DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 28 — DMEA NO. 103

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

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

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

Additional Folders:

Left Side

Folder~~s~~ No. 2 on Summary Rpt Sulphur Deposit: ~~Reports~~
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty material

17963

JUN 11 1959
O.M.E.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado pertaining to Contract Ldm-828, Docket No. MMA 103, dated June 27, 1951, with

Continental Sulphur and Phosphate Corporation
8010 Tower Building
Dallas, Texas

for the purpose of determining the amount of royalties due the U. S. Government on the sales of Sulphur, from property referred to as Continental Sulphur and Phosphate Mine, located in Park County, Wyoming, during the period June 27, 1951 thru June 9, 1959.

A Certification of Discovery or Development was issued on May 1, 1952, accordingly royalty is payable on the net smelter returns or other net proceeds produced from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A final cost audit dated May 20, 1953, indicated accepted costs under the Exploration Contract amounting to $47,412.79, with the Government's contribution on a 50 percent basis being $23,706.40.

No royalty has been paid to the Government to date in connection with this contract.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) According to the Field Team's Semi-Annual Report of certified project for the period January 1, 1953 to June 30, 1953, operation ceased about September 15, 1951; no ore has been shipped since June 27, 1951, (the date of the Exploration Contract). Subsequent semi-annual reports of the Field Team during the period July 1, 1953 thru December 31, 1958, indicate the property is inactive and no operations or ore shipments are anticipated in 1959.

(b) The administrative costs to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

June 9, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

FILE COPY
SURNAME:

Hank
Hoffman
Chambers
Hedges
Lawson
F. Johnson

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

[illegible] OF THE UNITED [illegible] OF AMERICA
[illegible] DEVELOPMENT UNDER
[illegible] EXPLORATION PROJECT CONTRACT

Continental Sulphur and Phosphate Corp.
2[illegible] Petroleum Building
Dallas 2, Texas

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated June 27, 1951 (Docket No. 1[illegible]), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government", to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of Wyoming, County of Park, described as follows: Secs. 5, 6, 7, 8, 9, 15 and 16, T. 54 N., R. 1[illegible] W., and Secs. 1 and 12, T. 5[illegible] N., R. 1[illegible] W.

The Government's estimate of said discovery or development is particularly described and delineated as follows:

Sulphur occurs in the interstices of shattered and jointed andesitic breccia of the Yellowstone volcanic plateau as irregular lenses of fumarolic origin. Core drilling has largely outlined the sulphur bearing lenses and has furnished sufficient data to calculate indicated ore reserves.

THE UNITED STATES OF AMERICA

By C O Mitteudorf
Acting Administrator
Defense Minerals Exploration
Administration

Dated: MAY 1 1952

Acknowledged 4/[illegible]/52

SN
5-2-52

Copy to: Mr. John Larson, Adm., DMEA
Admin. Leading File
Field Team, Region IV
~~[illegible]~~ Mr. Hedges, Room 4604
~~[illegible]~~ Mr. Thayer, Room 5216, GSA Bldg.
Operating Committee (2) J.L. Chambers & Mr. Murkland
Mr. [illegible] Finance Office

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

Continental Sulphur and Phosphate Corporation
2010 Texas Petroleum Building
Dallas, Texas

pertaining to Exploration Contract DMA-[illegible], Docket No. DMA 103 including Amendment No. 1, covering a project of exploration for Sulphur, for the period June 27, 1951 to September 15, 1951.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the Contractor:

Total Cost per MF-104		$58,989.08
Less: Proceeds from Property Disposition		4,990.85
Adjusted Cost		$53,998.83
Exceptions: (see audit report for details)		
During this Audit	$6586.04	
Prior to this Audit	-0-	6,586.04
Total Accepted Cost		$47,412.79

The contract calls for a 50 per cent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Twenty-three thousand seven hundred six and 40/100 Dollars

-$23,706.40-
19707.50

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Dated: May 20, 1953

T. H. Bruning, Auditor

I. INTRODUCTION

A final audit was made from April 7 to 9, 1953 (covering the period from June 27, 1951 to September 15, 1951), of the records and accounts of operations pertaining to Contract IBMA-828, Docket No. IBMA 103 and one amendment with the:

Continental Sulphur and Phosphate Corporation
2010 Tower Petroleum Building
Dallas, Texas

covering a project of exploration for sulphur.

The mine is located in Township 54 and 55 North, Ranges 106 and 107 West, Park County, Wyoming. The accounting records under this contract are located in the company's office, 2010 Tower Petroleum Building, Dallas, Texas.

During the course of the audit, the following officers and employees of the company were consulted as required:

Mr. C. Andrade III - President
Mr. W. M. Knight - Superintendent

Their cooperation greatly facilitated the audit.

II. GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project are complete and maintained in a satisfactory manner. The company had absorbed all costs prior to the commencement of exploratory operations under subject contract; also excess costs of bridge and road construction and some other excess costs since that date.

The original invoices covering the costs of this project were recorded on an "Analyses Sheet" for the entire period of the operation. Payroll costs which are supported by detailed records were also entered on this "Analyses Sheet." Therefore, this audit involved in general,

a check of original invoices against the Analyses Sheet and reconciliation of the figures shown on the Analyses Sheet with the appropriate general ledger account. All costs, except for some incidental local purchases, were recorded on an accrual basis.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs as shown in "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher (as amended) for the period ending September 15, 1951. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts

Core Drilling

Invoice from Jones Core-Drilling Company totaled $4831.30 of which $4750.00 was for 38 days of core drilling at $125.00 per day. This invoice was adjusted and settled for $4500.00 as evidenced by cancelled check. The cost as shown is considered to be allowable and proper under the terms of the contract.

Roads, Etc.

According to the records of the company, the following expenditures were made to independent contractors for road and bridge construction. Attention is directed to the fact that expenditures after the date of the contract, which is June 27, 1952, totaled $30,854.02.

Date	Davis Construction Co. Road	Date	McGlothin & Kaimon Bridges	Date	Miscellaneous	
5/5	1476.45	7/13	2062.40	8/20	Guards	299.37
6/9	539.13	8/2	1196.58		Wings	73.63
6/21	3591.92	9/2	1397.39		Trucking	43.26
6/21	4472.71				Pipe	31.00
6/30	5482.42				McK Labor	291.40
7/19	4400.56				Cement	26.50
7/27	1059.73					
7/30	2913.35					
8/13	2514.03					
8/23	3855.00					
8/29	5112.35					
9/8	3099.05					
9/11	2478.42					
Totals	40995.12		4656.37			765.16

Summary - Road--$40995.12
Bridges 4656.37
Miscell. 765.16
$46416.65

Although the expenditures shown are $46,416.65, the $25,000.00 claimed cost is considered a proper and allowable charge under the terms of the contract. It is approved by the Executive Officer, Region IV

(2) Labor and Supervision

Labor - $6715.83

Payroll records including the original time slips were examined and proper adjustment made to bring the amount allowed into line with the rates shown in the contract. In view of the fact that the bulk of the timber cut by the loggers and dressed in the sawmill was used on the bridges or is still on hand, the wages of loggers and sawyers of $1539.62 is disallowed. The balance of $5176.21 is considered as a proper and allowable charge for labor under the terms of the contract.

Supervision

A total of $7,200.00 is claimed for Supervision. Under the terms of the contract, one geologist and supervisor is allowed for the six months with a total salary of $6,000.00. Inasmuch as the project was terminated in eighty-one days, 81/180 of $6,000.00, or $2700.00, is the maximum amount deemed allowable under the terms of the contract. Accordingly, it is recommended that the difference between $7200.00 amount claimed, and $2700.00 amount considered as allowable, or $4500.00 be disallowed.

(3) Operating Materials and Supplies

Invoices totaling $1217.27 for material and supplies were examined. This broken down, is as follows:

Oil, Gas and Diesel fuel	$840.29
Auger Supplies	237.42
Ore Sacks	36.57
Kitchen Supplies	71.72
Miscellaneous Supplies	31.27
	$1217.27

The supplies as listed above are considered a necessary and allowable cost to the project.

(4) Operating Equipment-Rental

Willys Station Wagon - Transportation Personnel - 80 days at $10.00	$800.00
Dodge Power Wagon - Towing Auger (see letter)-61 days at $12.50	762.50
*D-8 Caterpillar-Trail & Deposit work-61 days at $50.00	3050.00
Dodge Power Wagon-Supplies & personnel-69 days at $12.50	862.50
Total	$5475.00

* The Operator states that the D-8 Caterpillar was used exclusively "to make a road or roads on the deposits in order to drag the Auger Drill to locations on these extreme slopes." While the contract provides that $3,000.00 of the $6,000.00 estimated amount for the use of the D-8 Cater-

pillar was supposed to have been used in the $25,000.00 allowance for the roads, in view of the Operator's statement regarding usage of this particular piece of equipment, this item of cost is allowed.

These charges are considered allowable and necessary under the terms of the contract.

Operating Equipment-Purchases

Vendors' invoices together with related cancelled checks covering the purchase of the following items were examined:

Auger Drill	$3616.36
Light Plant	75.00
Laboratory Equipment	793.25
Gas Engine	53.20
Total	$4537.81
Liquidation Settlement	3630.25
Balance	$ 907.56

The item of $907.56 is considered as the net allowable cost to the project.

(5) Initial Rehabilitation and Repairs

On the MF-104 filed by the Operator on April 10, 1952, the following items appeared:

New Supervisor's Cabin	$1700.00
Plumbing Materials, furniture, etc.	446.35

As brought out in a subsequent paragraph, the item of $446.35, which is considered as a part of the cost of the Supervisor's cabin, is again claimed as an item of cost. The composition of this amount is shown below:

Date	Vendor	Amount
8/10	Joe McMulty	$274.15
9/3	Joe McMulty	16.88
9/6	Reynolds Plumbing Co.	6.12
9/11	Cody Welding Co.	149.20
		$446.35

These same items are claimed on the MF-104 filed April 15, 1953, under Initial Rehabilitation and Repairs as shown herewith:

Repairs to Cook Shack & Bunk House	$1023.56
Laboratory Shop	222.25
Plumbing Materials, etc.	446.35
	$1692.16
Disallow-Items claimed twice	446.35
Balance	$1245.81

The balance of $1245.81 is considered a proper and allowable charge under the terms of the contract.

(6) New Buildings, Improvements, etc.

Total expenditures as shown by the records of the company under this classification were $1857.39. The contract provided an allowance of $1700.00 for the Supervisor's cabin which amount was allowed on the MF-104 filed and paid April 21, 1952. An analysis of the $1857.39 shows a composition of the claim as follows:

Carpenter Labor		$902.00
Plumbing Labor		86.00
Lumber		333.28
Gas Engine		53.20
Plumbing Fixtures		36.56
Welding, Plumbing & Other Supplies:		
Joe McNulty	$274.15	
Joe McNulty	16.88	
Reynolds Plumbing Co.	6.12	
Cody Welding Co.	149.20	446.35
		$1857.39
Deduct Gas Engine-claimed under Equipment-Purchases		53.20
		$1804.19
Estimated amount for construction of Supervisor's cabin and amount claimed on final MF-104		1700.00
Excess cost not claimed by Operator		$ 104.19
Total amount claimed		$1700.00
80% Liquidation Settlement		1360.00
Balance		$ 340.00

The amount of $340.00 is considered as the net allowable cost to the project.

(7) Miscellaneous

Repairs to Equipment - $196.64

Invoices covering items of repair as follows were examined:

Cat	$23.87
Power Saw	43.01
Power Wagon	80.91
Jeep	10.78
Auger Drill	38.07
Total	$196.64

These charges are considered proper and allowable under the terms of the contract.

Payroll Taxes and Compensation Insurance

Payroll Taxes - $130.16

In view of the recommended disallowance of $1539.62 from wages of loggers and sawyers, 1.5% of this amount or $23.09 should be disallowed from Payroll Taxes, leaving an amount of $107.07, as an allowable and proper charge to the project.

A reduction of 5% of $1539.62 or $76.98 is also disallowed on the claim for compensation insurance, leaving the total allowable cost to the project for compensation insurance in the amount of $356.89. Rates on payroll taxes and compensation insurance are verified by referring to the company's files.

Freight on Auger Drill

Invoices from carrier in the amount of $190.34, covering freight on Auger Drill was examined. This item is considered an allowable cost.

IV. CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of disallowances itemized under Items (2) Labor and Supervision, Item (5) Initial Rehabilitation and Repairs, and Item (7) Miscellaneous, and giving effect to Liquidation Settlements of the preceding section of this report, are reasonable and proper under the terms of the contract and amendment.

The adjustments between Items of Cost, as shown on the September MF-104, the recommended disallowances, liquidation settlements, and approved amounts are summarized as follows:

	Totals MF-104 Sept., 1951	Distribution Corrected	Disallowed by Audit	Liquidation	Allowed by Audit
(1) Independent Contract					
Core Drill	4500.00	4500.00			4500.00
(1A) Roads etc.	25000.00	25000.00			25000.00
(2) Labor & Supervision					
Labor	6715.83	6715.83	1539.62		5176.21
Knight	3000.00	3000.00	3000.00		
Prommell	4200.00	4200.00	1500.00		2700.00
					1816.71
(3) Operating Mat. & Supplies		1217.27			1217.27
(4) Operating Equip.					1[illegible].18
Rental	5475.00	5475.00			5475.00
Purchase	4728.15	4537.81		3630.25	907.56
(5) Initial Rehab. & Repairs	1692.16	1692.16	446.35		1245.81
(6) New Buildings & Improvements	1700.00	1700.00		1360.00	340.00
(7) Miscellaneous					
Repairs to Equip.	196.64	196.64			196.64
Payroll Taxes	130.16	130.16	23.09		107.07
Compensation Ins.	433.87	433.87	76.98		356.89
Other Supplies	1217.27				660.60
(8) Freight on Auger Drill		190.34			190.34
	58989.08	58989.08	6586.04	4990.25	47412.79

At the conclusion of the audit, the findings were discussed with Mr. W. M. Knight, Superintendent. There were no unused materials, supplies, or other property to be disposed of for the joint account of the Operator and the Government, other than those covered by liquidation.

Dated: May 20, 1953

T. H. Brading, Auditor

No. 1

AMENDMENT OF CONTRACT: No. I-DMA-E28

Contract Docket No. DMA-103, dated June 27, 1951, between the United States of America and Continental Sulphur and Phosphate Corporation, is hereby amended as follows, effective as of the date of said contract:

1. Referring to Exhibit "C" attached to Exploration Project Contract Form MF-200 under title, "List of Operating Equipment", subtitle, "Items to be purchased:" add the following:

   "1 Auger drill, estimated cost $3,806.70."

2. Referring to Exhibit "D" attached to Exploration Project Contract Form MF-200, under title, "Labor and Supervision Schedule:" subtitle "Labor" add the following:

   "1 Auger drill operator @ $2.55 per hour.
   1 Auger drill helper @ $1.50 per hour."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated April 14, 1952.

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION

By C. Andrade, III
President

UNITED STATES OF AMERICA

By J. H. Emmons
Executive Officer - DMA

Jus

BE

MF-200
(April 1951)

Do not file

Docket No. DMA-193
Commodity Sulphur

I-DMA-E28

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 27th day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Continental Sulphur & Phosphate Corporation
2616 Power Petroleum Building
Dallas, Texas
A Delaware Corporation
hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Wyoming, County of Park described as follows: [3]

(See Attached)

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

(*b*) ~~[illegible]~~.

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Sulphur; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Six (6) Months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $39705.00, which is 50 percent of the agreed estimated total cost of this project, $79410.00.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Continental Sulphur & Phosphate Corporation
(Operator)

By _____ By _____

By _____ E. Intrado, III President

By _____

H. H. Gater, Secretary

Administrator
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 Tower Petroleum Building
Dallas, Texas

Attachment Referred to in Paragraph 2 of

Exploration Project Contract - Form MF 200

Description of Properties - All of the operator's properties located in Townships 54 and 55 North, Ranges 106 and 107 West, Park County, Wyoming, and more particularly described in those certain claims recorded in the office of the County Clerk of Park County, Wyoming to which reference is hereby made for all purposes as if fully incorporated herein, as follows:

Name of Claim	Recorded On	In Book	At Page
Moose Lode	Feb. 6, 1943	86	365
Moose Lode #1	Feb. 5, 1943	86	366
Moose Lode #2	Feb. 5, 1943	86	367
Moose Lode #3	Feb. 5, 1943	86	367
Moose Lode #4	Feb. 5, 1943	86	368
Moose Lode #5	Feb. 5, 1943	86	369
Moose Lode #6	Feb. 5, 1943	86	370
Moose Lode #7	-	-	-
Bea Lode	-	-	-
Glendale Lode	Mar. 23, 1943	86	380
Bea Lode #1	June 21, 1943	86	387
Sulphur Lake Lode	Feb. 5, 1943	86	370
Sulphur Lake Lode #1	Feb. 5, 1943	86	371
Sulphur Lake Lode #2	Feb. 5, 1943	86	372
Sulphur Lake Lode #3	Feb. 5, 1943	86	373
Sulphur Lake Lode #4	Feb. 5, 1943	86	374
Sulphur Lake Lode #5	Feb. 5, 1943	86	374
Sulphur Lake Lode #6	Feb. 5, 1943	86	375
Sulphur Lake Lode #7	Feb. 5, 1943	86	376
Sulphur Lake Lode #8	Feb. 5, 1943	86	377
Sulphur Lake Lode #9	Feb. 5, 1943	86	377
Yellow Rose Placer	Feb 6, 1942	86	283
Oregon Placer	Feb. 6, 1942	86	284
Sulphur Mt. Placer	Feb. 6, 1942	86	285
Elk Wallow Placer	Feb. 6, 1942	86	285
Pioneer Placer	Feb. 6, 1942	86	286
Wyoming Placer	Feb. 6, 1942	86	287
Big Blowout Placer	Feb. 6, 1942	86	282
Light Sunlight Sulphur Placer"	6, 1942	86	283
Wilmar Placer Mining Claim	Jul. 29, 1947	86	540
Wilmar Placer #1	July 29, 1947	86	539
Wilmar Placer #2	July 29, 1947	86	539
Sunlight Sulphur Mill Site	Mar. 23, 1943	86	380
Sunlight Lode Claim	Mar. 23, 1943	86	381

COPY

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 Tower Petroleum Building
Dallas, Texas

Exhibit "A" - to

Exploration Project Contract - Form MF 200

The Exploration Project is to be conducted for sulphur. There are large outcrops of sulphur on properties held by the operator in Sunlight Basin, Park County, Wyoming, and the present known reserves are summarized in report prepared by Ralph E. Davis in July 1950. (Copies of this report were submitted with the operator's Application for Aid, Form MF 103 dated May 3, 1951, and are incorporated herein by reference for all purposes.)

It is necessary at this time to determine the ultimate extent of mineable sulphur ore beyond that which is known to be recoverable at this time. Also, it is necessary that each deposit of sulphur ore be defined accurately for depth, quality, and size. Operator will drill approximately 100 core holes in this program. Map attached as part of this Exhibit "A" designates the recommended locations for the first 36 core holes. Additional core hole locations will be made on 100 foot square intervals, based upon the findings in the presently designated core holes.

Core holes will be drilled to a minimum depth of 50 feet and continued in depth as long as sulphur is recovered down to a maximum depth of 250 feet. Continuous coring from the surface is required and analyses of free sulphur content of all cores must be made. In addition, complete chemical analyses of certain representative samples are required to ascertain the exact quantity and type of associated materials.

