA project, and (3) results of mill tests on samples collected in 1951. Furthermore, the company geologist on the property did not know of the exploration plan that had been sent to DMEA.
4. Final evaluation of the merits of this proposal is not possible until complete data is submitted by the applicant regarding: (1) results of previous work and (2) detailed plans for exploration.

ACTION SUGGESTED:

Obtain data needed from applicant before considering this project further.

Norton:jeh
G-4/2/53
cc: Director's reading 4212
Branch reading
DMEA 3 ✓
Norton G-228

J. J. Norton

R

FILE COPY
SURNAME:

Houk
Nonmetallics

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

600

APR 2 1953

Mr. K. . Huffine, Vice President
Johns-Manville Sales Corporation
22 E. 40th Street
New York, New York

Re: Docket No. DMEA-2659 - Asbestos
Stithem Prospect
Grant County, Oregon

Dear Mr. Huffine:

Reference is made to our letter of October 23, 1952, requesting information on the work performed by your corporation on the Stithem Asbestos Prospect, Grant County, Oregon.

The Defense Minerals Exploration Administration field team report has been received in this office and, in order to properly evaluate the proposed work, it is suggested that you supply us with the requested information together with any results that may have been obtained in the drilling campaign conducted by your corporation last fall.

Sincerely yours,

SIGNED

4/2/53

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 4/2/53

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

IN REPLY REFER TO:
G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 3 1953

April 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2659 (Asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: Johns-Manville
Name of property: Stithem asbestos prospect.
Location of property: Secs. 17, 18, 19, and 20, T. 11 S., R. 34 E., Grant County, Oregon.
Date of field team report: March 5, 1953.
Authorship of field team report: Harold Kirkemo and C. C. Popoff.
Field team's recommendation:

Stage 1. 2,000 feet of diamond drilling to determine presence of commercial ore.

Stage 2. 8,000 feet of diamond drilling, bulk sampling, experimental mining, and mill testing to determine grade and reserves.

Total cost: $79,200.

Comments:

1. Available data are not sufficiently specific to evaluate this project, but apparently exploration is worth undertaking. The company, however, has done some sampling and possibly drilling that would indicate whether or not further work is justified.
2. Field Team mentions an asbestos content of 1½ percent, which seems rather low.
3. The company officials exhibit remarkably little interest in their own application. They have not replied to Field Team letter of October 28, 1952, requesting data on (1) a 1,200-foot drilling program the company was undertaking, (2) definite plans for the DMEA project, and (3) results of mill tests on samples collected in 1951. Furthermore, the company geologist on the property did not know of the exploration plan that had been sent to DMEA.
4. Final evaluation of the merits of this proposal is not possible until complete data is submitted by the applicant regarding: (1) results of previous work and (2) detailed plans for exploration.

ACTION SUGGESTED:

Obtain data needed from applicant before considering this project further.

Norton:jeh
G-4/2/53
cc: Director's reading 4212
Branch reading
DMEA 3 ✓
Norton G-228

J. J. Norton

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1953

March 17, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2659 (Asbestos)
Johns-Manville Sales Corp.
Stithem Asbestos Prospect
Grant County, Oregon

Dear Mr. Selfridge:

The examination report with maps and cross sections of the Stithem Asbestos deposit, Grant County, Oregon, by Harold Kirkemo, Geologist, U. S. Geological Survey, and Constantine C. Popoff, Mining Engineer, U. S. Bureau of Mines, is enclosed. The Field Team concurs with the recommendation of the examining team that this application for exploration be approved.

The applicant did not offer a definite program for exploration but suggested a general program which included with other work, 10,000 feet of diamond drilling. The resident geologist for Johns-Manville, John C. Gill, informed the examining team he had been instructed to select drill sites for a preliminary diamond drilling program totaling 1200 feet and stated that he had no knowledge of any further exploration plans by his company. He was negotiating for bids on the preliminary program and if a drilling firm was engaged in September, the initial drilling may have been completed last fall.

The Field Team on October 28, 1952 wrote to K. W. Huffine, Vice-President Johns-Manville Sales Corporation, for information about; (1) the tentative drilling program mentioned by Mr. Gill, (2) specific plans, if any, for a definite program of exploration, and (3) results of mill tests on bulk samples from the Stithem prospect collected by H. K. Conn, company geologist in 1951. We have not had the reply from Mr. Huffine.

A. F. Shride from the Tucson office, U. S. Geological Survey, reviewed the maps, specimens, and information gathered by the examining team when he was in Spokane last October. He was

favorably impressed by the appearance of fiber in the specimens and by the general description of the geology of the property and suggested a general method of exploration and testing.

In line with instructions from Washington we are submitting the data we have assembled on the Stithem prospect with a general suggested program of exploration. Details of the project, we understand, will be planned by DMEA personnel in Washington with officials of the Johns-Manville Corporation.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(Geological Survey)

acting for Thomas E. Howard

M. E. Volin, Member
(Bureau of Mines)

Enclosures
cc: USBM (2)
Kirkemo

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

March 5, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: Harold Kirkemo, Geologist, U. S. Geological Survey, and Constantine C. Popoff, Mining Engineer, U. S. Bureau of Mines

Subject: Docket No. DMEA-2659 (Asbestos), Examination Report, Johns-Manville Sales Corporation, Stithem Asbestos Prospect, Grant County, Oregon.