The drilling contract which is attached to Exhibit "C" is based upon estimates by the Chief Geologist of the company and representatives of Jones Core Drilling Company, as follows:

Total number of holes	100
Estimated total footage	10,000 feet
Estimated drilling capacity of rigs, 50 feet per rig per day, i.e., 100 per day X 100 days	10,000 feet.

Although the Jones Core Drilling Company has guaranteed a recovery of at least 90 per cent (see copy of contract attached to Exhibit "C") based upon improvements in drilling techniques recently developed, the percentage of recovery could actually be somewhat less than that figure and would still provide sufficient data to enable

a reasonably accurate approximation of the total reserves.

It is understood that an engineer will be employed to supervise this work who has had experience with sampling methods that have been used at other properties with similar mineral deposits and who has the approval of the Executive Director of Region IV of the U. S. Bureau of Mines.

Exhibit "B" - to

Exploration Project Contract - Form MF 200

List of additional Facilities, Buildings, and Fixtures.

Road repairs and improvements -
Eight miles from Ranger Station to Deposits. Road will consist of rough bulldozed trail with two temporary bridges. This road is absolutely necessary to permit access to the properties for equipment, supplies, and personnel. Also, includes cost of access roads to each major deposit from campsite - $25,000.00

Breakdown:
The Haberthier Construction Company, Cody, Wyoming, has furnished the following estimate of equipment and personnel which will be required in the construction of the road:

Item	Days	Hrs. per Day	Rate per Hr.*	Total
2 TD-18 Dozers	30	10	$12.50	$ 7,500.00
1 TD-14 Dozer	30	10	10.00	3,000.00
1 TD-9 Dozer	15	10	9.00	1,350.00
1 Grader	15	10	8.50	1,275.00
1 Air Compressor	7½	10	8.50	637.50
1 TD-18 Scraper	15	10	2.00	300.00
Powder				800.00
1 Powder Man	7½	10	2.50	187.50
				$15,050.00

$3,000 of the total shown for the 1 D-8 Caterpillar (see Exhibit "C") will be used in the road project $ 3,000.00

Miscellaneous use of equipment shown on Exhibit "C" and supervisory personnel included on Exhibit "D" $ 2,950.00

$4,000 of the labor charges shown on Exhibit "D" covering head sawyer, assistant sawyers, loggers, head bridge carpenter, and assistant carpenters	$ 4,000.00
Total -	$25,000.00

*Rates include operators.

Brought forward	$25,000.00

Note: To the extent that items are duplicated in road construction costs, these have been excluded in the cost summary which follows Exhibit "E".

Campsite

1 - Supervisor's log cabin	1,700.00
1 - Furnishings for bunkhouse	1,000.00
Total -	$27,700.00

Exhibit "C" - to

Exploration Project Contract - Form MF 200

List of Operating Equipment

Items to be furnished by operator:

Item	Daily Rental Value	Days	Total
1 Willis 4 Wh Drive Station Wagon	$ 10.00	180	$ 1,800.00
1 Dodge Power Wagon	12.50	180	2,250.00
1 D-8 Caterpillar	50.00	120	6,000.00
1 FWD - 2 Ton Truck	12.50	90	1,125.00

Items to be purchased:

1 Snow plow	200.00
1 Complete field laboratory - includes balances, ovens, chemicals and supplies for determining free sulphur content of cores	2,000.00

Items and services to be rented:

2 Core drilling rigs complete with core barrels and crews @ $125/day each - $125 X 2 X 100 (See copy of contract with Jones Drilling Company attached.)	$25,000.00
1 Jeep with 4 Wheel Drive for transporting personnel to deposits from campsite @ $10/day	$1,800.00
Total -	$40,175.00

Exhibit "D" - to

Exploration Project Contract - Form MF-200

Labor and Supervision Schedule:

Labor

Type	No.	No. Days	Rate/D	Maximum
Cook	1	180	$12.50	$2,250.00
Cook's helper	1	180	10.00	1,800.00
Head Sawyer	1	60	15.00	900.00
Ass't. Sawyers	2	60	12.50	1,500.00
Loggers	2	60	10.00	1,200.00
Head Bridge Carpenter	1	120	18.00	2,160.00
Ass't Carpenters	2	180	15.00	5,400.00
Bookkeeper	1	180	5.00	900.00
Mechanic	1	180	10.00	1,800.00
Assayer	1	120	15.00	1,800.00
				19710.00

Supervisors

Position	No.	Salary/No.	No. Months	Maximum
Geologist and Supervisor	1	$1000.00	6	$6000.00

Exhibit "E" - to

Exploration Project Contract - Form MF-200

Rehabilitation and Repairs

Items	Cost of Repairs
Bunkhouses	$1,000.00
Cook Shack	500.00
Work Shop	500.00
F&D Truck	700.00
Machine Shop	300.00
Saw Mill	- 0 -
	$3,000.00

- - - - - - - - - - -

COST SUMMARY

From Exhibit "B"	$27,700.00	
From Exhibit "C"	40,175.00	
From Exhibit "D"	25,710.00	
From Exhibit "E"	3,000.00	
		$ 96,585.00
Duplications explained in breakdown of road costs: Operator-furnished items which will total	$11,175.00	
Exhibit "D" duplications - approximately	6,000.00	
		$ 17,175.00
Total -		$ 79,410.00

April 24, 1951

Jones Core Drilling Company
P. O. Box 5332
Dallas 2, Texas

Attention: A. Raymond Jones

Gentlemen:

As you know, we have certain sulphur claims in the Sunlight Basin near Cody, Wyoming and are desirous of immediately employing your company to put in two core drilling rigs to drill core holes for sulphur deposits in which you will guarantee full core recovery. In the event that a core recovery of at least 90% is not obtained at any confining depth, you will drill supplemental hole or holes to obtain such a core for that depth at which the core was lost in the first hole -- this additional drilling to be done at your sole expense.

You will furnish all labor and equipment including diamond bits, aquagel or anything else used necessary to core whatever depth we designate down to a maximum of 250 feet at locations we will furnish you on our properties in the Sunlight Basin.

You are to receive $125.00 per day for each of the two drill rigs you will furnish and rental time will commence with the time of the coring of each hole at locations to be furnished you by us. We guarantee employment for each rig of not less than thirty days on a 48-hour work week. We will pay you $500.00 toward your moving-in and moving-out expense of both rigs and this is to be our sole liability in this connection.

You will carry adequate Workmens Compensation, Public Liability and Property Damage and whatever forms of insurance are customary to adequately protect this Company in all respects.

We will furnish lodging for your employees without charge and provide suitable board at a reasonable rate per diem covering food.

You will bill us each thirty days for the previous thirty days' work, and we will remit to you promptly.

We suggest that this core drilling campaign start within fifteen days to three weeks. Your Mr. Jones will personally go up with Mr. Winfrey two weeks from today to inspect the property and you will ascertain whether you can get your equipment in. If not, you will move in as quickly as the weather permits thereafter and in no event more than forty days from this date. I understand you plan to start your rigs up there as soon as you visit the property, or that you may elect to send them up sooner.

If this is your understanding of our agreement, kindly sign under the word, "Accepted", and return two signed copies of this letter. You may retain the original for your files, and this agreement shall be deemed binding upon both companies, their successors and assigns.

Very truly yours,

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

CA/cm

ACCEPTED:

JONES CORE DRILLING COMPANY

By: A. Raymond Jones, Owner

DMA - 193
E - 28

Continental Sulphur & Phosphate Corp.

$4,000 of the labor charges shown on Exhibit "D" covering head sawyer, assistant sawyers, loggers, head bridge carpenter, and assistant carpenters	$ 4,000.00
Total -	$25,000.00

*Rates include operators.

Brought forward	$25,000.00

Note: To the extent that items are duplicated in road construction costs, these have been excluded in the cost summary which follows Exhibit "E".

Campsite

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1 - Furnishings for bunkhouse	1,000.00
Total -	$27,700.00

Exhibit "C" - to

Exploration Project Contract - Form MF 200

List of Operating Equipment

Items to be furnished by operator:

Item	Daily Rental Value	Days	Total
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1 Dodge Power Wagon	12.50	180	2,250.00
1 D-8 Caterpillar	50.00	120	6,000.00
1 FWD - 2 Ton Truck	12.50	90	1,125.00

Items to be purchased:

1 Snow plow	200.00
1 Complete field laboratory - includes balances, ovens, chemicals and supplies for determining free sulphur content of cores	2,000.00

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 103

Date received

Participation

Continental Sulphur & Phosphate Corporation
2010 Tower Petroleum Building
Dallas 1, Texas

Name and address of applicant

Date May 3, 1951

FILL IN THIS BLOCK

Date of application May 3, 1951

Estimated cost $ 78,800.

Mineral or metal Sulphur

Percentage of Government participation 50%

Location of mine Sunlight Basin, Park County, Wyoming

Date of filing MF-100

DMA Docket Number, if available dma 103

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Continental Sulphur & Phosphate Corporation
(Name of company)

By [signature]
(Signature of authorized official)

May 3, 1951
(Date)

President
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

dwd 103

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

Supplement to Form MF-103, Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950.

The Applicant

1. Applicant is a corporation.

2. Not applicable.

3.

Officers	Addresses
C. Andrade, III., President	Tower Petroleum Building Dallas, Texas
S. A. (Jack) Winfrey, Executive Vice President	Mercantile Securities Building Dallas, Texas
L. B. Pruitt, Vice President	Tower Petroleum Building Dallas, Texas
H. M. Oster, Secretary-Treasurer	Mercantile Securities Building Dallas, Texas
A. W. Phillips, Jr., Assistant Secretary-Treasurer	National City Building Dallas, Texas

Directors	Addresses
C. Andrade, III.	Tower Petroleum Building Dallas, Texas
S. A. (Jack) Winfrey	Mercantile Securities Building Dallas, Texas
L. B. Pruitt	Tower Petroleum Building Dallas, Texas
H. M. Oster	Mercantile Securities Building Dallas, Texas
A. W. Phillips, Jr.	National City Building Dallas, Texas
W. C. McCord	Southland Life Building Dallas, Texas
R. D. Hughes	Mercantile Securities Building Dallas, Texas
George M. Stuart	1422 Commerce Street Dallas, Texas
Lanham Croley	Republic Bank Building Dallas, Texas
Murry Samuell	Gulf States Building Dallas, Texas
Elkins Wetherill	1500 Walnut Street Building Philadelphia, Penn.

Stockholders (Five largest)	Addresses
C. Andrade, III, S. A. Winfrey, and L. B. Pruitt, Trustees	Tower Petroleum Building Dallas, Texas
C. Andrade, III.	Tower Petroleum Building Dallas, Texas
H. M. Oster	Mercantile Securities Building Dallas, Texas
George M. Stuart	1422 Commerce Street Dallas, Texas
S. A. Winfrey	Mercantile Securities Building Dallas, Texas

4. (a) The mining and general business experience of the corporation is necessarily reflected by the personnel of the corporation. In this instance, the general business of the Continental Sulphur & Phosphate Corporation, a new corporation, is guided by its officers and directors about whom the following information is furnished:

Mr. C. Andrade, III., is President of the Great State Oil Corporation and has been engaged successfully for over 25 years in the Petroleum and associated industries. He is Vice President and director in the Pan American Sulphur Corporation.

Mr. S. A. (Jack) Winfrey is a petroleum engineer, a partner in the firm of Winfrey & Phillips, Dallas, Texas. Mr. Winfrey's past experience is given in detail in paragraph 4 (b) below.

Mr. L. B. Pruitt has been an independent oil operator for over 25 years; he is a past director of the First National Bank in Dallas, and he is the principal owner of the Southern Sales and Brokerage Company of Dallas, Texas.

H. M. Oster is a member of the law firm of Mohrle, Oster & Kaufman of Dallas, Texas, having been engaged in the practice of law for over 25 years. He has for many years been counsel for numerous oil companies, handling all oil, gas and sulphur matters for said companies.

R. Dawson Hughes is President of West Textile Mills and President of the Texas Sales and Mfg. Company.

M. A. W. Phillips, Jr., is an attorney-at-law practicing in Texas.

Mr. George M. Stuart is President of the Geo. M. Stuart enterprises of Dallas and is Dallas' leading florist.

Mr. Lanham Croley is a member of the law firm of Golden, Croley & Howell of Dallas, Texas, and has been engaged in the practice of law for over 25 years. In addition to representing several oil operators, oil companies, and other mineral interests, this firm represents the Oil Department of the Republic National Bank at Dallas.

Mr. W. C. McCord is President of the Southland Life Insurance Company and is one of Dallas' leading business men.

Mr. Murry Samuell is a resident partner of Beer & Company, investment bankers.

Mr. Elkins Wetherill is an attorney at law and is a member of the firm of Riely, Hepburn, Earle & Wetherill, Room 1210, 1500 Walnut Street Building, Philadelphia 2, Penn.

From the foregoing, it is evident that the corporation is headed by a group of successful businessmen who have necessary experience to advise it properly on all matters of a general business nature. Technical assistance is also available from many of the above members, specifically from those who have been engaged in oil and gas and related fields. Mr. Winfrey's technical qualifications are given in 4 (b) below and it is he who will be in charge of the supervision of the exploratory work referred to herein.

4. (b) Mr. Winfrey, in addition to being the Executive Vice President of the Continental Sulphur & Phosphate Corporation, is the Executive Vice President of the Texas City Chemicals, Inc., Technical Consultant for Arizona Copper Mines, Inc., a partner in the firm of Winfrey & Phillips, Consultants on problems related to Oil, Gas, Chemicals & Minerals. Prior to the organization of his present firm in 1948, Mr. Winfrey served as Valuation Engineer for about 15 years with the Atlantic Refining Company which work required his knowledge, supervision, study and recommendations concerning the oil, gas, chemical and mineral interests of that company.

In addition, the company in the past has retained the services of specialized firms and individuals for specific problems encountered, these firms include the following:

Ralph E. Davis, Oil, Gas & Sulphur Consultant, Houston, Texas.

The Dallas Laboratories, Analytical & Research Chemists and Laboratories, Dallas, Texas.

Dr. H. G. Fisk, University of Wyoming, Laramie, Wyoming, Director of National Resources Research Institute.

E. W. Krampert, Geologist, Casper, Wyoming.

Chemical & Geological Laboratories, Casper, Wyoming.

Boyer & Sebastian, Consulting Engineers, Washington, D. C.

It is the intention of the company in the future, as it has been in the past, to call in experts on any problems considered to be beyond the scope of its own personnel.

5. Continental Sulphur & Phosphate Corporation is the owner of certain mining claims in Park County, Wyoming within which claims are substantial surface outcrops of sulphur. These claims are in good standing as may be evidenced by the title opinion of Goppert & Fitzstephens, leading mining attorneys at Cody, Wyoming. Patents from the U. S. Government on properties included in these claims are being applied for through the regular channels.

6. See balance sheet attached as Item 8 hereto for information concerning encumbrances against Park County, Wyoming Sulphur properties.

7. Not applicable.

8. Copy of Balance Sheet dated April 30, 1951 is attached hereto. The company has not been in production to date, and therefore no profit and loss statement is being submitted, expenses have been only for initial organization in October 1950, and for administration to date.

9. Applicant is prepared to invest approximately $65,000 in the project proposed herein. This is more than enough to pay its part of the cost as detailed in Question 23 of this form.

10. (a) and (b)
Legal description of properties - Park County, Wyoming -(see map attached)

Name of Claim	Recorded On	In Book	At Page
Moose Lode	Feb. 6, 1943	86	365
Moose Lode #1	Feb. 5, 1943	86	366
Moose Lode #2	Feb. 5, 1943	86	367
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Sulphur Lake Lode #9	Feb. 5, 1943	86	377
Yellow Rose Placer	Feb. 6, 1942	86	283
Oregon Placer	Feb. 6, 1942	86	284
Sulphur Mt. Placer	Feb. 6, 1942	86	285
Elk Wallow Placer	Feb. 6, 1942	86	285
Pioneer Placer	Feb. 6, 1942	86	286
Wyoming Placer	Feb. 6, 1942	86	287
Big Blowout Placer	Feb. 6, 1942	86	282
Little Sunlight Sulphur Placer	Feb. 6, 1942	86	283
Wilmar Placer Mining Claim	Jul.29, 1947	86	540
Wilmar Placer #1	Jul.29, 1947	86	539
Wilmar Placer #2	Jul.29, 1947	86	380
Sunlight Sulphur Mill Site	Mar.23, 1943	86	380
Sunlight Lode Claim	Mar. 23,1943	86	381

11. Sulphur deposits in Park County, Wyoming, may have been referred to in the past as Sunlight Basin Sulphur Deposits.

12. Deposits are located about 52 miles northwest of Cody, Wyoming via mountaneous roads over Dead Indian Hill into Sunlight Basin. Continental is currently building road from deposits to meet with road now ending at Ranger Station in Sunlight Basin. Roads among deposits are now adequate to conduct exploratory work. Nearest railroads now located at Cody, Wyoming and Belfry, Montana. Preliminary talks with railroads indicate their willingness to build spurs to come within approximately 25 miles of deposits. Continental will connect with railroad by its road in Sunlight Basin.

13. There is sufficient water available for all purposes required during all seasons of the year. Source of water is from Sunlight River and its numerous tributaries. Water is pure mountain spring and melted snow water.

    Power required for operation of core drilling machines, either gasoline or diesel oil, and fuel must be transported into property.

14. The following list includes the major items of equipment and facilities now available for use on the sulphur properties:

    1 - Engineer's Transit Set
    1 - Willis 4 Wheel Drive Station Wagon
    1 - Dodge Power Wagon - 4 Wheel Drive
    1 - D8 Caterpillar Dozer
    Housing facilities for approximately 30 workmen complete with cook shack, toilets, and shower baths.
    1 - Saw Mill, complete with 175 HP Diesel Power
    1 - Miscellaneous tools and equipment for handling samples
    1 - FWD - Two Ton Truck with Stake Body

15. Ore can be processed at deposits by Chemico's sulphur recovery process. Complete figures on cost for 200 tons per day plant have been furnished by Chemical Construction Corporation.

    Sulphur can then be trucked to railroad for final destination. An alternative procedure under consideration which could prove highly economical and desirable in the handling and transporting of the crude ore is to locate crushing and grinding equipment and facilities near the deposits and to locate Chemico's recovery plant at the base of Sunlight Valley at the site of the proposed railroad spur and where existing public roads could be used for hauling to Cody or Belfry, if desired. This procedure would require a pipe line to carry the ground ore in a solution from deposits to mill. This method of handling will eliminate considerable trucking if proved feasible.

16. (a) The results of exploratory work which has been conducted primarily in the past two years are summarized in report presented by Ralph E. Davis in July 1950. The properties have to date not been in operation for production on commerical basis.

16. (b) Details concerning any current sulphur operations of magnitude in the area are unknown to this company.

16. (c) Copies of Ralph E. Davis report of July 1950, and of Winfrey, Paine & Phillips report of July 1950, and Dr. Karcher report of December 1947, are attached hereto.

17. Not Applicable.

18. Not Applicable.

19. It is believed that the above data and the supporting references herein referred to are adequate for the review of this application. Additional details from Continental's files will be furnished upon request.

The Exploration

20. The exploration to be conducted is for sulphur. It is necessary to determine the ultimate extent of mineable sulphur ore beyond that which is known as recoverable at this time. (See Ralph E. Davis report.) Also, it is necessary that each deposit be defined accurately for depth, quality, and size. Exploratory work will be conducted by drilling core holes in the areas in and near the surface outcrops of sulphur. Also, efforts to define the extent of sulphur found under overburdens of not greater than 200 feet should be included in this program.