SUMMARY AND RECOMMENDATIONS

The Stithem asbestos deposit of medium to low grade chrysotile is being tested by the Johns-Manville Sales Corporation. Available geologic information indicates that further exploration is warranted to determine first the presence, and later, the size and shape of commercial ore bodies that could be mined by open-pit mining. The examining team recommends granting of an exploration loan in the amount of $79,200.00 subject to reappraisal after completion of an initial drilling program. The amount is larger than requested by the company due to anticipated higher cost of drilling than estimated by the company in its application.

The examining team also recommends that the project should be supervised by a competent resident geologist and that the drilling should be done by experienced drillers. BX or AX size core barrels should be used. The core and mill test samples should be tested for magnetic and free iron content in accordance with the National Stockpile Specifications for asbestos. The procedure for mill test sampling should be worked out by the corporation and approved by the Regional DMEA Office prior to actual work.

INTRODUCTION

The Stithem prospect was visited by the examining team on September 17 and 18, 1952. Mr. John C. Gill, Geologist, Johns-Manville Co., Ltd., Quebec, Canada, and in charge of exploration at the property, accompanied the team on the field trips. Copies of geologic and magnetometer survey maps were obtained and the results of work completed were discussed with Mr. Gill.

APPLICANT

The applicant, the Johns-Manville Sales Corporation, 22 E. 40th Street, New York City, is a subsidiary of the Johns-Manville Co.,

Ltd., Quebec, the largest producer of asbestos products in the world.

LOCATION

The prospect is in secs. 17, 18, 19, and 20, T. 11 S., R. 34 E., Willamette Principal Meridian, Grant County, Oregon. Bates, a logging and mill camp a few miles north of U. S. Highway 28, is the nearest town. The prospect is reached from U. S. Highway 28 by driving on gravelled county road 9 miles northwest along the Middle Fork John Day River and 2 miles southwest on an old logging road within the boundaries of Malheur National Forest to the head of Butte Creek. The county road from Bates to Susanville, a small community, is kept open the year around and serves extensive logging operations in the area.

OWNERSHIP

The property consists of 15 unpatented claims recorded in groups of five as the Asbestos Group Placer Mining Claim, the Asbestos Group No. 2 Placer Mining Claim, and the Asbestos Group No. 3 Placer Mining Claim (see map 8). The Johns-Manville Sales Corporation has an option to purchase from Mr. Ray Stithem the Asbestos Group Placer Claim for $50,000.00 during the next two years. The option expires on January 24, 1954. Other claims are owned by the corporation by virtue of two quitclaims. The purchase agreement and quitclaims are properly recorded in the Grant County Courthouse at Canyon City.

HISTORY

A lode claim was staked on the property in 1942 following discovery of chromite, but the grade of ore was too low towarrant much work and the claim was abandoned.

The main asbestos claims were located by Ray Stithem and his relatives in 1942. These were relocated and new claims added in 1950. The Asbestos Corporation leased the property for a short time in 1951 and completed some trenching. The present operator, the Johns-Manville Sales Corporation, acquired the purchase option in January 1952.

DESCRIPTION OF PROPERTY

At present the exploration work is limited to the Asbestos Group Mining Claim, an area of about 100 acres.

The workings consist of 5 bulldozer trenches 30 to 70 feet apart and up to 1,200 feet in length. There was no building and no mining equipment on the ground when the examining team visited the property.

Water for drilling is available from Big Butte creek several hundred feet horizontally and less than 300 feet vertically from the proposed drill sites.

The deposit is favorably situated for open-pit mining. It is located on the steep west bank of Big Butte creek and the cover of overburden is only one to three feet thick.

GEOLOGY

The prospect is 5 to 6 miles north of the Quartzburg gold mining district and 6 to 7 miles southwest of the Greenhorn gold mining district. The asbestos area lies between these districts on the southwest bank of Big Butte creek, a northeast flowing tributary of the Middle Fork John Day River.

The regional geology of the area is best described by Waldemar Lindgren 1/:

> "The geologic structure of this area is complicated, but, in general, the rocks consist of diorite, diabase, and other greenstones together with serpentine enclosing smaller areas of clay slates, the exact age of which is not known. They are, however, older than the accompanying intrusive rocks. Between the Middle and South Forks of John Day River rises a complex of older rocks culminating in the round topped Dixie Butte which attains an elevation of 7,700 feet. It is probably on all sides surrounded by Miocene lava flows."

The underlying rocks in the area embraced by the claims includes in order of their probable age: argillaceous quartzite, serpentine, syenite, tuff, basalt, and gravels (see map 2).

Patches of dark argillaceous quartzite occur in a zone about 2,200 feet long between the creek and Trench 1. The formation consists of thin beds 1 to 6 inches thick. There are tight folds, joint planes, quartz veinlets, and poorly defined bedding planes striking N. 50° E. and dipping to the northwest within the quartzite.

West of and roughly parallel to the quartzite are outcrops of serpentinized peridotite within an area about 2,400 feet long and 1,500 feet wide elongated in a north-south direction. The zone of fiberized serpentine uncovered by bulldozing within the serpentine mass is 250 to 350 feet wide and 1,200 feet long.

Within the fiberized zone are irregular, sinuous, sheared zones, 2 to 5 feet wide, of light grey, bleached serpentine. Some shearing appears to trend in a northeasterly direction.