21. To determine the ultimate extent of economically recoverable sulphur in the area requires an extensive core drilling program calling for approximately 100 core holes to be located at strategic points on the deposits. Core holes will vary in depth to a very few feet to a maximum of 250 feet. Continuous coring from the surface is required and an analyses of sulphur content of all cores taken must be made. In addition, complete chemical analyses of certain representative samples are required to ascertain the exact quantity and type of associated materials.

    It is estimated that less than six months will be required to complete this exploratory work.

22. See attached report of Ralph E. Davis dated July 1950, and report dated December 2, 1947, of Dr. J. C. Karcher.

The Requirements and Costs

23. (a) Labor

Type	No.	No. Days	Rate/D
Cook	1	180	$12.50
Cook's Helper	1	180	10.00
(1) Head Sawyer	1	60	15.00
(1) Ass't Sawyers	2	60	12.50
(1) Loggers	2	160	10.00
(1) Head Bridge Carp.	1	120	18.00
(1) Ass't Carpenters	2	120	15.00
Bookkeeper	1	180	5.00
Mechanic	1	180	10.00
Assayer	1	120	15.00

(1) Wages are included in overall cost of road & campsite improvements.

23. (b) Supervisors

Position	No.	Salary/Mo.	No. Months
Road & Camp Supt.	1	$1,000.00	6
Core Drilling	1	1,000.00	6
Geologist	1	1,000.00	6

23. (c) Cost of Necessary repairs to existing facilities, structures, and buildings:

Campsite		
Bunkhouses	$1,000.00	
Cook Shack	500.00	
Work Shop	500.00	$3,500.00
Equipment		
Repair FWD Truck	700.00	
Machine Shop	300.00	1,000.00

23. (d) Cost of Necessary Installation or Construction of additional facilities.

Road Repairs and Improvements - Approximately 50% of the total cost of Continental's proposed road from Ranger Station to Deposits (8 miles) is believed absolutely necessary in order to permit accessability to the deposits. This total cost is estimated at approximately $50,000. One half of this cost is entered here as total amount on which Government Aid is requested -	25,000.00
Campsite	
1 - Supervisors Log Cabin - 4 man capacity -	1,700.00
1 - Furnishings for bunkhouses	1,000.00

23. (e) Cost of items of new equipment (over $50.00 each)

Snow Plow	200.00
Field Laboratory Equipment - includes Balances, ovens, chemicals & supplies for making free sulphur content tests	2,000.00

23. (f) Cost of Rental Equipment & Services

2 - Core drilling rigs complete with core barrels and crews @ $125/Day	$ 25,000.00
1 - Jeep with 4 wheel drive for carrying personnel to deposits from campsite @ $10/Day	1,800.00

23. (g) Rental value of items of equipment now owned by operator which will be devoted to work - Figures do not include cost for personnel to operate equipment.

	Rental Value/Day
1 - Willis 4 Wheel Drive Station Wagon	$ 10.00
1 - Dodge Power Wagon	12.50
1 - D8 - Caterpillar	50.00
1 - FWD - 2 Ton Truck	12.50

23. (h) Cost of materials and supplies and equipment costing less than $50.00

Food @ $3.00/Day per man
Camp supplies - $2.00/Day per man
(1) Sawmill supplies @ $10.00/Day for 60 days
Machine Shop supplies @ $5.00/Day for 180 days
Core sample bags, etc. @ $10.00/Day for 100 days
Fuel for automotive equipment and powers @ $10.00/Day for 180 days

23. (i) Cost of power, water, utilities and other items not provided for above.

Negligible (see item #13)

24. Time Schedule of Project

Days	Work	Cost
0-30	*Road Construction & repairs-50% completed	$25,000.00
	*Improvements & repairs to campsite	7,200.00
	General operation of camp & mess, etc.	2,650.00

*Continental is currently proceeding with these items.

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

Days	Work	Cost
0-30	New Equipment (item 23(e))	$ 2,200.00
30-60	*Complete road construction	25,000.00
	Core drilling 7,500	7,500.00
	Laboratory analyses	750.00
	Geological work	1,000.00
	General operations	3,000.00
60-90	Core drilling	7,500.00
	Laboratory analyses	750.00
	Geological work	1,000.00
	General operations	3,000.00
90-120	Core drilling	7,500.00
	Laboratory analyses	750.00
	Geological work	1,000.00
	General operations	3,000.00
120-150	Complete program	5,000.00
		$ 103,800.00
	Deduct 1/2 of road cost -	25,000.00
		78,800.00
	Government assistance requested-50% -	$ 39,400.00

dma 103x

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION

Statement of Assets and Liabilities

April 30, 1951

Assets

Cash in Banks:		
National City Bank, Dallas, Texas	$ 35,852.51	
Mercantile National Bank, Dallas, Texas	7,421.50	
	43,274.01	
Operating Fund - Cody, Wyoming	15,000.00	$ 58,274.01
Notes Receivable for Capital Stock		40,000.00
Properties (Note 1)	205,027.01	
Equipment	19,950.56	
Preliminary Development Costs	33,989.71	258,967.28
Organization Expense		11,643.49
		$ 368,884.78

Liabilities

Notes Payable (Note 2)	42,727.28
Old Age and Benefit Taxes Payable	7.50
Capital Stock, 10¢ Par Value:	
Authorized - 2,500,000 shares	
Issued and outstanding - 704,000 shares	70,400.00
Capital Surplus (Note 3)	255,750.00
	$ 368,884.78

Notes:

(1) Properties are stated at cost, such cost comprising the following:

Par value of common stock of the corporation issued to predecessor owner of mining claims	$ 58,650.00
Assumption of indebtedness on mining claims (see Note 2 below)	100,000.00
Assumption of indebtedness of predecessor owner of mining claims	35,059.45
Purchase of phosphate leases	11,317.56
	$ 205,027.01

(2) The following notes represent the unpaid balance of the $ 100,000.00 obligation referred to in Note 1, to wit:

Due on or before December 31, 1952	$ 12,727.28
Due on or before December 31, 1953	30,000.00
	$ 42,727.28

These notes bear interest at 6% per annum from maturity until paid, but do not constitute a lien against the properties of the corporation.

(3) Capital surplus consists of (1) $ 15,000.00 representing the par value of 150,000 shares of stock returned to th corporation at no cost to it for the purpose of interin financing; (2) $ 180,000.00 representing premium of 90¢ per share on 200,000 shares of such stock issued in co version of promissory notes of $ 200,000.00, which note were convertible into common stock of the corporation a the rate of one share of stock for each $1.00 principal amount of said notes; and (3) $ 60,750.00 representing premium of 90¢ per share on the sale of 67,500 shares of capital stock at $1.00 per share.

Supplement to Item #5 of MF-103

dmr/103

October 26, 1950

TO WHOM IT MAY CONCERN:

This is to certify that the Continental Sulphur & Phosphate Corporation, by duly executed assignment dated the 16th day of October, 1950, has taken over all of the assets of General Sulphur Corporation and has assumed its liabilities as provided for in said assignment, including all sulphur deposits located in Sunlight Basin, Park County, Wyoming.

CONTINENTAL SULPHUR &
PHOSPHATE CORPORATION

By _____
Vice-President

Attest:

_____
Secretary

3

GENERAL SULPHUR CORPORATION

RIVERSIDE 4052
PROSPECT 7-1071

DALLAS, TEXAS
1218 Mercantile Securities Bldg.

S. A. (JACK) WINFREY
PRESIDENT

October 26, 1950

TO WHOM IT MAY CONCERN:

This is to certify that on the 16th day of October, 1950 the General Sulphur Corporation did assign all its right, title and interest in and to all its sulphur deposits located in Sunlight Basin, Park County, Wyoming, as well as all its assets and liabilities to the Continental Sulphur and Phosphate Corporation.

GENERAL SULPHUR CORPORATION

BY: S. A. Winfrey
President

ATTEST:

Secretary

GOPPERT & FITZSTEPHENS
ATTORNEYS AT LAW
CODY, WYOMING

ERNEST J. GOPPERT
J. D. FITZSTEPHENS

August 5, 1950

Mr. A. W. Phillips, Jr.
Attorney at Law
P. O. Box 2482
Dallas, Texas

Dear Mr. Phillips:

I have rechecked title to the following-described lode mining claims and placer mining claims filed on lands in the Sunlight area in Park County, Wyoming, and I find therefrom that the following-named lode and placer mining claims were duly filed and recorded on the dates hereinafter specified in the book and at the pages as herein stated, to-wit:

Name of Claim	Recorded On	In Book	At Page
Moose Lode	Feb. 6, 1943	86	365
Moose Lode #1	Feb. 5, 1943	86	366
Moose Lode #2	Feb. 5, 1943	86	367
Moose Lode #3	Feb. 5, 1943	86	367
Moose Lode #4	Feb. 5, 1943	86	368
Moose Lode #5	Feb. 5, 1943	86	369
Moose Lode #6	Feb. 5, 1943	86	370
Glendale Lode	Mar. 23, 1943	86	380
Bea Lode #1	Jun. 21, 1943	86	387
Sulphur Lake Lode	Feb. 5, 1943	86	370
Sulphur Lake Lode #1	Feb. 5, 1943	86	371
Sulphur Lake Lode #2	Feb. 5, 1943	86	372
Sulphur Lake Lode #3	Feb. 5, 1943	86	373
Sulphur Lake Lode #4	Feb. 5, 1943	86	374
Sulphur Lake Lode #5	Feb. 5, 1943	86	374
Sulphur Lake Lode #6	Feb. 5, 1943	86	375
Sulphur Lake Lode #7	Feb. 5, 1943	86	376
Sulphur Lake Lode #8	Feb. 5, 1943	86	377
Sulphur Lake Like #9	Feb. 5, 1943	86	377
Yellow Rose Placer	Feb. 6, 1942	86	283
Oregon Placer	Feb. 6, 1942	86	284
Sulphur Mt. Placer	Feb. 6, 1942	86	285
Elk Wallow Placer	Feb. 6, 1942	86	285
Pioneer Placer	Feb. 6, 1942	86	286
Wyoming Placer	Feb. 6, 1942	86	287
Big Blowout Placer	Feb. 6, 1942	86	282
Little Sunlight Sulphur Placer	Feb. 6, 1942	86	283

Name of Claim	Recorded On	In Book	At Page
Wilmar Placer Mining Claim	July 29, 1947	86	540
Wilmar Placer #1	July 29, 1947	86	539
Wilmar Placer #2	July 29, 1947	86	539
Sunlight Sulphur Mill Site	Mar. 23, 1943	86	380
Sunlight Lode Claim	Mar. 23, 1943	86	381

The foregoing claims all appear to be in good standing on the records of Park County, Wyoming.

The County records disclose that these claims were owned by Willis A. Fritz, Mary Fritz, Alice L. Dustin, Hattie C. Harrison, Beverly O'Conner, Edwin J. Welsh, Ashley C. Dickson, Clifford C. Holland, Betty E. Wright, Margaret E. Dickson, Anna C. O'Conner and Dennis J. O'Conner. Powers of Attorney are of record giving to Dennis J. O'Conner the authority to sell and convey the interest of each of these parties in these properties, excepting the Fritz'. I have in my file copies of documents dated August 25, 1948, and of the Agreement dated March 25, 1949, which gives to Kenneth L. Porter Contracts to lease and develop these properties. A final Supplemental Agreement, dated July 6, 1949, continues the Agreement of March 25, 1949, in full force and effect as to all of these claims, and also as to Moose Lode #7 and Bea Lode, both of which do not show to have been properly filed. The contract price to be paid by Mr. Porter for these properties is $110,000.00, as shown by the Supplemental Agreement of July 6, 1949. The Agreement of August 25, 1948, requires the payment of a total consideration of $50,000.00 by one Stanley J. Mitchell to predecessors in interest, and that $50,000.00 is included in the $110,000.00 obligation of Mr. Porter. I have in my possession a signed copy of the consent to the Assignment Agreement from Kenneth L. Porter to General Sulphur Corporation, dated April 26, 1949.

If and when these contracts, as above mentioned, are carried out, full title will be in the General Sulphur Corporation to these various mining claims, and they will be entitled to obtain Patents thereon.

Yours very truly,

J. S. Fitzstephens

EJG/rl
cc: General Sulphur Corporation
P.O. Box 2482
Dallas, Texas

MAP

BELONGS

HERE

Recorded ✓
Indexed ✓
Abstracted
Compared

GENERAL SULPHUR CORPORATION,
ASSIGNOR

TO

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION
ASSIGNEE

ASSIGNMENT AGREEMENT

State of Wyoming,
County of Park, } *ss.*

This instrument was filed for record on the 20 *day of* October *1950 at* 9:20 *o'clock* A *M., and duly recorded in Book* 156 *records on page* 374

Eva E. Pearson
Register of Deeds

By Vivian Cody Calhoun
Deputy

No. 70712 *Fees,* $3.80

MOHRLE, OSTER & KAUFMAN
ATTORNEYS AND COUNSELORS
MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

Return to: Coppert + Kilgallen
Cody, Wyoming

MOHRLE, OSTER & KAUFMAN
ATTORNEYS AND COUNSELORS
MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

ASSIGNMENT AGREEMENT

This Assignment Agreement, dated the 15th day of September, 1950, between General Sulphur Corporation, a Delaware Corporation, hereinafter designated as Assignor, and Continental Sulphur and Phosphate Corporation, hereinafter styled Assignee:

W I T N E S S E T H:

Whereas, heretofore, to-wit, on or about the 25th day of March, 1949, a certain Agreement was entered into by and between Stanley J. Mitchell and Bertha K. Mitchell, his wife, of Oregon City, Oregon, and Willis A. Fritz and Mary Fritz, his wife, of Cody, Wyoming, as First Parties, and Kenneth L. Porter of Lexington Avenue, New York City, New York, with reference to certain mining claims located in Park County, Wyoming, to which Agreement and the contents thereof reference is here made for all purposes as if fully incorporated herein; and

Whereas, heretofore, to-wit, on or about April 26, 1949, a certain assignment agreement was entered into by and between said Kenneth L. Porter and General Sulphur Corporation, wherein said mining claims aforementioned were duly assigned by said Kenneth L. Porter to General Sulphur Corporation, a Delaware corporation, reference to which assignment agreement and the contents thereof reference is here made for all purposes as if fully incorporated herein; and

Whereas, at a special meeting of the stockholders of said General Sulphur Corporation, held on August 28, 1950, at Dallas, Texas, in conformity with the by-laws of said corporation, at which meeting a quorum was present for the transaction of all business, the said special stockholders meeting authorized and empowered its Board of Directors to sell, assign, transfer and convey unto Continental Sulphur and Phosphate Corporation the mining claims more fully described in the two agreements aforementioned for the consideration hereinafter set forth; and

Whereas, at a special meeting of the Board of Directors, held at Dallas, Texas, on August 28, 1950, immediately following said special meeting of stockholders and at which meeting a quorum was present for the transaction of business, the said Board of Directors, pursuant to the authorization aforementioned, did authorize the President and Secretary of this corporation to execute any and all documents necessary to effectuate a sale, transfer and assignment of the mining claims aforementioned to Continental Sulphur and Phosphate Corporation:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that General Sulphur Corporation, acting by and through S. A. (Jack) Winfrey, its President, and A. W. Phillips, Jr., its Secretary, thereunto duly authorized, for and in consideration of the delivery of Five Hundred Eighty-five Thousand Five Hundred (585,500) shares of the common stock of Continental Sulphur and Phosphate Corporation, each of the par value of Ten Cents ($.10), fully paid and non-assessable, and the assumption and payment by Continental Sulphur and Phosphate Corporation of all the presently outstanding indebtedness due by said General Sulphur Corporation (as approved by the Finance Committee of General Sulphur Corporation but in no event to exceed $25,000) and in consideration of other good and valuable considerations, does hereby sell, transfer, assign and convey unto Continental Sulphur and Phosphate Corporation, and to its successors and assigns, the several mining claims situated in the unorganized mining district of Park County, Wyoming, known as the Sunlight District, more particularly described as follows, to-wit:

Name of Claim	Recorded On	In Book	At Page
Moose Lode	Feb. 6, 1943	86	365
Moose Lode #1	Feb. 5, 1943	86	366
Moose Lode #2	Feb. 5, 1943	86	367
Moose Lode #3	Feb. 5, 1943	86	367
Moose Lode #4	Feb. 5, 1943	86	368
Moose Lode #5	Feb. 5, 1943	86	369
Moose Lode #6	Feb. 5, 1943	86	370
Moose Lode #7	----------	--	---
Glendale Lode	Mar. 23, 1943	86	380
Bea Lode	--- -------	--	---
Bea Lode #1	June 21, 1943	86	387
Sulphur Lake Lode	Feb. 5, 1943	86	370
Sulphur Lake Lode #1	Feb. 5, 1943	86	371
Sulphur Lake Lode #2	Feb. 5, 1943	86	372

Name of Claim	Recorded On	In Book	At Page
Sulphur Lake Lode #3	Feb. 5, 1943	86	373
Sulphur Lake Lode #4	Feb. 5, 1943	86	374
Sulphur Lake Lode #5	Feb. 5, 1943	86	374
Sulphur Lake Lode #6	Feb. 5, 1943	86	375
Sulphur Lake Lode #7	Feb. 5, 1943	86	376
Sulphur Lake Lode #8	Feb. 5, 1943	86	377
Sulphur Lake Lode #9	Feb. 5, 1943	86	377
Yellow Rose Placer	Feb. 6, 1942	86	283
Oregon Placer	Feb. 6, 1942	86	284
Sulphur Mt. Placer	Feb. 6, 1942	86	285
Elk Wallow Placer	Feb. 6, 1942	86	285
Pioneer Placer	Feb. 6, 1942	86	286
Wyoming Placer	Feb. 6, 1942	86	287
Big Blowout Placer	Feb. 6, 1942	86	282
Light Sunlight Sulphur Placer	Feb. 6, 1942	86	283
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Wilmar Placer #2	July 29, 1947	86	539
Sunlight Sulphur Mill Site	Mar. 23, 1943	86	380
Sunlight Lode Claim	Mar. 23, 1943	86	381

together with all improvements to said mining claims, all personal property located thereon, as well as any and all other assets of every kind and character now belonging to said General Sulphur Corporation. Said claims are subject to the paramount title of the United States of America, and are also subject to a royalty of $2.00 per ton on all sulphur produced, mined and sold or delivered from said premises and 1/8 of all other products, mineral or otherwise, which may be produced and sold or delivered from said premises, retained by Kenneth L. Porter in that certain assignment agreement entered into on April 26, 1949, between said Kenneth L. Porter and General Sulphur Corporation, to which reference is made for all purposes as if fully incorporated herein.

For the same consideration, Continental Sulphur and Phosphate Corporation hereby assumes and agrees to pay the full consideration requested to be paid by said Kenneth L. Porter to his predecessors in interest, all as set forth in the agreement between said Kenneth L. Porter and said General Sulphur Corporation and agrees to fully carry out all and singular, the terms and provisions of both of the agreements, to-wit, (1) the agreement between Stanley Mitchell, et al, and Kenneth L. Porter and (2) the agreement between Kenneth L. Porter and General Sulphur Corporation, it being the intent of the parties to this agreement that by virtue hereof, Continental Sulphur and Phosphate Corporation shall succeed to all the rights, titles and interests as well as all the obligations of the General Sulphur Corporation in the agreement aforementioned as if said

Continental Sulphur and Phosphate Corporation was the original Assignee therein.