1/ Lindgren, Waldemar, "Gold Belt of the Blue Mountains of Oregon", 22nd Annual Report of the U. S. Geological Survey, 1900-1901, pp. 708-709.

The Stithem deposit contains the chrysotile variety of cross fiber asbestos. It is soft to semi-harsh in texture. The asbestos veinlets range from 1/32 to 3/4 of an inch in width and have a distinctive silvery sheen in sunlight. Many of the veinlets are broken by diagonal partings caused by seams of light green picrolite, a less flexible and non-commercial variety of chrysotile, cleavage planes, and thin slivers of serpentine. Picrolite is also common in fractures and slips in shear zones and is of earlier age than the fibrous chrysotile. A few grains of chromite were noted in the serpentine.

Results of mill tests made on two bulk samples obtained in July 1951 by H. K. Conn, Geologist, Canadian Johns-Manville Co., have not been reported to DMEA representatives. A letter to the applicant from the DMEA Field Team inquiring about these tests has not been answered.

EXPLORATION WORK COMPLETED

Exploration work completed by the Johns-Manville Sales Corporation to September 18, 1952, included bulldozer trenching, geologic mapping, magnetometer surveying, and sampling. Areas containing good, medium-grade, and low-grade asbestos have been roughly outlined by Mr. Gill. The visual method accepted by Johns-Manville of evaluating the grade and quality of asbestos fibers in outcrops is to count and measure asbestos veinlets 1/32-inch or more in width across an outcrop 10 feet wide and to compile this information on a classification chart. When the field examination was made, the visual method of estimating the general quality and grade of the deposit was handicapped by lack of enough exposures 10 feet wide within the fiberized zone.

A magnetometer survey across the fiberized zone was made by Mr. Gill in July and August 1952. A Sharpe magnetometer instrument with a 4-inch dial was used to obtain gamma readings of the field intensity across the fiberized zone. Readings were made at 200-foot intervals along a previously surveyed grid and at closer intervals when strong anomalies were detected.

Accompanying map 3 shows several centers of strong magnetic anomalies; whether they are due to concentrations of asbestos, to iron-bearing rocks or minerals, or to concealed rock structures, cannot be evaluated at present.

RESERVES

Surface examination of the Stithem asbestos deposit indicates a zone of fiberized serpentine 1,300 feet long, 250 feet wide, and 200 feet in vertical extent between the highest and lowest outcrops.

Available evidence suggests the fiber content in part of the deposit at least may average 1½ percent. Determination of grade and tonnage is the objective of the proposed exploration program.

DESCRIPTION OF THE APPLICANT'S PROPOSAL

No detailed exploration program is given by the applicant. The company estimates the cost of exploration at $67,060.00 plus 10 percent contingencies, or a total of $73,766.00. This includes bulldozer trenching, magnetometer surveying, 10,000 feet of diamond drilling, and bulk sampling. At the time of examination, Mr. Gill had no knowledge of the 10,000-foot drilling program, or of the plan for bulk sampling. However, he had been instructed to locate four diamond drill holesites for an initial diamond drilling program totalling 1,200 feet. The drilling was proposed for completion by the end of the 1952 field season. The proposed holes, 300 to 500 feet apart and within the boundaries of magnetic anomalies, are scattered in chessboard pattern. They are alternately inclined at minus 45 degrees and minus 50 degrees in planes striking S. 45° E. and N. 45° W. Cross sections through each hole are given on the attached maps 4, 5, 6, and 7.

A bid for this drilling had been received in September 1952 from Lynch Bros., diamond drill contractors, Seattle, Washington at $5.95 per foot plus cost of cementing. Other companies declined the bid offer.

PROPOSED PROGRAM

Since there is doubt that the initial drilling was completed last year, the following program includes both the preliminary and the detailed stages of exploration.

Stage I

To determine the presence of commercial grade ore below the outcrops a preliminary program of 2,000 feet of diamond drilling is recommended. The footage allows for more drilling than originally planned by the applicant.

Vertical holes are preferred in this stage of the exploration. If inclined holes are drilled, however, two holes in the same vertical section across the probable strike of the fiberized zone will be important for interpretation of the strike and dip.

Stage II

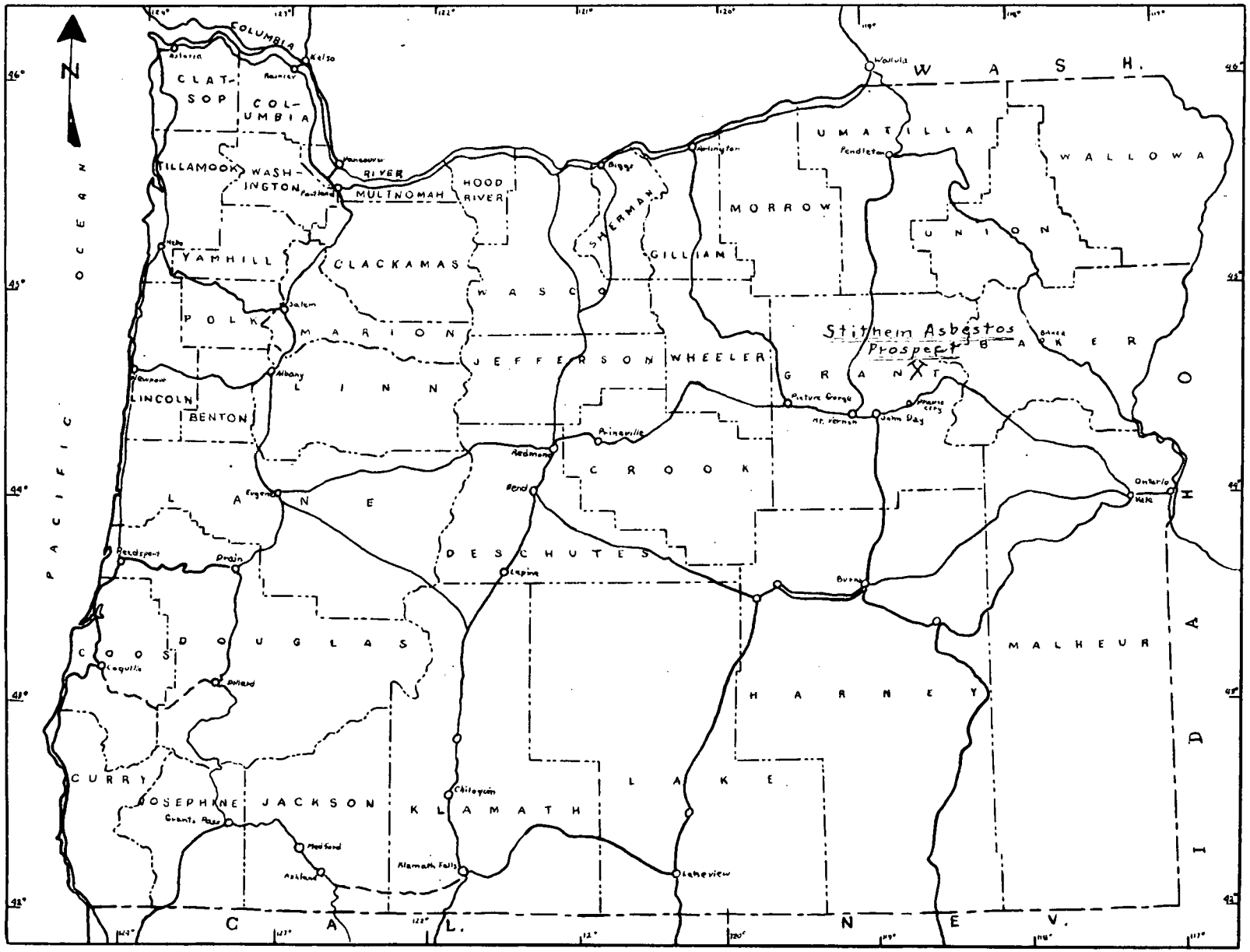
Eight thousand feet of drilling is anticipated for detailed exploration for commercial ore bodies. Experimental mining with bulk mill test sampling is included in this stage, as proposed by the company. No special funds are provided for analysis or for the mill tests by the company facilities. Excluded are the overhead cost of office charges and consultation by the company's chief geologist.

The total cost is estimated as follows:

	Stage I	Stage II	Total
Diamond drilling by contract			
2,000 feet @ $6.25	$12,500.00		$12,500.00
8,000 feet @ $6.00		$48,000.00	48,000.00
Bulldozer work by contract	200.00	200.00	400.00
Geologist, 6 mos. @ $500	1,000.00	2,000.00	3,000.00
Samplers (2), 5 mos. @ $250 per mo.	500.00	1,000.00	1,500.00
Auto rental @ $50 per mo.	100.00	200.00	300.00
Equipment misc. (tent, etc.)	300.00	200.00	500.00
Materials	200.00	600.00	800.00
Bulk sampling (not broken)		5,000.00	5,000.00
Totals	$14,800.00	$57,200.00	$72,000.00
Contingencies	$ 1,500.00	$ 5,700.00	$ 7,200.00
Totals	$16,300.00	$62,900.00	$79,200.00

Enclosures (8)
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Kirkemo

DMEA No. 2659



INDEX MAP

STATE OF OREGON

Scale 10 0 10 20 30 40 Miles

Map 1

FILE COPY
SURNAME:

Houk

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

600

Mr. George M. Wilson, Asst. to the
Vice President
Johns-Manville Corporation
22 East 40th Street
New York 16, New York

APR 16 1953

Re: Docket No. DMEA-2659 - Asbestos
Stitham Prospect
Grant County, Oregon

Dear Mr. Wilson:

Reference is made to your letter of April 9, 1953, stating you have no record in your files of our request for information of October 28, 1952, signed by Mr. A. E. Weissenborn.

Transmitted herewith is a copy of our letter of October 28 to Mr. K. W. Huffine on the subject application, in response to your request.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

LGHouk:gad 4/15/53

J. C. 4/16/53

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

JOHNS-MANVILLE CORPORATION
TWENTY-TWO EAST FORTIETH STREET
NEW YORK 16, N.Y.

EXECUTIVE OFFICES

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 10 1953

April 9, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Dear Mr. Houk:

Your letter of April 2 makes reference to a request that was made for information concerning some exploration work our company was doing in Oregon.

We have no record in our files of having received this request.

If you are in a position to re-submit this request for information we will do everything in our power to cooperate in supplying you with what is desired.