Stanley J. Mitchell and Bertha K. Mitchell, his wife, and Willis A. Fritz and Mary Fritz, his wife, hereby join in this assignment solely for the purpose of evidencing their written consent as required by their agreement with said Kenneth L. Porter as aforementioned.

IN WITNESS WHEREOF, General Sulphur Corporation has caused these presents to be signed by its proper officers, thereunto duly authorized, and the Continental Sulphur and Phosphate Corporation has caused these presents to be signed by its officers, thereunto duly authorized, and the said Stanley J. Mitchell and Bertha K. Mitchell, his wife, and Willis A. Fritz and Mary Fritz, his wife, have signed these presents this 15th day of September, 1950.

General Sulphur Corporation

Attest: _____ Secretary

By _____ President

Continental Sulphur and Phosphate Corporation

Attest: _____ Secretary

By _____ President

_____ Stanley J. Mitchell

_____ Bertha K. Mitchell

_____ Willis A. Fritz

_____ Mary Fritz

STATE OF TEXAS |

COUNTY OF DALLAS |

On this 15th day of September, 1950, before me appeared S. A. (Jack) Winfrey, to me personally known, who being by me duly sworn, did say that he is the President of General Sulphur Corporation, a Delaware corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said S. A. (Jack) Winfrey acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and Notarial Seal the date first above written.

VALERE DUNCAN

Valere Duncan

Notary Public in and for Dallas County, Texas

NOTARY PUBLIC COUNTY OF DALLAS TEXAS

STATE OF TEXAS |

COUNTY OF DALLAS |

On this 15th day of September, 1950, before me appeared C. Andrade, III, to me personally known, who being by me duly sworn, did say that he is the President of Continental Sulphur and Phosphate Corporation, a Delaware corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said C. Andrade, III, acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and Notarial Seal the date first above written.

Mabel Deevers

Notary Public in and for Dallas County, Texas

STATE OF OREGON |

COUNTY OF CLACKAMAS |

BE IT REMEMBERED, That on this 20th day of September, A.D. 1950, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Stanley J. Mitchell and Bertha K. Mitchell, 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.

Frank C. McKinney

Notary Public for Oregon

My Commission Expires 10/9/53

FRANK C. McKINNEY NOTARY PUBLIC STATE OF OREGON

10-

STATE OF ~~WYOMING~~ California
COUNTY OF ~~PARK~~ San Bernardino

BE IT REMEMBERED, That on this 27th day of September, A.D. 1950, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Willis A. Fritz and Mary Fritz, 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.

NOTARY PUBLIC SAN BERNARDINO CO. CALIF.

Irene Fraley
Notary Public for ~~Wyoming~~ California
My commission expires _____

My Commission Expires December 11, 1953

Recorded Oct. 20, 1950 at 9:20 A. M
In Book 156 Page 374 Park County, Wyo.
No. 70712 Eva E. Larson, County Clerk.

dma/103x

August 7, 1950

COPY

General Sulphur Corporation
Dallas, Texas

Gentlemen:

Reference is made to Ralph E. Davis' report dated July 27, 1950 on General Sulphur Corporation's sulphur deposits in Park County, Wyoming. Mr. Davis has presented in his report a summary of the conclusions reached regarding all matters which are considered important in the determination of the feasability of the successful exploitation of a sulphur deposit. Mr. Davis has assumed full responsibility for the:

(a) Magnitude and quality of the deposit.
(b) Minability of the ores and estimate of cost of mining and cost of equipment.
(c) Transportation of the crude ores to a plant for beneficiation into a finished grade-cost and investment involved.
(d) Selection of a plant site suitable for the treatment of the ores.

This report supplements Mr. Davis' report by presenting in detail the results of this firm's investigations into all other matters, namely - process of ore beneficiation, estimate of plant costs, transportation problems of sulphur from mill to rail, marketability of product, total capital requirements, and estimate of sales, operating costs, and profits.

The conclusions presented herewith are those of this firm after conferring with specialists in the field of each problem. We wish to acknowledge the valuable consultations rendered by the following firms:

Process of Ore Beneficiation	- Chemical Construction Corp.
Estimate of Plant Costs	- Chemical Construction Corp. Stearns-Roger Manufacturing Co.
Estimate of Plant Operating Costs	- Chemical Construction Corp. Stearns-Roger Manufacturing Co.
Transportation - Proposed Road Costs	- Haberthier Construction Co. Taggart Construction Co. M. E. Rogers, C. E.
Transportation - Cost of hauling sulphur from mill to rail	- Industrial Transit Service Hambrick Consolidated Haberthier Construction Co.
Transportation - Rail Problems	- Northern-Pacific Railroad Chicago Northwestern Railroad
Tax and Accounting	- Barrow, Wade, Guthrie & Co.
Sales and Market	- Chemical Construction Corp. Bradley and Baker

All reports, letters, and other supporting data to statements herein made are available in our files for inspection by your company or its designated agents.

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The firm of Winfrey, Paine and Phillips and the partners therein acknowledge the ownership of common stock in the General Sulphur Corporation.

Very truly yours,

S. A. (Jack) Winfrey

JRP/d

Enclosures

COPY

Process of Ore Beneficiation

The Chemical Construction Corporation, a subsidiary of the American Cyanamid Company, has developed a process for the treatment of the sulphur ore containing from 20.5% - 100.00% sulphur, whereby 92% of the sulphur content is recoverable in the final form of pure sulphur testing 99.5% plus. Samples of the sulphur ore in Sunlight Valley have been subjected to this process in laboratories of the Chemical Construction Corporation with highly favorable results which are given below:

Samples No. 1 and No. 5 were discarded because of the extremely low sulphur content - 3.1% and 0.6% respectively. The other four samples were subjected to the Chemico recovery treatment and produced the following results:

Sample No.	% S in Ore	Avg. Tailing % S	% Recovery	Avg. % S Flotation Concentrate	% S Complete Processing
3	50.8	6	92	90	99.99
6	36.3	3	96	95	99.92
2	26.7	3	92	92	99.97
4	20.5	3	87	95	99.86

The Chemical Construction Corporation will build a plant for the use of its beneficiation process and guarantee the plant's satisfactory operation in handling approximately 600 tons of ore daily in the production of approximately 200 tons of sulphur at an estimated cost of $1,065,000.00. The detail of costs of the plant operation is given in the financial summary in this report and it is evident therefrom that commercial sulphur can be recovered at costs well within economic limits for profitable operations.

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This plant is to be located in Sunlight Valley near the major sulphur deposits.

Attention is called to letter from the Chemical Construction Corporation wherein the efficiency and cost of the plant is guaranteed by them.

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Plant Cost

The following figures have been submitted by the Chemical Construction Corporation for the estimated cost of the plant on a turn-key job basis with efficiencies guaranteed.

	Plan A 100 tons daily	Plan B 200 tons daily
Buildings and Foundation	$ 65,000.	$ 75,000.
Processing Equipment (erected)	720,000.	900,000.
Steam and Electric Plant	40,000.	55,000.
Camp Facilities	15,000.	15,000.
Plant Site	-0-	-0-
Sulphur storage facilities	20,000.	20,000.
Total Plant and Equipment	$ 860,000.	$1,065,000.

The above figures have been used in determining the total capital requirements of $1,250,000.00 for Plan A and $1,545,000.00 for Plan B as presented on page 10 in Mr. Davis' report.

Transportation - From Plant to Rail - Cost Involved

Due to the severe winters experienced in this section of the

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country, it is believed impractical to depend upon trucking sulphur over existing mountain roads to Cody. The General Sulphur Corporation, in order to have a road serviceable 12 months a year, plans to build approximately 21 miles of road from its proposed plant site to Clark's Fork, Wyoming. These 21 miles of road will link with 8 miles of public road now in service to give access in and out of Sunlight Valley throughout the year. A permit has been granted by the U. S. Department of the Interior for the construction of the first 7 miles of this road which will join the region of the sulphur deposits with the 8 miles of road referred to above. Turnkey job bids have been received from three highway construction firms in the area and from the figures submitted, it is estimated that this section of the road can be built on a leased equipment basis at a cost not to exceed $60,000.00. This is the most difficult section of road to be built, it being estimated that the remaining 14 miles of road can be built for approximately $75,000.00. From Clark's Fork, it will be possible to continue to haul by truck over existing roads either to Belfry, Montana to connect with the Northern Pacific Railroad or to Cody, Wyoming to connect with the Burlington Railroad.

It is contemplated that contracts will be let for hauling sulphur from the mill to the railroad. Bids from $3.00 to $4.50 per long ton of sulphur for hauling from the plant site to Cody, Wyoming have been received from responsible trucking firms.

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These bids are being considered and compared with estimated costs of operating company-owned equipment.

Marketability of Pure Sulphur

The firms of Bradley and Baker and Chemical Construction Corporation have entered into studies to determine the marketability of the proposed tonnage of pure sulphur.

U. S. Department of Interior, Bureau of Mines, reports show that the price of sulphur per long ton in the U. S. to be stable at about $14.00 per long ton f.o.b. plant since 1910. Little fluctuation in the price has existed since 1925, and the price has never gone below $15.00 (1919) nor above $22.00 (1918). From 1925 to the present date the price has been maintained from $16.00 to $18.00 per long ton.

The price of $28.50 per long ton of sulphur f.o.b. Cody, Wyoming is believed to be a competitive price for sulphur in the area. This price was confirmed in the spring of this year at $30.00/ton for use in a proposed superphosphate plant to be located at Lander, Wyoming. Freight rates from the Gulf Cost to Greeley, Colorado are $2.54 per long ton, making a Greeley price of $30.54 per long ton.

Bradley and Baker, 155 East 44th. Street, New York, N. Y., represent exclusively the entire production or exclusively within certain territories many well know companies in the fertilizer materials, foodstuffs, and chemical industries.

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Their review of the market indicates that considerably more tonnage than 75,000 tons per year of pure sulphur can be marketed at competitive prices. Bradley and Baker are ready to enter into sales agreement to handle the entire output wherein they agree to sell, distribute, and guarantee credit of all customers. Reference is hereby made to a copy of letter from Bradley and Baker dated August 4, 1950 on this subject together with copy of proposed sales agreement.

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Mr. H. R. Seyfried of the Chemical Construction Corporation in letter to Mr. S. A. Winfrey has stated - "I will sell every ton of high grade sulphur that you produce on the competitive market."

The above opinions together with other investigations made by this firm indicate a ready market for the entire outlet of a 60,000 ton per year plant.

It is the present intention of the General Sulphur Corporation to enter into an agreement with Bradley and Baker for the distribution of its entire production of pure sulphur, believing that Bradley and Baker's present organization for sales, distribution and associated problems could not be duplicated at this time by the company itself.

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ESTIMATED INCOME, OPERATING COSTS AND PROFIT PER YEAR
(Based on 300 operating days per year)

	Plan A 100 tons daily	Plan B 200 tons daily
ESTIMATED INCOME		
Tons of 99.5% Sulphur	30,000 tons	60,000 tons
@ $28.50/ton f.o.b. Cody, Wyoming	$ 855,000	1,710,000
ESTIMATED OPERATING COSTS		
Mining and trucking crude ore	105,000	200,000
Depreciation-mining & truck equip't	25,000	40,000
Plant operation-grinding & processing	129,500	180,000
Depreciation-plant equipment	47,000	59,000
Supervision and office expense	30,000	30,000
Transportation-Sulphur from mill to Cody @ $4.00/ton	120,000	240,000
Total Operating Costs	$ 456,500	$ 749,000
Royalties @ $2.00/ton	60,000	120,000
Total Costs and Royalties	516,500	869,000
Net Profit before depletion & taxes	338,500	841,000
Depletion allowance - based on 23% of estimated sales @ mill price of $24.50/ton less 6% yield on plant investment	157,000	323,000
Net profit subject to Fed. Inc. Tax	181,500	518,000
Fed. Inc. Tax (38%) - See Note (1)	69,000	197,000
Net Profit after taxes	112,500	321,000
Available funds for retirement of investment (Depletion, Depreciation, and Net Profit after Taxes)	341,500	743,000
Total Investment	1,250,000	1,545,000
Payout - years	3.7	2.1
Annual Rate of Return	27.3%	48.2%
Number years operation based on present proved reserves	64	32

(1) If Federal Corp. Income Taxes are increased to 45%, then net profit after taxes would be: $ 100,000.00 for Plan A and $285,000.00 for Plan B.

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Pertinent reports, letters and other supporting data in Winfrey, Paine and Phillips' files referred to in General Sulphur Corp. report of August 5, 1950.

1. Ralph E. Davis report of July 27, 1950.

2. Chemical Construction Corporation:
   W. R. Seyfried to S. A. Winfrey - letter dated 3-9-50
   A. M. Webb to S. A. Winfrey - letter dated 8-4-50
   T. P. Forbath to Winfrey, Paine and Phillips - memorandum dated 4-24-50

3. Bradley and Baker:
   W. E. Roecklein to S. A. Winfrey - letter dated 8-4-50
   W. E. Roecklein to S. A. Winfrey - letter dated 5-29-50 and Sales Agency Agreement attached.

4. Stearns-Roger Mfg. Company:
   S. D. Coyle to S. A. Winfrey - letter dated 4-26-50 and Cost estimates and report attached thereto.

5. Industrial Transit Service:
   H. H. Burnett to S. A. Winfrey - letter dated 7-22-50
   H. H. Burnett to Winfrey, Paine and Phillips - letter dated 11-29-49

6. Hambrick Consolidated:
   L. N. Hambrick to J. Robert Phillips, Jr. - letter dated 7-24-50

7. Barrow, Wade, Guthrie & Co.:
   S. C. Walsh to Dallas Office (W. G. Peavy) - Copy of Inter office memorandum - dated 7-25-50

8. Waggart Construction Company:
   S. S. Willis to Gen. Sul. Corp. -
   1. Rental Equipment bid-proposed road to ranger station - dated 8-26-49
   2. Turnkey job bid-proposed road to ranger station - dated 8-26-49

9. Haberthier Construction Company:
   Kenneth H. Davis to Gen. Sul. Corp.
   1. Bid on grading, rockwork & gravel on road to ranger station - dated 8-25-49
   2. Bid on bridge & culvert construction on above road - dated 8-25-50
   3. Rental basis proposal for building same road - dated 8-25-49

10. H. G. Fisk file - as related to sulphur.

COPY

Doc 103X

GENERAL SULPHUR CORPORATION

SULPHUR DEPOSITS

PARK COUNTY, WYOMING

July 27, 1950

RALPH E. DAVIS
Houston Pittsburgh New York

RALPH E. DAVIS
ENGINEER

/ YORK
AD STREET

PITTSBURGH
1710 UNION BANK BUILDING

PETROLEUM AND NATURAL GAS

1434 COMMERCE BUILDING
HOUSTON

July 27, 1950

General Sulphur Corporation
Dallas, Texas

Gentlemen:

I present herewith report covering my recent investigation of the sulphur properties controlled by your Company and located in Park County, Wyoming.

Yours very truly,

Ralph E Davis

GENERAL SULPHUR CORPORATION
SULPHUR DEPOSITS
PARK COUNTY, WYOMING

The General Sulphur Corporation, through certain contracts with the original owners, is the holder of mining claims on 1640 acres in Sunlight Valley, Park County, Wyoming. Large exposed outcrops of sulphur are within the bounds of these mining claims. Upon the fulfillment of its contractual obligations to maintain these claims in good standing by the expenditure of $3,200.00 annually in the development of the properties and by the payment of $110,000.00 to the owners of the leases, the General Sulphur Corporation can acquire the properties in fee. Sufficient expenditures in the development work to date have been made to maintain all leases in good standing until July 1, 1951. A payment of $10,000.00 has been made toward the retirement of the purchase obligation. The remaining sum of $100,000.00 is to be paid over a maximum period of five years from a minimum royalty of $1.00 per ton on all sulphur sold with minimum annual payments of $20,000.00 per year due and payable on September 1st of each year, beginning September 1, 1950.

A sulphur deposit - to be suitable for successful exploitation, must be of such size and quality as to afford a tonnage of product sufficient to meet all capital and operating obligations, with suitable profit. This requires that all features or factors which will influence or affect the outcome must be studied and satisfactory conclusions reached as to each.

The problems involved in determining the suitability of the property under study as one suitable for exploitation are grouped as follows:

(a) Magnitude and quality of the deposit.

(b) Mineability of the ores and estimate of cost of mining and cost of equipment.

(c) Transporation of the crude ores to a plant for beneficiation into a finished grade - cost and investment involved.

(d) Selection of a plant site suitable for the treatment of ores.

(e) Selection or development of a process of ore beneficiation which is satisfactory.

(f) Cost of plant.

(g) Cost of plant operation.

(h) Determination of suitable means of transportation of product to nearest point of rail transportation, and costs involved.

(i) Determination of marketability of product, both as to price and tonnage.

(j) Summary of (1) total capital required

(2) total operating cost, estimated income and profit.

This report deals with the first four of these matters. Studies of all of the above mentioned problems have been made by or under the supervision of Mr. S. A. Winfrey of the firm of Winfrey, Paine & Phillips, consulting petroleum and geological engineers, of Dallas, Texas. After preliminary investigations of the properties, Mr. Winfrey and his firm acquired interests in the General Sulphur Corporation and Mr. Winfrey assumed the position of president of the corporation, which position he still retains. In a separate report, Mr. Winfrey presents the conclusions reached in the matters of ore beneficiation, transportation of product, market for the product, including costs, both capital and operating.

A summary of Mr. Winfrey's conclusions is presented herewith, with the summary of my conclusions regarding the problems studied by me.

Nature of Sulphur Deposit

Native sulphur is found in many places in the world, commonly in places where volcanic and related phenomena have caused sulphur to be deposited in surface or near surface accumulations. Such deposits are regarded as being due to the deposition of sulphur from gaseous compounds - principally hydrogen sulphide. In many places this gas is presently being expelled from the earth in localities of sulphur deposition.

Another notable type of sulphur occurrence is in certain salt dome accumulations such as are known and exploited on a large scale in the Gulf Coastal

area. The genesis of these sulphur deposits is shrouded in greater mystery than in the case of the first type mentioned.

The sulphur deposits of Park County and of neighboring Hot Springs County, Wyoming, are of the first type. The deposits there which have been examined by me include a number of apparently rather small deposits in the vicinity of Cody, others near Thermopolis, in both localities mining being prosecuted on a limited scale, and the deposits here under consideration.

Description of Property

The 1640 acre property now controlled by General Sulphur Corporation is situated along the upper waters of Sunlight Creek and both north and south of same. The country rock in this area consists of undifferentiated igneous rocks, of recent geologic origin, as is evidenced by the abrupt ending of the massive Madison limestone (with a few outlying masses of this formation) indicating the destruction of this limestone in the area by melting and absorption into the igneous mass. Dykes of later intrusives into the main igneous mass are observable in many places in and around the immediate area.

The aftermath of the most recent igneous activity has been the development of hot springs and similar phenomena, as is so well illustrated in neighboring Yellowstone Park. Hot waters carrying various minerals to the surface deposit a part of their load as pressure and temperature are lost in their upward migration. Gases, including hydrogen sulphide, accompany these waters in places where activity continues. In the neighborhood of the sulphur deposits near Cody, hydrogen sulphide is very noticeable where spring waters reach the surface. This relationship of hydrogen sulphide gas and the waters bearing same to the sulphur deposits is of interest, and also of importance in the study of the extent of the sulphur deposits.