Very truly yours,

G M Wilson

George M. Wilson
Asst. to the Vice President

IN REPLY REFER TO:

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

DEPARTMENT OF THE G-MD-CNM
Defense Minerals Administration
RECEIVED
APR 2 1953

April 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2659 (Asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: Johns-Manville
Name of property: Stithem asbestos prospect.
Location of property: Secs. 17, 18, 19, and 20, T. 11 S., R. 34 E., Grant County, Oregon.
Date of field team report: March 5, 1953.
Authorship of field team report: Harold Kirkemo and C. C. Popoff.
Field team's recommendation:

Stage 1. 2,000 feet of diamond drilling to determine presence of commercial ore.

Stage 2. 8,000 feet of diamond drilling, bulk sampling, experimental mining, and mill testing to determine grade and reserves.

Total cost: $79,200.

Comments:

1. Available data are not sufficiently specific to evaluate this project, but apparently exploration is worth undertaking. The company, however, has done some sampling and possibly drilling that would indicate whether or not further work is justified.
2. Field Team mentions an asbestos content of 1½ percent, which seems rather low.
3. The company officials exhibit remarkably little interest in their own application. They have not replied to Field Team letter of October 28, 1952, requesting data on (1) a 1,200-foot drilling program the company was undertaking, (2) definite plans for the DMEA project, and (3) results of mill tests on samples collected in 1951. Furthermore, the company geologist on the property did not know of the exploration plan that had been sent to DMEA.
4. Final evaluation of the merits of this proposal is not possible until complete data is submitted by the applicant regarding: (1) results of previous work and (2) detailed plans for exploration.

ACTION SUGGESTED:

Obtain data needed from applicant before considering this project further.

J. J. Norton

IN REPLY REFER TO:
G-MD-CMM

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

April 2, 1953

Memorandum

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ACTION SUGGESTED:

Obtain data needed from applicant before considering this project further.

Norton:jeh
G-4/2/53
cc: Director's reading 4212
Branch reading
DMEA 3 ✓
Norton G-228

J. J. Norton

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

Memorandum

To: Mr. Robert E. Adams

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2659 - Asbestos
Johns-Manville Sales Corporation
Stithem Prospect
Grant County, Oregon

Re: A voluntary request for cancellation of subject application.

Attached please find a letter from the Johns-Manville Sales Corporation making a request that their application Docket No. DMEA 2659 be cancelled.

We return herewith the docket file on this case and will consider it closed.

Jasper T. Robertson

Attachment

Jasper T. Robertson
Nonmetallic Minerals Division

4/29/53

Mr. M:

The Op.Com. looked at this, without surnaming. So did Mr. Johnson and Mr. Selfridge.

Do you want to surname it before it goes to files?

fw

OK

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

600

Memorandum

To: Mr. Robert E. Adams

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2659 - Asbestos
Johns-Manville Sales Corporation
Stitham Prospect
Grant County, Oregon

Re: A voluntary request for cancellation of subject application.

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We return herewith the docket file on this case and will consider it closed.

Jasper T. Robertson
Nonmetallic Minerals Division

DMEA-2659
Mr. Robertson

Johns-Manville

SALES CORPORATION

Telephone: NAtional 8-5796

826 Woodward Bldg.
Washington 5, D. C.

April 20, 1953

Defense Minerals Exploration Administration
Department of the Interior Building
Washington, D. C.
Attn; Mr. L. G. Houk

Dear Mr. Houk:

This will confirm our previous conversations that it is the wish of Johns-Manville that our application which you have on hand be cancelled. We note your suggestion that future applications submitted by us could probably be processed more rapidly and we shall certainly keep this in mind.

Thank you very much for your numerous courtesies.

Yours very truly,

W. C. WINELAND
Manager

WCW;ts

FILE COPY
SURNAME:

Robertson
Hauh

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

600

April 27, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing review of Docket No. DMEA-2659 - Asbestos
Application: Dated August 15, 1952
(Voluntarily withdrawn April 20, 1953)
Contract: None
Property: Stithem Prospect (Asbestos Group No. 1, 2 & 3 - sometimes called Butte Creek Asbestos Prospect)
Located in Twp. 11S., Range 34E.
Grant County, Oregon
Applicant: Johns-Manville Sales Corporation
22 East 40th Street
New York 16, New York
Amount applied for - $67,060
Project work: None

This application for exploration assistance was voluntarily withdrawn by letter, dated April 20, 1953, signed by W. C. Winblad, Manager, Johns-Manville Sales Corporation.

Summary of Docket:

8/18/52 Received application, MF-103, together with report entitled "Butte Creek Asbestos Prospect" by H. K. Conn, Exploration Division, Canadian Johns-Manville, Ltd. Report was dated August 1951 and included a geological map and a claim map.

8/20/52 Memorandum on subject from Geological Survey - Paul L. Weis. Memorandum on subject from Bureau of Mines - Oliver Bowles. Both recommend a field team referral.

8/25/52 Referred to Field Team, Region II for examination.

9/12/52 Received additional maps.

10/28/52 Letter - Executive Officer, Region II to K. W. Huffine, Vice President, requesting that the company outline a program in two or more stages.

3/23/53 Received examination report from Field Team, Region II, with maps and cross-sections. Report is a comprehensive memorandum written after examination of the property by Harold Kirkemo, Geologist, and Constantine C. Popoff, Mining Engineer. Project work in two stages is recommended. Stage I - 2,000 ft. of core-drilling, and
Stage II - 8,000 ft. of core-drilling.
Total project in the amount of $79,200.

4/2/53 A letter to the applicant from Chief, Nonmetallic Minerals Division, requesting information relative to work - some core-drilling done by the company for its own account in the fall of 1952.

4/16/53 Letter to K. L. Huffine, Vice President, on same subject as previous letter of April 2, 1953.

4/20/53 Letter from W. C. Winblad, Manager, Johns-Manville Sales Corporation requesting that application be canceled and quoted in part as follows:

"This will confirm our previous conversation that it is the wish of Johns-Manville that our application which you have on hand be cancelled....." Signed by W. C. Winblad, Manager.

Comment: This company was discouraged by the time necessary to process the application in the field and apparently completed some of the work for their own account and found it not encouraging.

SIGNED
Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 4/27/53

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

J. C. 5/1/53

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

April 27, 1953

Noted

C. O. Mittendorf (for)

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing review of Docket No. DMEA-2659 - Asbestos
Application: Dated August 15, 1952
(Voluntarily withdrawn April 20, 1953)
Contract: None
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Located in Twp. 11S., Range 34E.
Grant County, Oregon
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Amount applied for - $67,060
Project work: None

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4/20/53 Letter from W. C. Winblad, Manager, Johns-Mansville Sales Corporation requesting that application be canceled and quoted in part as follows:

"This will confirm our previous conversation that it is the wish of Johns-Manville that our application which you have on hand be cancelled....." Signed by W. C. Winblad, Manager.

Comment: This company was discouraged by the time necessary to process the application in the field and apparently completed some of the work for their own account and found it not encouraging.

Jasper T. Robertson

Jasper T. Robertson
Nonmetallic Minerals Division

FILE COPY
SURNAME:

Robertson
Houk
Mittlemann

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

MAY 1 1953 BL

Memorandum

To: Mr. Robert E. Adams

From: Nonmetallic Minerals Division

Subject: Docket No. DMRA-2639 - Asbestos
Johns-Manville Sales Corporation
Stithem Prospect
Grant County, Oregon

J.C. 5/1/53

Re: A voluntary request for cancellation of subject application.

Attached please find a letter from the Johns-Manville Sales Corporation making a request that their application Docket No. DMRA 2639 be cancelled.

We return herewith the docket file on this case and will consider it closed.

SIGNED

Attachment

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:fls 4/23/53

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

COPY COPY

JOHNS-MANVILLE

Sales Corporation

J_M

Telephone: NAtional 8-5796

826 Woodward Bldg.
Washington D. C.

April 20, 1953

Defense Minerals Exploration Administration
Department of the Interior Building
Washington, D. C.
Attn; Mr. L. G. Houk

Dear Mr. Houk:

This will confirm our previous conversations that it is the wish of Johns-Manville that our application which you have on hand be cancelled. We note your suggestion that future applications submitted by us could probably be processed more rapidly and we shall certainly keep this in mind.

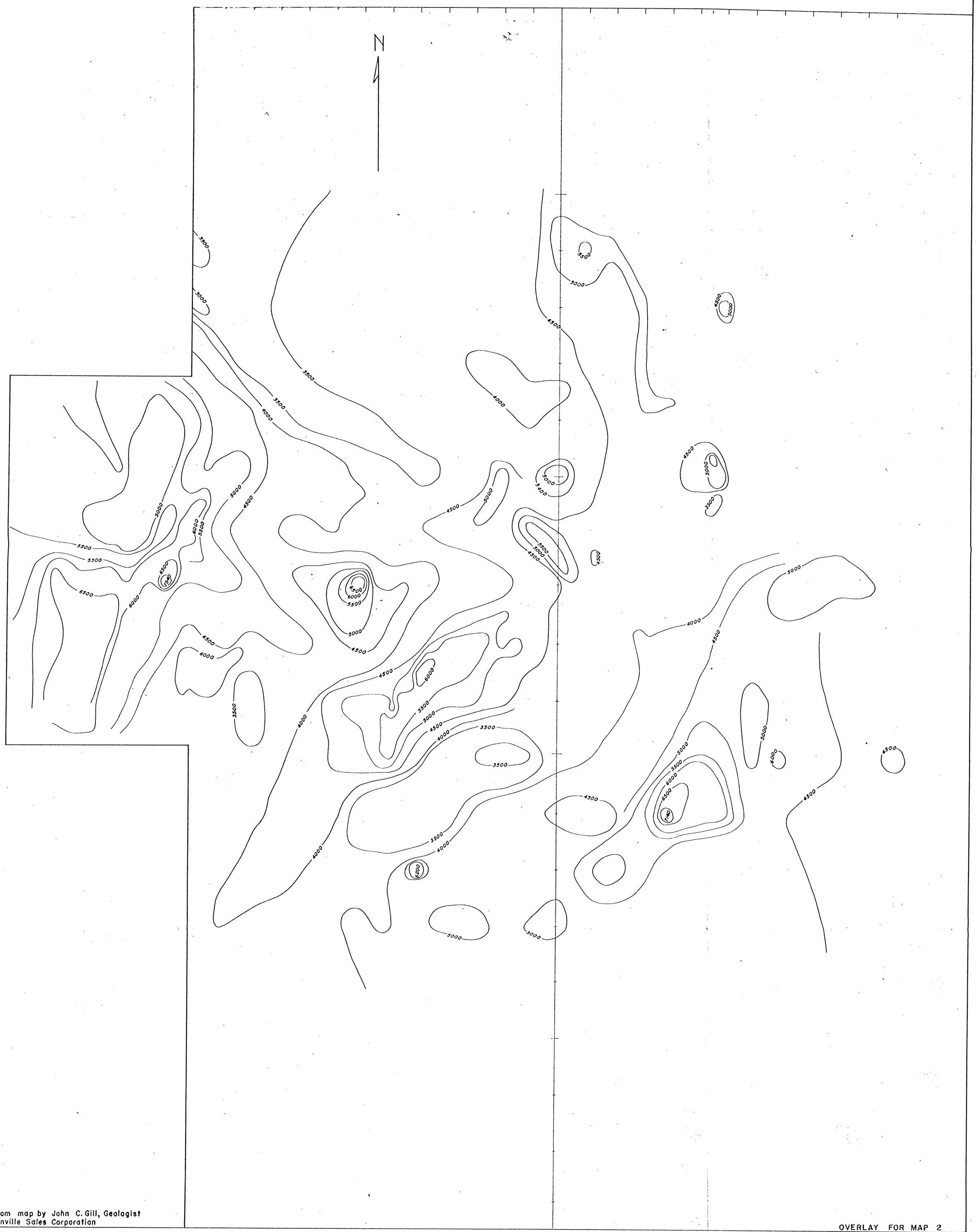
Thank you very much for your numerous courtesies.