Native sulphur has been found in ten exposures on the properties of General Sulphur Corporation. Of these, one is located on the 320 acre property about 3-1/4 miles from the nearest of the other deposits. All of the other nine

exposed deposits are located in an alignment trending east southeast or west northwest over a distance exceeding three miles. This alignment clearly indicates the association of those deposits in their origin with a fissure zone along which hot waters and gases have in very recent geologic time found escape from depth to the surface. The isolated deposit first mentioned is doubtless associated with another, possibly parallel, fissure zone.

There is shown on an accompanying map the location and relationship of the ten exposed sulphur deposits. A field examination of these was made by the writer during the first week of July, 1950. The purpose of this investigation was to determine the extent of the sulphur deposits, their grade or sulphur content within limits, their accessibility to a central location for beneficiation, and their mineability. The writer was accompanied by Messrs. Winfrey and Phillips, of the Winfrey, Paine & Phillips organization, by Ralph E. Davis, Jr., who assisted in the examination of the more difficultly accessible (due to altitude - approximately 7000 feet above sea) areas, and by Mr. Russell Unrue of Alder, Montana, who has been known to the writer for thirteen years as one especially experienced and capable in problems of surface mining and handling earth materials. Others in the party made the trip feasible.

For convenience, the several sulphur deposits are referred to by letters, A-1, A-2, A-3, B, C, D, E-1, E-2, and F for those in the alignment group, and Little Sunlight for the rather isolated deposit located some three miles downstream from the others.

It is evident from an inspection of these deposits that they are related to and due to deposition from escaping gases of deep origin through fissures related to the alignment of the deposits. These gases and sulphur bearing hot waters impregnated the fissured, porous rock beds, where under surface and near surface conditions deposition of native sulphur took place. Where the rock beds were calcareous in their principal constituent, such as limestone, gypsum formed associated with native sulphur. This is notably exemplified in the deposits near

Cody, where gypsum as well as sulphur is presently being mined.

One is able to walk over the greater known extent of the sulphur rock exposures. To some extent, possibly to a much larger extent than is realized, mineable sulphur ores are hidden from the surface view by overlying soil and vegetation. Where in the vicinity of the exposed ores, exploratory drill holes or pits have been put down, extensive sulphur deposits have occasionally been found under the surface cover. No attempt was made by me to explore other similar areas, where from the nature of the deposits and their mode of origin, sulphur might be expected to exist in mineable deposits. The problem was not to explore the ultimate extent of the deposits - rather to determine the extent, approximate minimum tonnage and approximate minimum average grade of such portions of the presently known deposits as are easily mineable.

During the year 1949 an extensive exploration of the deposits was carried out under the supervision of Winfrey, Paine & Phillips. Test holes were drilled in suitable locations by use of both cable tools and rotary drills, and cores were taken where feasible. Also, hand augers, capable of exploring to a depth of about six feet, were used. Test pits about five feet in diameter and of various depths up to about eight to ten feet were put down. Sulphur gas made this type of exploration difficult. Further exploration in suitable places was made using a Caterpillar dozer, affording cross sectional exposures of up to about fifteen feet vertical depth. These cross sectional exposures are available for inspection. I am advised that the total cost of the exploratory work done in 1949 was $73,575.00. Further work of this kind is not necessary.

The writer either personally inspected the sulphur deposits where exposed at the surface or in these cross section exposures, or delegated some of this work to his assistants, Ralph E. Davis, Jr. and Russell Unrue.

A survey of the exposed sulphur deposits A-1 to F, inclusive, plus the Little Sunlight deposit, all controlled by General Sulphur Corporation, made by Mr. Howard Bell, County Surveyor of Park County, under the supervision of Winfrey,

Paine & Phillips in 1949, showed a total of 130.4 acres. This includes only exposed sulphur. Exploration by test holes around the periphery of the deposits in places has revealed sulphur of mineable grade and thickness underlying extensive additional acreage.

The extensive tests of these ores made by Chemical Construction Corporation of New York City, a subsidiary of American Cyanamid Company, to determine the most feasible method of ore beneficiation, indicated that ores averaging above 20 per cent sulphur could be handled economically and commercially under present economic conditions. Hence, in this survey of mineable ores only material above 20 per cent sulphur is considered of suitable grade to be included as ore reserve.

The vertical extent of the ores averaging above 20 per cent sulphur varies throughout a wide range, from only a few feet to frequently occurring depth of 30 to 35 feet. In places rich sulphur rock was found at much greater depth, which at this time is ignored in estimating reserves on account of the uncertainty of the feasibility of mining such deep ores.

The writer became convinced during the examination of these sulphur deposits, that surface exposed ores of mineable grade exist upon the total of 130.4 acres referred to above, and that this area of surface or near surface ore is of considerably greater extent, probably of the order of 200 acres or more. It was also my conclusion that there are places, evident here and there to the eye, but actually determinable with approximate exactness only by mining, where a portion of the exposed ores will not be recovered due either to the extent of associated overburden or other rock materials. I believe that I am conservative in estimating the total area of known sulphur rock of mineable grade at 125 acres.

The thickness and average grade of the mineable ores cannot and need not be determined with exactness. It is clearly demonstrated that in places the thickness will approximate 35 feet of mineable ore, and it is reasonable to expect portions to materially exceed this figure. Taken as a whole, I consider it proper to estimate the average recoverable thickness at 25 feet. This would indicate:

$$\frac{125 \text{ acres} \times 43{,}560 \times 25 \text{ feet thick}}{20 \text{ cubic feet per ton}} = 6{,}806{,}250 \text{ tons mineable sulphur rock}$$

The sulphur content of the ore in place varies through a very wide range. Assays of samples of the mineable grade vary from 20 per cent sulphur to 45 per cent sulphur commonly, and in places average substantially higher, 50 per cent to 60 per cent sulphur content being frequently obtained. Mill recovery is expected to approximate 92 per cent, based upon the extensive research made for General Sulphur Corporation by Chemical Construction Corporation.

In this survey, the sulphur rock as mined is estimated at an average sulphur content of 35 per cent, which is reduced to recoverable sulphur content by deducting 10 per cent for mill losses, giving 31.5 per cent recoverable sulphur.

31.5% of 6,806,000 tons = 2,143,890 tons

or, expressed in long tons as sulphur is sold, we have an estimated 1,912,000 long tons of recoverable mineable sulphur regarded by me as proven.

Mining Method and problems

Mr. Russell Unrue, who has had a long and successful experience in handling large quantities of surface exposed rock materials, including placer mining, road construction, levee building, irrigation ditch work, etc., accompanied me to these properties to size up the problem of mining the sulphur ores and their transportation to the mill to be located on the property. We found that the ores are so exposed at the surface that no real problem exists. It is simply a matter of selecting the equipment best suited to the job. The conclusion is that the sulphur rock can be largely loosened and loaded using a diesel driven shovel of 2 or 2-1/2 cubic yard bucket capacity. A large dozer, diesel driven, would be needed to handily prepare roadway for the shovel and trucks, and to some extent to feed ores from upper levels down the slope to the shovel. The investment in shovel, dozer, and a fleet of six trucks of suitable capacity, should not exceed $125,000.00. The operating cost of the mining and

crude ore transportation should approximate $175.00 per shift, or $350.00 per day on a two-shift basis. The ore rock handled by a fleet of six trucks fed by one shovel should approximate 350 tons for two shifts. To double this capacity, an increased number of trucks operating on a three-shift basis should suffice.

It might be best to get into the operation by using, say, six trucks on the two-shift basis, and later increasing capacity as above suggested or by opening up a second deposit and using a second shovel with the increased number of trucks. Greater elasticity in the overall operation would be attained by currently operating on two deposits, although this larger operation might well be deferred to the second year of operation.

Plant Site

A suitable site for an ore treatment plant is available in the valley of Sunlight Creek, upon an 80 acre tract selected for this purpose and presently controlled by General Sulphur Corporation. This location of the plant will make possible delivery of mined ores from all of the mineable deposits (except that on Little Sunlight Creek) by downhill truck transportation. Were the plant site selected close to any one of the deposits, the overall trucking problems would be intensified to the point of impracticability. Hence, the centrally located site here proposed is recommended as suitable in all respects.

Matters covered in report by Winfrey, Paine & Phillips

As pointed out at the outset in this report, the writer takes responsibility for those features of the overall problem involved that have been covered above, i.e., those items designated on page one hereof under (a), (b), (c) and (d). The other problems, of fundamental importance, have been studied by Winfrey, Paine & Phillips and their conclusions are presented under a separate report by them. For the purpose of conciseness in presenting an overall report, the following conclusions of Winfrey, Paine & Phillips are here presented and, in keeping with the overall outline on pages one and two, are referred to under the

designations (e), (f), (g), (h), (i) and (j).

(e) Process of Ore Beneficiation. Winfrey, Paine & Phillips have secured the services of Chemical Construction Corporation, a subsidiary of American Cyanamid Company, in experiments relating to methods of handling the sulphur ores of the Sunlight Valley properties. The extensive tests have permitted the conclusion that a process involving fine grinding, flotation and filtration will recover more than 90 per cent of the sulphur in a product exceeding 99.5 per cent purity.

(f) The cost of a plant erected on the plant site in Sunlight Valley is estimated by Chemical Construction Corporation at $860,000.00 for a plant to turn out 100 tons per day of finished product, or $1,065,000 for a plant of double capacity.

(g) The cost of plant operation is estimated by Chemical Construction Corporation at $242,000.00 for 300 operating days for the smaller plant, or at $315,000.00 for the larger plant. These figures are before depreciation.

(h) The problem of transportation of the finished product to rail transportation, studied by Winfrey, Paine & Phillips, and involving a survey of a proposed new road for truck transportation, indicates a total cost of such road, 26 miles long, of about $150,000.00, of which it is probable that a substantial portion will be Federal and State construction, leaving a probable road construction cost to General Sulphur Corporation of about $75,000.00. The trucking costs of the sulphur are estimated after due investigation by Winfrey, Paine & Phillips at approximately $4.00 per long ton.

(i) The studies of market demand for sulphur in the territory to be served, expected prices based upon present costs of competitive sulphur, freight costs, etc., have led Winfrey, Paine & Phillips to conclude that there is a ready market for the sulphur in the area. Further, the sale of the total output under consideration at competitive prices has been guaranteed by the firm of Bradley and Baker, 155 E. 44th Street, New York 17, N. Y.

(j) (1) Total capital requirement (based upon present costs)

Plan A - for 100 tons daily output

Mining equipment as estimated on page 7 hereof	$ 125,000.00
Shop, shop equipment and shop supplies	25,000.00
Plant facilities	860,000.00
Roads	150,000.00
Working capital	90,000.00
T o t a l	$1,250,000.00

Plan B - for 200 tons daily output

Mining equipment - for 2 site operation	$ 200,000.00
Shop, shop equipment and shop supplies	25,000.00
Plant facilities	1,065,000.00
Roads	150,000.00
Working capital	105,000.00
T o t a l	$1,545,000.00

(j) (2) Total operating cost, estimated income and profit

Plan A - for 100 tons daily

Mining and trucking crude ore	$ 105,000.00
Depreciation - mining and truck equipment	25,000.00
Plant operation - grinding and processing	129,500.00
Depreciation - plant equipment	47,000.00
Royalty	22,500.00
Supervision and office expense	30,000.00
Transportation - Sulphur from mill to Cody @$4.00/long ton	120,000.00
Total operating costs	$ 479,000.00
Estimated Income - Sales of 30,000 tons 99.5% sulphur @ $28.50/ton f.o.b. Cody	$ 855,000.00
Estimated Net Profit before taxes	$ 376,000.00

Plan B - for 200 tons daily

Mining and trucking crude ore	$ 200,000.00
Depreciation - mining and truck equipment	40,000.00
Plant operation, grinding and processing	180,000.00
Depreciation of plant	59,000.00
Royalty	45,000.00
Supervision and office expense	30,000.00
Transportation - Sulphur from mill to Cody @ $4.00/long ton	240,000.00
Total operating costs	$ 794,000.00
Estimated Income - Sales of 60,000 tons 99.5% sulphur @ $28.50/ton f.o.b. Cody	1,710,000.00
Estimated Net Profit before taxes	$ 916,000.00

The foregoing estimates of ore reserves, mineability and mining costs, and transportation to plant site for ore beneficiation as above pointed out have been made by me. The other matters investigated by Winfrey, Paine & Phillips are reported herein after conferences between us relating thereto.

Based upon the conclusions reported to me by Winfrey, Paine & Phillips and those persons and firms advising them, herein referred to, and the results of my investigations of the sulphur deposits, I believe that this report properly reflects the magnitude and feasibility of the project.

Amd 103

J. CLARENCE KARCHER
CONTINENTAL BUILDING
DALLAS 1, TEXAS

December 2, 1947

Mr. W. Christy Bryan
Hotel Lexington
New York City, New York

Dear Sir:

You will find enclosed herewith a report of Mr. Stanley Gill on the Sunlight Basin Prospect which you were kind enough to loan me.

About two weeks ago I made a trip out to this prospect with Mr. Blancet and was unfortunate enough to run into a snow storm. Nevertheless, I was able to obtain a number of samples on B. C. and D. outcrops as shown in Gill's report. You will find enclosed herewith a copy of the results of analyses of these samples for free sulphur. In addition to your report, I am enclosing two color photographs which show the outcrop of yellow sulphur against a background of white snow. I am also sending you under separate cover two samples which we had left after making the analyses above mentioned.

I feel confident after looking over the prospect that Mr. Gill's assumption as to thickness of the sulphur deposit is erroneous and would not be at all surprised if these sulphur deposits extended several hundred feet in the ground. It is not unreasonable to expect to find 25 to 50 million tons of sulphur present. I think that it is a reasonably safe assumption that there will be at least 5 million tons of sulphur rock showing 50 per cent sulphur. However, there is no need for speculating too much as to the amount of sulphur present, because it will be a simple matter to core drill the three largest outcrops (outcrops B. C. and D.) and therefrom make a much more reliable deduction as to the amount of sulphur present.

Very truly yours,

J. C. Karcher

JCK:djb

EXHIBIT B2

ZONE
DOD 1-020
ER 0-1020
DISTANCE 500
ADDRESS "DALAB"

ASSOCIATED LABORATORIES
OPERATING

THE DALLAS LABORATORIES

CONSULTANTS AND TECHNOLOGISTS

ANALYTICAL AND RESEARCH CHEMISTS—CHEMICAL ENGINEERS—BACTERIOLOGISTS—SANITARY INSPECTIONS
FOODS, CHEMICALS, DRUGS—FORMULATION—LABELLING

2500 SOUTH ERVAY STREET

DALLAS 1, TEXAS

MEXICO CITY OFFICE
[illegible]

MEMBERS
TION OF CONSULTING CHEMISTS AND
GAL ENGINEERS
AN INSTITUTE OF CHEMICAL ENGINEERS
AN SOCIETY OF PROFESSIONAL ENGINEERS
SOCIETY OF PROFESSIONAL ENGINEERS
PETROLEUM ENGINEERS CLUB
ACADEMY OF SCIENCE
AL CLUB, DALLAS

MEMBERS
AMERICAN CHEMICAL SOCIETY
AMERICAN SOCIETY FOR TESTING MATERIAL
AMERICAN ASSOCIATION OF CEREAL CHEMISTS
AMERICAN WATER WORKS ASSOCIATION
AMERICAN PUBLIC HEALTH ASSOCIATION
AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

Date November 26, 1951

Sample

Identifying Marks

Submitted by Mr. J. Karcher
Comanche Oil Company

Address Dallas, Texas

Report of Analysis No. [illegible]
CORRECTED REPORT

SAMPLE	PERCENT SULFUR
1 B	57.9 %
1 C	50.9 %
1 D	37.1 %
2 B	46.2 %
2 C	48.4 %
3 B	62.3 %
3 C	48.3 %
3 D	39.1 %

* * * * * * * * * * * * * * *

SL:pcs
Corrected Report

THE DALLAS LABORATORIES, BY

Associate Director

E ANALYSES OF THE ABOVE SAMPLE OR SAMPLES DO NOT IMPLY AN ENDORSEMENT. THIS REPORT, OR ANY PART THEREOF, MAY T BE REPRODUCED OR USED FOR ADVERTISING PURPOSES UNLESS EXPRESSLY PERMITTED BY THE DIRECTOR OF THE LABORATORIES.

ORE TESTING

Phone
VAndike 9928

ED. EISENHAUER, JR.

ASSAYER -- METALLURGIST -- CHEMIST

320-322 SOUTH SAN PEDRO STREET
LOS ANGELES, CALIF.

March 6/43

Mr. Geo . Tweedale
Glendale, Calif.

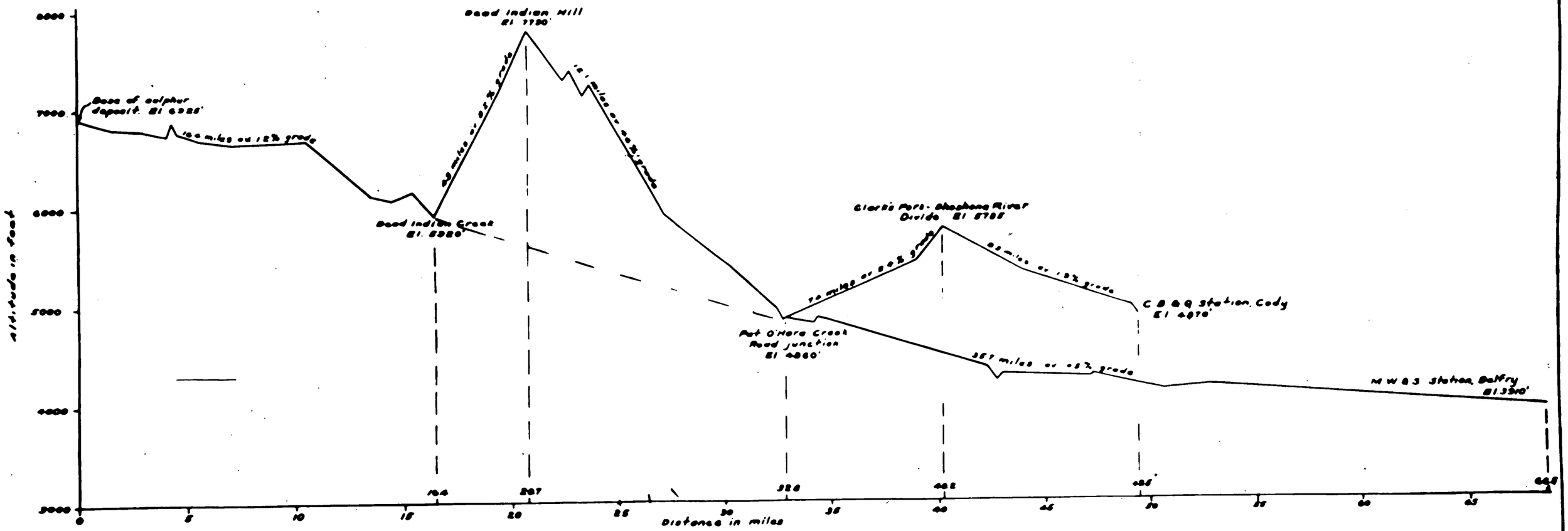
Subject: Analysis of Sulphur.