Yours very truly,

/s/ W. C. Winblad

W. C. WINBLAD

WCW;ts



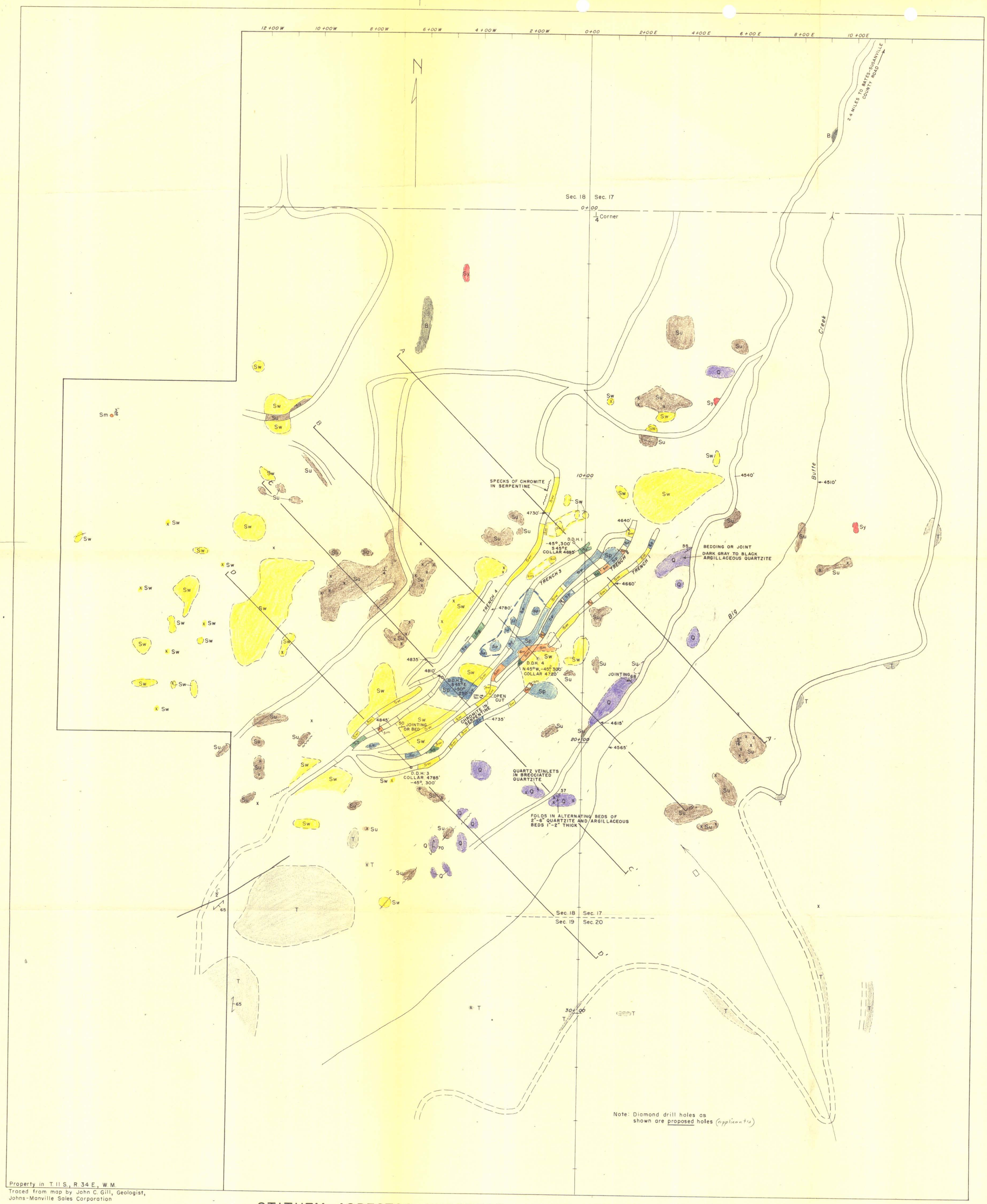
Traced from map by John C. Gill, Geologist
Johns Manville Sales Corporation

OVERLAY FOR MAP 2

ISOGAMMA MAP OVERLAY, STITHEM ASBESTOS PROSPECT, GRANT COUNTY, OREGON

0 200 400 600 800 1000 Feet

Contour interval 500 Gammas



EXPLANATION

B — Basalt (Columbia River?)

T — Tuff

Sy — Syenite

Sw — Serpentine - Waste

Su — Serpentine - Unknown fiber content

		FIBERIZED SERPENTINE Minimum visual standards				
		VEIN WIDTH				
		1/32"	1/16"	1/8"	3/16"	1/4"
Sg Good	Number of veins across 10' width	3	3	3	3	3
Sm Medium		3	3	3	3	
Sp Poor		3	3	3		

Q — Argillaceous dark quartzite

x — Outcrop

Shear or fault (Strike of shear not necessarily indicated)

65 — Strike and dip of jointing or cleavage

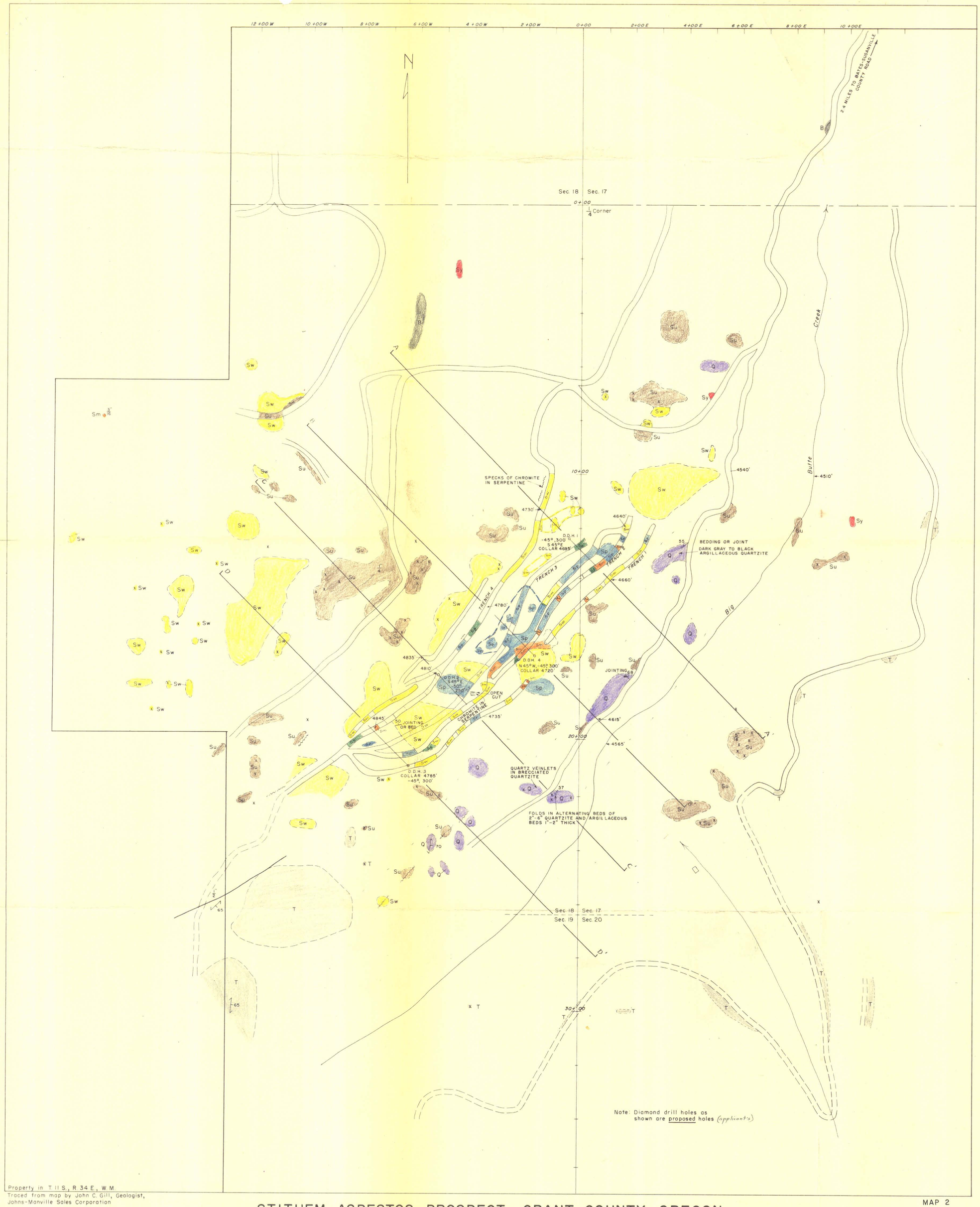
1/4" — Length of fiber in a single vein isolated outcrop

Property in T 11 S., R 34 E., W.M.
Traced from map by John C. Gill, Geologist, Johns-Manville Sales Corporation

STITHEM ASBESTOS PROSPECT, GRANT COUNTY, OREGON

MAP 2

0 200 400 600 800 1000 Feet



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STITHEM ASBESTOS PROSPECT, GRANT COUNTY, OREGON

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