Owner's Mark:

Total Sulphur	59.22 %
Calcium Oxide(CaO)	9.81 %
Iron	.79 %
Silica(SiO_2)	8.35 %

Respectfully Submitted

ED. EISENHAUER, Jr.
Assayer



SKETCH ONLY
SHOWING ROAD PROFILE
FROM
SULPHUR DEPOSIT IN SUNLIGHT BASIN
TO
CODY, WYOMING AND BELFRY, MONTANA
BASED ON SPEEDOMETER AND ANEROID READINGS BY
R A E BERG AND J T MULLEN, JR, OCTOBER, 29, 30, 1937
HORIZONTAL SCALE: 1 INCH = 4 MILES
VERTICAL SCALE 1 INCH = 1000 FEET

Note:- this is plotted over Dead Indian Pass.

MAP

BELONGS

HERE

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

August 17, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-103 - Sulphur
Originally No. DMA-103X
Contract No. Idm-E28
Property: Park County, Wyoming Sulphur Deposits (32 claims)
Operator: Continental Sulphur and Phosphate Corporation
(C. Andrade, III, President)
2010 Tower Petroleum Building
Dallas 1, Texas
Amount approved in Contract: $79,410.00
Total accepted cost: 47,412.79
Government's share @ 50%: 23,706.40
Project work started June 27, 1951
Stopped September 15, 1951

The Continental Sulphur and Phosphate Corporation has made applications for a Certificate of Necessity in the amount of $1,850,000 (Docket No. DMA-80) and a Development Loan of $2,000,000 (Docket No. DMA-103).

Docket Summary:

5/8/51 Received application, MF-103.
5/9/51 Application acknowledged.
6/5/51 Received preliminary report from W. D. McMillan (Through P. T. Allsman, USBMO outlining extent of ore body, grade of ore, mining and milling methods and costs as planned by applicant.
6/12/51 Date of memorandum from W. E. Young, USBM, recommending the application be accepted.
6/14/51 Date of memorandum from A. H. Koschmann enclosing Report by Ogden Tweto, recommending that an exploration loan be granted.
6/26/51 Memorandum - General Counsel to Mittendorf, reporting draft of contract satisfactory as to legal form.
6/28/51 Contract No. Idma-E28 sent to Executive Officer, Region IV for signature.
7/6/51 Signed contract returned. Date on contract - June 27, 1951.
9/21/51 Received Interim report from Region IV.

11/1/51 Received memo from Region IV, reporting inability to approve payments because of inadequacy of information in MF-104 forms.
4/4/52 Received from Region IV, Certification of Discovery.
4/18/52 Received from Region IV, copies of an amendment to the contract.
4/28/52 Received Field Team Final Reports, written by F. L. Wideman, Mining Engineer, USBM and W. B. Mak, USGS. Recommended that the development loan and the Certificate of Necessity be denied.
5/1/52 Letter to Operator enclosing Certificate of Discovery. Letter to DMPA enclosing Certificate of Discovery.
5/20/52 Received memo from N. E. Nelson, USGS. Concurred with findings and recommendations of Field Team.
5/25/53 Received Final Audit Review.
7/27/53 Received Final Operator's Report.

Resume of Work:

Continental Sulphur and Phosphate Corporation's sulphur deposits are located in the upper part of Sunlight Basin in Park County, Wyoming about 50 miles northwest of Cody, Wyoming.

Exploratory work consisted of core and auger drilling and bulldozer trenching. There were 147 holes drilled, totalling 2,162.7 feet, or an average of 14.7 feet per hole. Based on this drilling, the Field Team estimated total reserves at 40,545 short tons of ore, which, according to the assays, would contain 11,052 long tons of free sulphur. The sulphur ore is low grade, containing from 23 to 35 percent sulphur, but may be utilized in the fertilizer industry. In addition, approximately 8 miles of road and 3 bridges were constructed to give better access to the property.

Unit Costs:

There were a total of 2,162.7 feet of core and auger holes drilled at a cost of $22,412.79, or a unit cost of $10.36. This includes, besides an independent contract for core drilling amounting to $4,500.00, labor and supervision, operating material and supplies, initial rehabilitation and repairs, new buildings and miscellaneous items. In addition, $25,000.00 was expended for access roads and bridges, bringing the total cost of the project to $47,412.79.

Project Cost: (Per final audit review 5/20/53.)

The review disclosed the following facts in regard to the amount to be paid to the Contractor:

Total cost per MF-104		$58,989.08
Less: Proceeds from Property Disposition		4,990.25
Adjusted Cost		53,998.83
Exceptions:		
During this Audit	$6,586.04	
Prior to this Audit	-0-	6,586.04
Total Accepted Cost		$47,412.79
Government participation @ 50%		$23,706.40

Comments and Recommendations:

The original application was for a development loan of $2,000,000 and a Certificate of Necessity in the amount of $1,850,000.00. The application was changed to exploration which was estimated to cost $79,410.00.

The Government estimate of a reserve of 40,545 short tons of sulphur did not warrant the granting of a $2,000,000 loan. The Field Team recommended the denial of the development loan and the Certificate of Necessity. Mr. W. H. King, USBM, and Mr. A. H. Koschmann, USGS, concurred with this recommendation.

The Nonmetallic Minerals Division concurs with the above evaluation and the issuance of the Certificate of Discovery.

The July issue of the Engineering and Mining Journal indicates that the Continental Sulphur and Phosphate Corporation will have 10,000 tons of new sulphur capacity in 1955.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

File in Docket per Mr. Selfridge

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

JUN 27 1961

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

Re: Docket DMEA-103 (Sulphur)
Continental Sulphur & Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-E28

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated May 1, 1952, all minerals mined or produced from June 27, 1951, to June 27, 1961, were subject to the Government's percentage royalty as set forth in said Contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the Contract or any future production therefrom. We, therefore, are closing our books and records on this Contract. Your attention, however, is called to the provisions of the Contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Turnick
Director

Copy to:
Mr. K. L. Gernheimar
42 Broadway
New York 4, New York

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

OFFICIAL BUSINESS

WASHINGTON, D.C.
JUN 7 1961
1:9-PM

POSTAGE AND FEES PAID
DEPARTMENT OF THE INTERIOR

PRAY FOR PEACE

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

RETURN
TO WRITER
UNCLAIMED

DALLAS, TEX.
JUN 30 1961
2 - PM

15

MME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr Dobbs		
2. George C. Selfridge R 4459		
3. 110 100		
4. Mr Selfridge - Surnamed & returned per our conversation re pre-certification		
5. 220 production Sales		
FROM: George C. Selfridge	4/27	SB

FOR: Check items for action desired

____ Action ____ Reply for signature of
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite
____ Instructions ____ Your information

SOLICITOR

REMARKS:

Placing Letter
Dmka-103

JUN 27 1961

INTERIOR DEPT.

MME Form 7
(10-58)

OFFICIAL FILE C

Date	Surname	
6/27	Selfridge	20
6/28	Gibson	500
"	Murphy	500
6/27	Talbert	800
6/27	Dell	140
6-27	Brown	140
6/27	App'd, Sol. Off.	110
6/27	Fumich	100
		220

JUN 2 7 1961

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

Re: Docket DMEA-103 (Sulphur)
Continental Sulphur & Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-E28

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated May 1, 1952, all minerals mined or produced from June 27, 1951, to June 27, 1961, were subject to the Government's percentage royalty as set forth in said Contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the Contract or any future production therefrom. We, therefore, are closing our books and records on this Contract. Your attention, however, is called to the provisions of the Contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

GCSelfridge/hb (6/27/61)
Copy to: Docket DMEA-103
Director's Reading File
Region III (2)
Code 500
Mr. K. L. Gernheimar
42 Broadway
New York 4, New York

43683

Docket Dmea

JUN 27 1961

Memorandum

To: Acting Field Officer, Region III, OME

From: Chief, Division of Field Operations, OME

Subject: Expiration of DMEA Contracts Paying Royalty

In response to your June 22, 1961, inquiry relating to the type of information which should be included in the final inspection reports, it is our thought that the information should deal solely with the possibility of unreported production. The information should furnish us the justification for writing a closing letter to the operator or successor freeing the property from the Government's lien. Information gathered along the lines as reported under the final inspection for Docket DMEA-103, Continental Sulphur and Phosphate Corporation, appears to be a correct approach to the matter. We have written a closing letter for this contract, copies of which you should receive in the near future.

With reference to your letter of June 19, 1961, to Mr. W. R. Nichols, please note that the last regulations published require that applications be submitted in triplicate only. We shall change the application form when a new set is printed.

GCSelfridge/hb (6/27/61)
Copy to: Mail & Records
Director's Reading File
Docket DMEA-103
Code 500
G.C.Selfridge

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. 500		
2.		
3.		
4.		
5.		
FROM: 800		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: It appears that our files may be closed after June 27 by preparation of letter releasing liens.

Talbot
6/23/61

Re: DMA-103

DUP. SEC., WASH., D.C. M56300-59

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 22 1961

DATE	INITIALS	
6/22	gad	220
6/22		100
6/22		110
6/23		800
		500
"	Treasurer	500
		220

June 20, 1961

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D.C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: DMA Dockets ~~100~~ & 103
Contract I-DMA-E28
Continental Sulphur & Phosphate Corporation
Sunlight Basin
Park County, Wyoming
FINAL INSPECTION

On June 15, 1961 I made the final inspection of the subject property.

No one was present at the property but I understand that Roy Coleman, a big game hunter and packer, is supposed to be the caretaker. There is no evidence that any sulphur has been shipped from the property and there is no indication of any stockpiling.

According to the County Assessor and County Treasurer of Park County, Wyoming the property has an assessed valuation of $1851.00 on which the 1960 tax of $48.70 has been paid by K. L. Gernheimar, 42 Broadway, New York 4, New York.

Roy Thomson, Forest Supervisor of the Shoshone National Forest in which forest the property is located, stated that the buildings on the property were illegally constructed because no permit was issued by the Forest Service for their construction and that the road to the property from the Forest Service road is not maintained in accordance with Forest Service specifications.

Ralph Minges, Mining Claim Supervisor for the Forest Service, stated that portions of the subject placer claims have been passed by him for patent but much of the claimed area has not been accepted by him as being worthwhile for mineral location.

Hugh M. Connors
Hugh M. Connors

Royalty period ends
June 27, 1961

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 10 1960

DATE	INITIALS	CODE
2-10	gad	VVO
2/10	[illegible]	800
[illegible]	[illegible]	500
		225

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
February 8, 1960

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

Re: Docket No. DMEA 103 (Sulphur)
Contract No. Idm-828
(Sunlight Basin Deposit)
Park County, Wyoming

Gentlemen:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959 ? Yes___ No___. If yes, and shipments made, who was the purchaser?_____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons_____ Estimated grade_____
(b) Concentrates, lbs._____ Estimated grade_____
(c) Low grade ore, tons_____ Estimated grade_____
Place stockpiled_____

Signed_____

Title_____ Date_____

HMC:ltm cc: Chmn. Op. Comm. ✓ Roy. Corres. E28 Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
~~WASHINGTON 25, D. C.~~
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY O. M. E. RECEIVED APR 11 1960		
DATE	INITIALS	CODE
4-11	gad	110
"	[illegible]	110
4/12	[illegible]	800
4/25	glw	500
		225

April 7, 1960

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Statement in Lieu of Annual Report of Certified Project.

Enclosed are the original and two copies of the subject report for the period January 1, 1959 through December 31, 1959:

DMA Docket 103
Contract No. Idm-E28 (Sulphur)
Continental Sulphur & Phosphate Company
Park County, Wyoming

J. W. Townsend

Enclosure

OME, REGION III

Statement in Lieu of ~~Interim~~ ANNUAL Report
on Certified Project

Reporting Period **1-1-59 through 1-1-60**
Docket and Contract Number **DMA 103, Idm-E28 (Sulphur)**
Operator **Continental Sulphur & Phosphate Company**
Park County, Wyoming

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

A Government representative stated that the project was inactive during the reporting period.

Source of information:

Francis J. Kelly, Commodity-Industry Analyst
Division of Minerals Industry
Bureau of Mines

Signed H. M. Connors

H. M. Connors

Date **February 19, 1960**

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/15	a	220
6/15	aff	600
6/15		VVO
		225

JUN 12 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-103 (Sulphur)
Continental Sulphur and Phosphate Corporation
Contract No. Idm-E28

Your Report of Royalty Review on the subject contract is acceptable and distribution of the regional copies is authorized.

EDTalbert/ama
June 12, 1959

Copy to: Docket
Director's Reading File
CA & A Division

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

April 6, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE	INITIALS	CODE
		220
4/9	JG	110
"	EEG	800
4-10	LG17	600
		225

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region ~~III~~

Subject: Semiannual Report of Certified Project for the period July 1, 1958 through December 31, 1958

DMEA Docket 103 (Sulphur)
Contract Idm-E28
Continental Sulphur and Phosphate Company
Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

J. W. Townsend

Enclosures
HMC/ff

cc: Semiannual Report File Idm-E 28
Harshman
Marshall
Chron.

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1, 1958 through December 31, 1958
Docket and Contract Number	DMA 103, Contract Idm-E28 (Sulphur)
Operator	Continental Sulphur and Phosphate Company Park County, Wyoming

The project has been inactive during the reporting period [x]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

A Government representative has asserted that the project was inactive during the report period.

Source of information:
Francis J. Kelly, Commodity-Industry Analyst
Division of Minerals Industry, Bureau of Mines

Signed M. H. Marshall

Date 3-12-59

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

October 15, 1958

Memorandum

To: Chairman, Operating Committee, OME

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

Subject: Semiannual Report of Certified Project for the period January 1, 1958 - June 30, 1958, Docket DMEA 103 (Sulphur) Contract Idm-E28, Continental Sulphur & Phosphate Company (Sunlight and Basin Deposits) Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

E. N. Harshman

Enclosures

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 20 1958

DATE	INITIALS	CODE
		220
10/20		110
10/20	EEF	800
10/21		600

OME
DEPARTMENT OF THE INTERIOR
SEP 26 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	January 1 - June 30, 1958
Docket and Contract Number	DMEA 103, Contract Idm-E28
Operator	Continental Sulphur & Phosphate Co. (Sulphur)

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E. O. Binyon
E. O. Binyon

Date September 25, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 21, 1958

DMEA RECEIVED FEB 26 1958		
DATE	INITIALS	CODE
2/26	C	220
27	Com	100
"	[illegible]	110
"	[illegible]	800
		600

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1 to December 31, 1957

DMEA Docket 103 (Sulphur)
Contract Idm-E 28, Continental Sulphur and Phosphate Co.
(Sunlight Basin Deposits) Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W S King
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E28
Harshman
DMEA,DFC (2)
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1 - December 31, 1957
Docket and Contract Number	Docket No. 103, Contract Idm-E28
Operator	Continental Sulphur and Phosphate Co. 2010 Tower Petroleum Bldg., Dallas, Texas

The project has been inactive during the reporting period [x]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks: Property in Park County, Wyoming

Signed E. O. Binyon
E. O. Binyon

Date ~~January 31,~~ 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 21, 1958

EXTRA COPY
DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1 to December 31, 1957

DMEA Docket 103 (Sulphur)
Contract Idm-E 28, Continental Sulphur and Phosphate Co.
(Sunlight Basin Deposits) Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
W. H. KING

Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E 28
Barshman
DMEA, DPC (2)
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period
Docket and Contract Number
Operator

July 1 - December 31, 1957
Docket No. 103, Contract I4m-528
Continental Sulphur and Phosphate Co.
2010 Tower Petroleum Bldg., Dallas, Texas

The project has been inactive during the reporting period [ ] X

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Property in Park County, Wyoming

Signed E. O. Binyon

E. O. Binyon

Date January 31, 1958

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1 - December 31, 1957
Docket and Contract Number	Docket No. 103, Contract Idm-E28
Operator	Continental Sulphur and Phosphate Co. 2010 Tower Petroleum Bldg., Dallas, Texas

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Property in Park County, Wyoming

Signed E O Binyon

E. O. Binyon

Date January 31, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

August 16, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 1957
DATE | CODE
8-19 | C | 220
19 | Com | 100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 103 (Sulphur)
Contract Idm-E 28, Continental Sulphur & Phosphate Co. (Sunlight Basin Deposits), Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman

Acting Executive Officer
DMEA Field Team, Region III

Enclosures

MHM /vj

cc: Semiannual Report File E 28
DMEA/DFC
Harshman
~~XXXX~~ Chron.

DMEA
ARTMENT OF THE INTERIOR
AUG 15 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	January 1 - June 30, 1957
Docket and Contract Number	Docket No. 103, Contract Idm-E28
Operator	Continental Sulphur and Phosphate Company 2010 Tower Petroleum Bldg., Dallas, Texas

The project has been inactive during the reporting period [ ]

Pertinent data relative to the subject contract has remained unchanged since the last report [X]

Remarks:

Signed E O Binyon
E. O. Binyon

Date 8/9/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

May 8, 1957

OFFICIAL FILE COPY
D·M E A
RECEIVED MAY 13 1957

DATE	INITIALS	CODE
5/13	JWB	220
14	Com	100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 103 (Sulphur)
Contract Idm-E 28, Continental Sulphur and Phosphate Corp. (Sunlight Basis Deposits), Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman

XXXXXXXXXXXX
Acting Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 28
S. R. Wilson
Harshman (2)
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
MAY 8 - 1957
REGION III
DENVER, COLORADO

May 6, 1957

Memorandum

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

From: Supervising Mining Engineer

Subject: Docket No. DMEA-103 (Sulfur), Contract Idm-E28, Continental Sulphur and Phosphate Corp., Park County, Wyoming

Attached are the original and eight copies of "Statement in Lieu of Semiannual Report" covering property encumbered under the subject contract for the period July 1, 1956, to December 31, 1956. There was no activity on the property during the period.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1957

DATE	INITIALS	CODE

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1, 1956, to December 31, 1956
Docket and Contract Number	DMEA-103, Idm-E28
Operator	Continental Sulphur and Phosphate Corp. Park County, Wyoming

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Conversation with the property owner has disclosed that no definite plan has been made to operate the property.

Signed S. R. Wilson

Date May 6, 1957

ACTION ON INTERIM
OR FINAL FIELD EXAM REPORT
Date 7-16

Referred to:

1. ~~Mr. Hravencox~~
2. ~~Mr. Atkinson~~
3. ~~Mr. Thompson~~
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Perhaps the transmittal letter would have sufficed
2.
3.
4.

and take appropriate action.

- - - - - - - - - - -

Action taken by Division:

Robert E. Adams

28

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED JUL 16 1956

224 New Customhouse
Denver 2, Colorado

Date: July 12, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: ~~Semi~~annual Report of Certified Project for the period July 1, 1955 through June 30, 1956
DMEA Docket 103 (Sulphur).
Contract Idm-E 28 Continental Sulphur and Phosphate Corporation (Continental Sulphur and Phosphate mine), Park County, Wyoming

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
vj
cc: Semiannual Report File E 28
Royalty File E28
S. R. Wilson
E. N. Harshman
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
Date Rec'd.

RECEIVED JUL 6 1956
BUREAU OF MINES
Denver, Colorado

JUL 1 3 1956

July 3, 1956

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-103 (Sulfur), Contract Idm-E28, Continental Sulphur and Phosphate Corp., Park County, Wyoming

Attached are the original and eight copies of Semiannual Report of Certified Project pertaining to the subject property. F. L. Wideman examined the area June 23, 1956. The present report covers the period July 1, 1955 to June 30, 1956. It is not possible to inspect the area during the winter months because of heavy snow.

There has been no activity on the property other than work accomplished for annual assessment since the last inspection. No production has resulted from the sulfur deposits.

Stephen R Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

DMEA
Date Rec'd.
JUL 6 1956
BUREAU OF MINES
Denver, Colorado

Report of Certified Project

Reporting Period	July 1, 1955 to June 30, 1956
Date of Examination	June 23, 1956
Operator	Continental Sulphur and Phosphate Corp., Dallas, Texas
Mine Name	Continental Sulphur and Phosphate
County and State	Park County, Wyoming
Docket Number and Commodity	DMEA-103, Sulphur
Contract Number	Idm-E28
Date of Contract	June 27, 1951
Date of Certification	May 1, 1952
Expiration Date of Royalty Payments	June 27, 1961
Total Amount of Contract	$79,410.00
Total Expenditures under Contract	$47,412.80
Amount of Government Participation at 50%	$23,706.40
Royalty Payments this Period	None
Previous Royalty Payments	None
Total Royalty Payments to Date	None
Percent Government Participation Repaid	None
Royalty Due on Production to Date	None
Royalty Remarks	None

DMEA
Date Rec'd.
JUL 6 1956
BUREAU OF MINES
Denver, Colorado

Original Estimate of Reserves	51,600 tons
Increase of Reserves by work performed subsequent to original and last Field Team estimates:	None
Revised Estimate of Reserves	51,600 tons
Production this Period	None
Amount of Previous Production	None
Total DMEA Production to Date	None
Percent of Revised Reserves Mined	0.00
Remaining Reserves as of July 1, 1956	51,600 tons

Remarks:

A reliable estimate of sulfur ore reserves is difficult to make because of the erratic nature of deposition. The estimated grade of the reserves is 27.7 percent sulfur. The estimated reserve is in four separate deposits.

Auger drilling and road repair work were applied as annual assessment work.

F. L. Wideman

F. L. Wideman

RECEIVED
MAY 25 1956

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

224 New Customhouse
Denver 2, Colorado

Date: May 22, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, Docket DMEA 103 (Sulpher), Contract Idm-E28, Continental Sulpher & Phosphate Company, (Sunlight Basin Deposits) Park County, Wyoming

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.

(NONE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DMEA
Date Rec'd.
SEP 28 1955

September 26, 1955

BUREAU OF MINES
Denver, Colorado
RECEIVED
OCT 10 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Region III

From: F. L. Wideman, acting for Stephen R. Wilson

Subject: Docket No. DMEA-103, Contract Idm-E28 (sulfur), Continental Sulphur and Phosphate Corp., Park County, Wyoming

Attached are the original and eight copies of a Report of Certified Project covering property of the Continental Sulphur and Phosphate Corp. for the period July 1, 1954 to June 30, 1955. M. M. Gilkey inspected the property September 7, 1955, and prepared the report.

F. L. Wideman
F. L. Wideman

Enclosure

cc: J. B. Clemmer

RECEIVED
OCT 10 1955

REPORT OF CERTIFIED PROJECT

July 1, 1954 to June 30, 1955

Docket:	DMEA-103, Contract Idm-E28
Commodity:	Sulfur
Contractor:	Continental Sulphur and Phosphate Corp., Dallas, Texas
Mine location:	Sunlight Basin
County and State:	Park County, Wyoming
Date of Certification:	May 1, 1952
Date of examination for this report:	September 7, 1955
Total Contract amount:	$79,410
Total expended:	$47,412.80
Government participation	50 percent, $23,706.40
Expiration date of royalty payments:	June 27, 1961
Production this period:	None
Royalties this period:	None
Royalties to date:	None

The property is presently inactive. The Continental Sulphur and Phosphate Corp. still controls the property.

No ores subject to DMEA royalty were shipped from the property during the period. The total production from the property is five railroad cars, shipped for metallurgical purposes, which were reported in the semiannual report for January 1, 1953, to June 30, 1954.

Sulfur mineralization occurs as cementing material in surface debris and as incrustations along fractures in andesite. The content of sulfur diminishes rapidly below the surface. A reliable estimate of the sulfur ore reserves is difficult to make because of the erratic nature of deposition. A total of 51,600 tons of sulfur ore assaying 27.7 percent sulfur has been estimated in four separate deposits.

M. M. Gilbey

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

224 New Customhouse
Denver 2, Colorado

July 16, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-103 (Sulphur), Contract No. Idm-E28, Continental Sulphur and Phosphate Corporation, Park County, Wyoming.

Enclosed are the original and three copies of a semi-annual report relative to operations at the site of the subject project subsequent to the issuance of a Certification of Discovery or Development by the Defense Minerals Exploration Administration.

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd.
JUL 15 1954
BUREAU OF MINES
Denver, Colorado

July 13, 1954

Memorandum

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

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-103 (Sulfur), Contract Idm-E28, Continental Sulphur and Phosphate Corp., Park County, Wyoming

Attached are the original and seven copies of a Report of Certified Project covering the period June 30, 1953 to June 30, 1954. It was not possible to make an examination of the property for the 6-month period ending December 31, 1953, because of heavy snow in the area. An examination was made to cover the two periods as shown.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

REPORT OF CERTIFIED PROJECT

June 30, 1953 to June 30, 1954

Docket:	DMA-103, Contract Idm-E28
Commodity:	Sulfur
Contractor:	Continental Sulphur and Phosphate Corp., Dallas, Texas
Mine location:	Sunlight Basin
County and State:	Park County, Wyoming
Date of Certification:	May 1, 1952
Date of examination for this report:	July 9, 1954
Total Contract amount:	$79,410
Total expended:	$47,412.80
Government participation:	50 percent, $23,706.40
Expiration date of royalty payments:	June 27, 1961
Production this period:	None
Royalties this period:	None
Royalties to date:	None

The property is presently inactive. The Continental Sulphur and Phosphate Corp. still controls the property. Annual assessment work for last year was done by core drilling during the autumn of 1953. The company plans to begin the annual assessment work for this year immediately.

No ores subject to DMEA royalty were shipped from the property during the period. The total production from the property is five railroad cars, shipped for metallurgical purposes, which were reported in the semiannual report for January 1, 1953, to June 30, 1954.

Sulfur mineralization occurs as cementing material in surface debris and as incrustations along fractures in andesite. The content of sulfur diminishes rapidly below the surface. A reliable estimate of the sulfur ore reserves is difficult to make because of the erratic nature of deposition. A total of 51,600 tons of sulfur ore assaying 27.7 percent sulfur has been estimated in four separate deposits.

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

224 New Customhouse
Denver 2, Colorado

February 12, 1954.

attachment to code 600

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-103 (Sulphur), Contract No. Idm-E28, Continental Sulphur and Phosphate Corporation, Park County, Wyoming.

Enclosed for your information is copy of a letter received from Stephen R. Wilson, Chief, Minerals Development Branch, Mining Division, Region IV, Salt Lake City, Utah, wherein he advises that an examination of the subject property relative to an inspection in conjunction with the semi-annual report covering this certified DMEA project must be deferred because of weather conditions.

W. H. King

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

February 10, 1954

Memorandum

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

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA 103 (Sulfur), Contract Idm-E28, Continental Sulphur and Phosphate Corp., Park County, Wyoming

The subject property is presently inaccessible because of heavy snow in the area. It will therefore be inadvisable to attempt examination for preparation of Semiannual Report of Progress covering a certified project. Available information indicates that no production has been made since the last examination. The property will be examined as soon as weather conditions permit.

Stephen R. Wilson
Stephen R. Wilson

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

224 New Customhouse
Denver 2, Colorado

September 22, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Semiannual Report - Docket No. DMA-103, Contract No. I-DMA-E28 (Sulphur), Continental Sulphur and Phosphate Corporation.

Enclosed are four copies of the Semiannual Report on Contract No. I-DMA-E28.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

September 18, 1953

Memorandum

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

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-103 (Sulfur), Continental Sulphur and Phosphate Corp., Park County, Wyoming

Attached are six copies of a Semiannual Report of Certified Project covering the period January 1, 1953, to June 30, 1953. This information supersedes the report mailed to your office under memorandum dated August 25, 1953.

Stephen R Wilson
Stephen R. Wilson

Enclosure

SEMIANNUAL REPORT OF CERTIFIED PROJECT

January 1, 1953 to June 30, 1953

Docket:	DMA-103, Contract Idm-826
Commodity:	Sulfur
Contractor	Continental Sulphur and Phosphate Corp., Dallas, Texas
Mine:	Sunlight Basin
County and State:	Park County, Wyoming
Date of Certification:	May 1, 1952
Date of examination for this report:	September 15, 1953
Total contract amount:	$79,410
Total expended:	$47,412.80
Government participation:	50 percent, $23,706.40
Expiration date of royalty payments:	June 27, 1961
Production this period:	None
Royalties this period:	None
Royalties to date:	None

The property is presently inactive. The Continental Sulphur and Phosphate still controls the property. Newly elected president of the corporation is R. D. Hughes, 301 Mercantile Commercial Building, Dallas, Texas. During June 1953 the company performed annual assessment work required to retain the claims. This work consisted of excavation of trenches on four sulfur deposits and repair of roads into the area and roads leading to the deposits. Reported expenditure for the work is $1,565. Patents have been requested on seven claims in the names of Stanley J. Mitchell and Bertha K. Mitchell, both of Oregon City, Oregon.

No ores subject to DMEA royalty were shipped from the property during the period. Five railroad cars of sulfur-bearing material were shipped to the Ontario Rock Milling Co., Paramount, California, for ore-dressing tests. The results of this work are not available.

Sulfur mineralization occurs as cementing material in surface debris and as incrustations along fractures in andesite. The content of sulfur diminishes rapidly beneath the surface. A reliable estimate of sulfur ore is difficult because of the erratic nature of deposition. A total of 51,600 tons of sulfur ore assaying 27.7 percent sulfur is estimated in four separate deposits.

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

224 New Customhouse
Denver 2, Colorado

August 4, 1953

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Idm-E28, Docket DMA-103, Continental Sulphur and Phosphate Corporation

Reference is made to your letter dated July 31, 1953, regarding the final MF-104 forms for the above contract.

The amount certified for payment is $3,954.90, the date paid is June 29, 1953, and the voucher number is DMA 53-148.

John F. Shaw
for W. H. King

FILE COPY
SURNAME:
800

Alley
Ladd
Chambers

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

JUL 30 1953

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Idm-E28, DMA-103
Continental Sulphur and
Phosphate Corporation

Dear Mr. King:

Receipt is acknowledged of your memorandum dated July 21, 1953, transmitting two copies of the final MF-104 forms for the above referenced project. It is noted, however, that the payment information is not furnished in the space provided on the form.

In order that our records will be complete, please advise this office as to the amount certified for payment, date paid, and voucher number.

Sincerely yours,

SIGNED

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ama
July 30, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 27 1953

224 New Customhouse
Denver 2, Colorado

July 21, 1953

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-103, Contract Idm-E28, Continental Sulphur and Phosphate Corporation

In accordance with the request in your letter dated July 8, 1953, we are enclosing two copies of the final MF-104 forms for Contract Idm-E28.

W. H. King
W. H. King

Enclosures

C O P Y

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 Tower Petroleum Building
Dallas 1, Texas

April 17, 1953

Bureau of Mines
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Gentlemen:

Enclosed and attached please find original and four copies of supplemental or amended report and request on Form MF-104 covering expenditures in Sunlight Basin, Wyoming by Continental Sulphur & Phosphate Corporation - Project Contract I-DMA-E28 and covering the entire period of operations from June 27, 1951 through September 15, 1951.

Final audit of this account was recently completed by Mr. T. H. Brading, Auditor for your Department, and since we have been awaiting the outcome of this audit before rendering our amended report, we now submit our figures based upon our contract and certain items which we claim after having discussed them with Mr. Brading.

Since much has been written concerning this account as viewed from our standpoint and since most of us concerned with the account are more or less familiar with the area in which the work was performed and the results obtained, as previously reported on due forms and in accordance with established procedure, I am submitting these explanations. In order to more closely define and simplify our figures, Schedules "A", "B", and "C" are attached and made a part of this report.

We are not attempting to justify our total expenditures made in this area as being covered by the Contract. Our first report submitted in 1951 is a matter of record in your office and contains all amounts spent on this exploration project during the above period. Therefore, I am attempting to justify the figures as set forth in this, the enclosed, report.

1. Schedule "A" - $4,042.88

This covers additional labor as prescribed in Contract but was not allowed in partial settlement made in April 1952. The items are self-explanatory as set out on the detailed Schedule "A" and have been carefully selected to conform to the Contract.

2. Items: Supervision - Knight - $3,000.00

This item was not previously claimed nor was it allowed on partial settlement made on date noted above paragraph. However, we feel that this General Manager's salary could well come under the Contract as Superviser — $1,000.00 per month, provided the salary of Mr. Prommell ($4,200.00) could be placed as being technical services on the auger drill and evaluation work — Original paragraph "Core Drill" Exhibit "C". Mr. Prommell's work pertained solely to sampling and evaluation and reports. Other managerial and overall coverage was performed by Knight. We make no attempt to include the actual supervision as performed by Robbins, geologist, covering the auger drill. Therefore, we think this a necessary item of expense which deserves your consideration. Please bear in mind that the switch from the item "Core Drill" to "Auger Drill" was made and the final status of evaluation work was derived from this method of exploration.

3. Schedule "B" - Rental Equipment - $5,475.00

Submitted and not included in partial settlement but fully set out in Contract.

The Willys Station Wagon was used as a general purpose vehicle and was absolutely necessary.

The #1 Dodge Power Wagon was essential to tow the auger drill and transport samples to the laboratory.

The #2 Dodge Power Wagon we ask be substituted for the F.W.D. which was never used. This #2 Power Wagon was used in lieu of the F.W.D. and was essential as a general purpose car and did the work that would have been performed with the F.W.D. I realize this is a technical deviation under the Contract.

The D-8 cat was used to make a road or roads on the deposits in order to drag the auger drill to locations on these extreme slopes. To cover the grid pattern as set out for drilling, it was necessary to doze roads on the sides of the mountains.

4. Schedule "C" - Itemized - Oil & Gas - Supplies

The repairs, supplies, and oil and gas are self-explanatory as they pertain to the auger drill operation and the gas and oil used for the equipment without which we would have been inoperable. All items listed pertain to functional work and no personnel involved. This went for the operation of sawmill engine, D-8 Cat, general purpose vehicles and the auger drill.

5. Items of Insurance

These costs have all been checked and sustaining vouchers exhibited. They are a normal expense item.

I trust that the inadequacy of short explanations does not detract from your consideration of these items as set out and which we feel cover the bare necessities of such an operation. The remoteness of our source of supply and the general topography of the explored area itself made for a difficult exploration project.

All items have been checked and discussed between ourselves and Mr. Brading. Two items of inclusion on the last report were pointed out and rectified and were inadvertent errors. We think Mr. Brading was satisfied as to our book status and he was most helpful and cooperative.

We feel that the enclosed report covering the additional amount requested is fair and just and respectfully ask that it be granted.

Very truly yours,

/s/ C. Andrade

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

CA/cm
Encs.

Form MF-104 (Rev.)
(April 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

JUL 27 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 27, 1951 thru Sept. 15, 1951 195 Docket No. DMEA

Contract No. I-DMA-E28

Operator's Name Continental Sulphur & Phosphate Corp.

Minerals Sulfur

Address 2010 Tower Petro. Bldg, Dallas, Texas

Contract Amount, $ Government Participation: 50 % Amount, $ 29,494.04

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Core Drill		4,500.00	4,500.00			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Roads, etc.		25,000.00	25,000.00			
(2) Labor and Supervision:						
Schedule "A" att. Labor	4,042.88	2,672.95	6,715.83			
Supervision Knight	3,000.00		3,000.00			
Technical Services Prommell		4,200.00	4,200.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental Schedule "B"	5,475.00		5,475.00			
Purchase		4,728.15	4,728.15			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,692.16	1,692.16			
(6) New Bldgs., Improvements, etc.		1,700.00	1,700.00			
(7) Miscellaneous:						
Repairs to Equipment "C"	196.64		196.64			
Sampling and Analysis						
Payroll Taxes OAB	130.16		130.16			
Liability Insurance Comp.	433.87		433.87			
Other Supplies "C"	1,217.27		1,217.27			
(8) Contingencies (specify):						
TOTALS	14,495.82	44,493.26	58,989.08			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 4-15-53 *Payee Continental Sulphur & Phosphate Corporation

Per C. Andrade, III Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-DMA-E28 in accordance with the terms of the contract.

Signature John F. Shaw Title Mining Engineer Date 6-4-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date June 4, 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
Defense Minerals Administration
JUL 27 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 27 thru Sept. 15 195 Docket No. DMEA 103 Contract No. I-DMA-E28

Operator's Name Continental Sulphur & Phosphate Corp. Minerals Sulphur

Address 2010 Tower Petro Bldg., Dallas, Texas

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core				4,500.00		4,500.00		
Churn								
Auger See Schedule "A"				13,915.83		13,915.83		
Stripping								
Trenching								
Test Pits								
Roads and Trails				25,000.00		25,000.00		
TOTAL DISTRIBUTED COSTS				43,415.83				TOTAL COSTS AUTHORIZED BY CONTRACT
Rental-Schedule "B"				5,475.00				
Operating Equipment Purchased				4,728.15				
Initial Rehabilitation and Repairs				1,692.16				
New Buildings, Improvements, etc.				1,700.00				
Misc: Repairs; Taxes; Supplies				1,977.94	Schedule "C"			
TOTAL COSTS				58,989.08				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date April 15, 1953 Operator Continental Sulphur & Phosphate Corporation

Per /s/ C. Andrade III Title President

REMARKS: Supplementary Report to original MF-104 submitted 1952. This is part of MF-104 filed your office 4-15-53 after final audit in April 1953.

NOTE.—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.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

C O P Y

CONTINENTAL SULPHUR & PHOSPHATE CORP.
LABOR ADJUSTMENT FORM MF-104
CONTRACT I-DMA-E28

	AS PAID	ALLOWABLE PER CONTRACT	AMOUNT REPORTED ON 104	AMOUNT REPORTED ON W-2	AMOUNT OF CLAIM
Carpenters					
Jackson	$ 555.25	$ 463.13	$	$ 555.25	$
Darrah	1,147.50	1,147.50		1,407.50	
C. Hardie	171.00			171.00	
E. C. Hardie	607.50	506.25		607.50	
Brockhaus	60.00	60.00		-0-	
	2,541.25	2,176.88	-0-		$2,176.88
Loggers					
760 hrs. @ 1.25		950.00	-0-	183.50	950.00
Cooks					
55 days @ 8.00 (Brockhaus)		440.00			
18 days @ 8.00 (Howard)		144.00			
31 days @ 2.00 (Ullrich)		62.00	-0-	-0-	
		646.00	-0-	-0-	646.00
Auger Drill					
White 352 hrs. @ 2.55		897.75		897.75	
Ullrich 266 hrs. @ 1.50		398.75		398.75	
		1,296.50	1,209.00		87.50
Assayer					
Wagner @ 200.00 mo.		426.90		576.90	
Moore @ 275.00 mo.		36.36		36.36	
White, Jr. @ 1.00 hr. 63 hrs.		63.00		63.00	
Carson @ 1.50 hr. 136 hrs.		189.00		-0-	
Hardie @ 1.00 hr. 99 hrs.		99.00		99.00	
Barnes @ 300.00 mo. ½ mo.		150.00		150.00	
Ullrich @ 1.50 hr.		109.50		109.75	
		1,073.76	1,014.26		59.50
Bookkeeper					
Roberson 200.00 mo.		405.00	449.69	449.69	(44.69)
Sawyers					
Head		928.00			
Helpers		1,201.25			
		2,129.25	-0-	-0-	2,129.25
Supervisor's Cabin					
Carpenters			902.00		(902.00)
Bunkhouse					
Carpenters			882.00		(882.00)
Work Shop			222.25		(222.25)
Totals		$8,677.39	$4,679.20	$5,705.95	$3,998.19

SCHEDULE "A"

C O P Y

CONTINENTAL SULPHUR & PHOSPHATE CORP.
EQUIPMENT RENTAL FORM MF-104
CONTRACT I-DMA-E28

RENTAL EQUIPMENT

Willys Station Wagon	- Transportation	
Personnel	- 80 days @ $10.00	$ 800.00
Dodge Power Wagon	- Towing Auger	
(See letter)	61 days @ $12.50	762.50
D-8 Caterpillar	- Trail & deposit	
Work	61 days @ $50.00	3,050.00
Dodge Power Wagon	- Supplies & personnel	
	69 days @ $12.50	862.50
		$5,475.00

SCHEDULE "B"

C O P Y

CONTINENTAL SULPHUR & PHOSPHATE CORP.
REPAIRS & OTHER SUPPLIES FORM MF-104
CONTRACT I-DMA-E28

	TOTAL	OIL & GAS	EQUIP. MAINT. REP'RS.	SUPPLIES
Continental Oil Co.	$ 108.02	$108.02	$	$
Cody Weld. & Mach. Co. (Bolts, etc.)	25.55			25.55
Wortham Mach. Co. (Reprs. for Cat)	5.45		5.45	
Stanley J. Mitchell (Reprs. for Cat)	18.42		18.42	
Barnuth Weld. Co. (Power Saw)	6.86		6.86	
Barnuth Weld. Co. (Power Wagon)	39.00		39.00	
Marshall Wells Supply Co. (Kitchen)	71.72			71.72
Wortham Mach. Co. (Bits)	29.17			29.17
Continental Oil Co.	121.67	121.67		
Century White Truck Co. (Power Saw)	7.50		7.50	
Continental Oil Co.	297.60	297.60		
Delbert Robinson (Saw Teeth)	28.65		28.65	
Hines Mach. Co. (Saw)	41.91		41.91	
Central Garage (Tire for Auger)	38.07		38.07	
Ludke Motor Co. (Jeep)	10.78		10.78	
Continental Oil Co.	46.30	46.30		
Marshall Wells Supply (Belt Saw)	13.92			13.92
Marshall Wells Supply (Kitchen)	5.72			5.72
Continental Oil Co.	236.34	236.34		
Continental Supply Co. (Ore Sacks)	8.52			8.52
Continental Oil Co.	30.36	30.36		
Continental Supply Co. (Sample Bags)	28.05			28.05
Continental Supply Co. (Wiping Rags)	24.35			24.35
Express on drilling bits	4.06			4.06
Paris Mfg. Co. (Drill heads & Wedges)	32.67			32.67
Paris Mfg. Co. (Bits)	35.88			35.88
Paris Mfg. Co. (Augers)	97.37			97.37
	$1,413.91	$840.29	$196.64	$376.98

840.29
376.98

$1,217.27

SCHEDULE "C"

June 12, 1953

NOTE:

Continental Sulphur & Phosphate Corporation

When the total cost of the project has been determined, a letter should be written to Russell Forbes, Administrator, DMPA, correcting the figure submitted with the Certification of Discovery and also a letter to the Continental Sulphur & Phosphate Corporation correcting the amount of repayment due the Government for royalty of sulphur produced.

L. G. Houk

FILE COPY
SURNAME:

Houk
Chambers
Osborne
Rubin

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

600

JUL 17 1953

Mr. Edmund [illegible] Manaure, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. [illegible]-103 - Sulphur
Continental Sulphur and Phosphate Corporation
Sunlight Basin Deposits
Park County, Wyoming
Contract No. [illegible]-28

Dear Mr. Manaure:

Reference is made to our letter of May 26, 1952, advising you of the total cost of this project.

A final audit of this project has been completed and according to the final audit certificate the total accepted cost is $47,412.79. The Government participated in the project at the rate of 50%, and the total Government expenditure was $23,706.[illegible]. Please substitute these figures for the preliminary figures given in our letter of May 26, 1952.

Sincerely yours,

FRANK E. JOHNSON
ACTING Administrator

LOHouk:gad 7/14/53

Copy to: Admr. R. File
Operating Committee
Mr. Hedges, 4604
Mr. Thayer, 5416 GSA Bldg.
Field Team, Region IV
Mr. Johnson
Mr. Chambers
Docket File
Mr. Houk

FILE COPY
SURNAME:

Houk
Chambers
Kane
Parker

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

600

JUL 17 1953

Continental Sulphur and Phosphate
Corporation
2010 Tower Petroleum Building
Dallas 1, Texas

Re: Docket No. [illegible] - Sulphur
Sunlight Basin Deposits
Park County, Wyoming
Contract No. [illegible]

Gentlemen:

Reference is made to our letter of May 1, 1952, transmitting a Certification of Discovery or Development on Contract No. [illegible] on the Sunlight Basin Sulphur Deposits.

Please change the figure $39,705 in the last sentence of the second paragraph to $23,706.40, which is 50% of the total allowed expenditure under the subject contract certified, approved, and paid, and which amount is due the Government in the form of royalties on any production.

Sincerely yours,

7-17

FRANK E. JOHNSON (B.D.H.)
ACTING
Administrator

Attendant 7/14/53

Copy to: Admr. L. File
Field Team, Region IV
Operating Committee
Docket File
Mr. Hodges, 4604
Mr. Chambers
Mr. Thayer, 5216 GSA Bldg.
Mr. Johnson
Mr. Houk

FILE COPY
SURNAME:

800

Alley
Talbert
Chambers
pc

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

JUL 8 1953

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Idm-E28, DMA-103
Continental Sulphur and
Phosphate Corporation

Dear Mr. King:

Reference is made to your memorandum dated July 1, 1953, to the Secretary to the Operating Committee in regard to the final MP-104 forms for the above referenced project.

You state that "None of the processed reports will be transmitted to you because two copies were retained by the Washington office." However, our letter of June 15, 1953, transmitted the original and two copies which were all that were submitted with your letter of June 4, 1953. If the copies have been misplaced it is suggested that you have two copies prepared for transmission to Washington.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ama
July 8, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.L.B.
7-8-53

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

224 New Customhouse
Denver 2, Colorado

July 1, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 103, Contract Idm-828 (Sulphur), Continental Sulphur and Phosphate Corporation, Park County, Wyoming.

The original and two copies of final MF-104 forms with supporting data which were transmitted to this office by letter from Jay L. Chambers, dated June 15, 1953, have been processed for payment.

None of the processed reports will be transmitted to you because two copies were retained by the Washington office.

Payment was made in conformance with the Final Audit Report by the Contract Administration and Audit Division dated May 20, 1953.

The following notes refer to this final report:

Previous payments to Operator	$19,751.50
Payment on this final report	3,954.90
Total payment under the contract	23,706.40
Date of Report	April 15, 1953.
Date Received in Field Office	-
Date Received in Region Office	June 18, 1953.
Date Processed for Payment	June 22, 1953.
Date Vouchered for Payment	June 29, 1953.

W. H. King
W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
JUL 6 1953

Administrative Audit Difference Statement

Date: June 25, 1953
Payee's
Reference: Progress Report - June 27 - Sept. 15, 1951 Final payment

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Bldg.
Dallas, Texas
I-[illegible]-2

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 24,493.02

Difference $ 6,506.03

Amount Approved $ 17,909.79

The reason for the difference was due to:

Wages disallowed - In view of the fact that the bulk of the timber cut by loggers and sawyers and dressed at sawmill was used for bridges or is still on hand.	$2,539.62
Payroll taxes on above wages disallowed 1.5%	23.09
Compensation Insurance on above wages disallowed 5%	76.90
Supervisor and helper's claim ($220.0) - Contract calls for ($6000.00) in six months. Project terminated in 1 days equals 1/120 of ($6000.00) or ($[illegible]) difference	4,500.00
Plumbing items and fixtures for supervisor's cabin claimed twice.	446.35
Mill Adjustment	1 .01
	$6,506.03

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

FILE COPY
SURNAME: 800

Chambers

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

JUN 15 1953

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: DMA-103, Idm-228 (Sulphur)
Continental Sulphur and
Phosphate Corporation

Dear Mr. King:

Reference is made to your memorandum of June 4, 1953 to Mr. C. O. Wittendorf, in regard to final payment on the above-cited project.

Since the Washington office is not prepared to issue vouchers for project costs, the original and two copies of the monthly progress report submitted by Continental Sulphur and Phosphate Corporation are returned for payment by Region IV.

Mr. Breding's Audit Certificate allowed a total of $23,706.40 as the cost of the project, of which $19,751.50 has been paid. The balance in the amount of $3,954.90 has been reinstated and the obligation document sent to your office.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

J.H.
6-15-53

Enclosure

JLChambers/wb
June 15, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers
Mr. Houk

FILE COPY
SURNAME:
800

Chamb

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

MAY 14 1953

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA-103
Contract No. Ida-228
Continental Sulphur and
Phosphate Corporation

Dear Mr. Brading:

Receipt is acknowledged of your letter of May 7, 1953, in regard to the referenced contract. In reply to your letter I shall make reference to the items set forth in your preliminary audit report by items.

(1) Independent Contracts

The question arises as to whether $48.00 for labor on bridge is allowable because of the agreement that the road and bridge should not cost in excess of $25,000.00. It may be that a disallowance in this amount should be made.

(2) Labor and Supervision

I agree that $5,176.21 for labor is allowable under the contract. Under supervision I assume that 81 days was the total time of operating the project; therefore, 81/180 of the $6,000.00 allowable, or $2,700.00 is a fair price for supervision.

(3) Operating Materials and Supplies

There are no objections to this item as stated.

(4) Operating Equipment-Rental

The use of the D-8 Catepillar for trail and deposit is a questionable charge to the project. You will recall that $3,000.00 of the $6,000.00 estimated amount for the use of the D-8 Catepillar was supposed to have been covered in the $25,000.00 allowance for the road. Therefore, if the use of the D-8 Catepillar was solely on the road and bridge, it should not be an allowable cost to the project.

(5) Initial Rehabilitation and Repairs

It is noted that you have disallowed plumbing materials. On the other hand, you did allow $1,245.81 for repairs. A certain amount of plumbing material is necessary for a cook shack. The contract provided for $500.00 for this item, but under the old contract this was not an "allowable maximum". I would agree that the amount charged for plumbing may be too much under the circumstances, but it seems reasonable to allow something for essential plumbing even for the short time the contract would be in force.

(6) New Buildings, Improvements, etc.

Again it is noted that all plumbing supplies were disallowed. Again I would say that it is necessary to have a wash basin or some other type of plumbing even in a temporary shack.

(7) Miscellaneous

No objections are offered to this item.

Restatement of Account

In the restatement of the account you show that the Government's equity in property was settled in April, 1952, in the amount of $4,990.25. In April, 1953, you propose to settle the Government's equity for $4,618.47. The difference in these settlements should be adequately explained.

The chief item which is not clear to me is the case of the D-8 Catepillar charge of $3,050.00. If the Catepillar was used for other than road purposes, I assume that the amount is allowable; but if it was used for road purposes there seems to be some question as to its allowability.

I also suggest that the audit report when finally written should explain more fully the conclusions. For example, why was 81/180 used as a formula of arriving at supervisory allowance?

You will note of course that I have made suggestions, but have avoided determinations. I know your knowledge of the transactions far exceed mine, and I have confidence that your audit will be factual so far as possible.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

J.L. 5-14-53

Enclosure
JLChambers/wb 5-13-53
Copy to: Docket, Admr. Reading File, Mr. Chambers

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

224 New Customhouse
Denver 2, Colorado

July 14, 1952

Operator's Final Rpt

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee
Defense Minerals Exploration Administration

JUL 21 1952

From: Executive Officer, Field Team, Region IV

Subject: Docket DMA ~~113,~~ 105 Continental Sulphur & Phosphate Corporation (Sulphur), Contract I-DMA-E28

In reply to your letter dated May 14, 1952, we are enclosing two copies of the Operator's Final Report on Contract I-DMA-E28. The amount of money claimed is $44,493.26. We deducted $4,990.25, which was in settlement of the Government equity on equipment purchased.

The contract was approved for $39,503.01. A check for $19,751.50 was paid to Continental Sulphur. The total amount of the contract was $79,410.00. The operator submitted three different sets of monthly progress reports claiming different amounts. Region IV finally agreed to allow $44,493.26. However, this is subject to final audit.

We have received a letter from the operator requesting repayment for expenditures in addition to those allowed. We notified the operator that his account had been placed in line for final audit and any additional payments would be subject to this audit.

All Forms MF-104 have been sent to your office. The Administrative Audit Difference Statement attached to Form MF-104 itemizes the amounts allowed for the various items of equipment in which the Government had an equity.

The objective set forth in the contract was reached. A certification of discovery has been made. The operator spent considerable money in excess of that allowed under the terms of the contract. We believe that the cost of the road construction was excessive and the cost of new buildings and rehabilitation of old buildings was excessive. These items have been a point of controversy and will not be settled until the final audit is completed.

W. H. King
W. H. King

SDS 7-21-52

Enclosures

H. W. C. PROMMEL
CONSULTING GEOLOGIST AND MINING ENGINEER
731 SOUTH DOWNING STREET
DENVER 9, COLORADO

JUL 21 1952

SUNLIGHT BASIN SULPHUR DEPOSITS, PARK COUNTY, WYOMING.
REPORT ON GEOLOGY, SAMPLING, MAPPING AND TONNAGE ESTIMATES.

By H. W. C. Prommel. January, 1952.

INTRODUCTION.

The following data on the Sunlight Basin sulphur deposits in Park County, Wyoming, are based on an examination made during the summer of 1951 for the Continental Sulphur and Phosphate Corporation, 2010 Tower Petroleum Building, Dallas 1, Texas. During the examination the geology was studied, a laboratory for grinding and quartering samples and determination of sulphur content of samples (by the ignition method only) was established on the ground and some of the deposits were mapped, sampled by means of auger drill holes and trenching and their approximate ore as well as free sulphur tonnages were calculated.

A preliminary investigation of the deposits was made during June, 1951. Some time was spent in Denver during July, 1951, assembling and shipping equipment for the more detailed work to be undertaken. Apart from some diamond drilling by other parties during May to July, 1951, field work was started during the latter part of July, 1951. Three summary reports accompanied by plan maps and cross sections were prepared in the field. The field work was finished on September 14th, 1951.

LOCATION.

The sulphur deposits here described are situated in the upper portion of Sunlight Basin, Park County, Wyoming, about 32 miles in direct line northwest of Cody, and some 14 miles east of the east boundary line of the Yellowstone National Park. The district is accessible by a county road from Cody over a

distance of about 52 miles. Between Cody and Sunshine Creek the road passes over Dead Indian Divide about 2000 ft. above the valley floors. The last eight miles of the road, from the forest ranger station to the sulphur camp, crosses Sunshine Creek many times and was often impassable. A new graded road avoiding all but one of the crossings, which now has been bridged, was under construction while the examination was under way and had been completed at the time of its termination.

The sulphur deposits occur in nine isolated groups along a belt about 3½ miles long which crosses the valley of Sunlight Creek in a west-northwest to southeasterly direction. The belt extends from the SW¼ of Section 1, Township 54 North, Range 107 West, through the boundary line of sections 6 and 7 into the SE¼ of section 8 and the SW¼ of section 9, all of Township 54 North, Range 106 West. From the northwest to the southeast the deposits are known as A-1, A-2, A-3, B, C, D, E-1, E-2, and F. Of these, A-2, B, C, D, and E are the largest, most important and with exception of A-2, the most accessible ones. The deposits are covered by placer claims which were being resurveyed for patent during the time of this examination.

SURFACE FEATURES. While the basin of Sunlight Creek is broad and flat, representing the bottom of a glaciated valley, it is surrounded by steep ridges with smooth southern slopes, but exceedingly rugged northern slopes. The upper end of the valley near the sulphur deposits narrows somewhat, but Sunlight creek meanders in the bottom of the valley. Timber line ranges in altitude from 9000 to 9500 feet. The slopes of the ridges are generally smooth below 8,500 feet, but above 9500 feet they are rugged and to the northwest, in the vicinity of deposits A and B, the sloping edges of extrusive volcanic rocks form sharp hogbacks.

The roads leading from the sulphur camp in the valley to the sulphur deposits are steep and narrow and in part impassable to other than

four wheel drive vehicles and caterpillar tractors and dozers. Even these have difficulty negotiating turns in the roads during wet weather.

GEOLOGY.

With one exception, at sulphur deposit A-2 where highly altered limestone and gypsum occur at the surface over a small area, the outcropping rocks belong to the Tertiary early basic series of lavas and breccias. These lavas and breccias very probably rest upon a highly uneven eroded surface of limestones of Devonian or Mississippian or even younger age. The extrusive igneous rocks can be divided into two groups, the upper one being composed of basalt flows interbedded with flow breccias. The lower group which extends from the bottom of the valley of Sunlight Creek upward to an altitude of about 8500 feet, is composed of a number of interbedded andesitic lava flows interspersed with breccias of basic andesite. The sulphur deposits are found within the lower group.

The lavas are cut by numerous dikes varying in width from two to twenty feet. Their strikes and dips are extremely irregular and they cut the lava flows in a most intricate manner. Their rock types vary from greenish to gray andesites to dark basalt and porphyry. They apparently have no bearing on the sulphur deposits.

SULPHUR OCCURRENCE.

With partial exception of deposit A-2, free sulphur occurs in areas of bleached, highly altered andesitic rocks devoid of vegetation, as a cementing material of surface debris and to a lesser degree as incrustations along minute fractures within the highly altered andesite, diminishing rapidly in extent from the present surface of the ground downward. The deposits generally lie along hillside slopes near the bottoms of gulches and ravines. Impregnation of sulphur is heaviest near the bottoms of such slopes. There has definitely been no replacement of the rock by sulphur.

The color of the highly altered country rock changes from nearly white (yellowish where sulphur is present) at the surface to gray to black downward. In places decomposition extends to depths of 30 ft. and more, while at other places hard, nearly unaltered andesite is found within a foot or two of the present surface. The amount of sulphur present decreases rapidly from the surface downward and highest values are usually found within the upper five feet. An exception to this is deposit A-2 the geological features and sulphur occurrence of which are described in greater detail below. During the drilling campaign a number of deeper holes were drilled to explore the possibility of lower sulphur horizons but none were found. Earlier diamond drilling by other parties is said to have discovered a deeper sulphur horizon at about 100 to 150 ft. below the present surface on deposit A-3 which was not tested during the present drilling campaign. However, a study of surrounding surface features was made. Deposit A-3 is situated in the bottom of a deep gully showing evidence of extensive landslides on both sides. It is therefore plausible that an earlier surface deposit was covered up by landslides, later emanations of H_2S gas from the old surface forming the very small sulphur showings at the present surface in the bottom of the gulch, for hydrogen sulphide and carbon dioxide gases are even now escaping from vents and fractures on all of the sulphur deposits of Sunlight Basin. The average depth of sulphur enrichment on deposits B, D, and E was found to be five feet, below which the sulphur content diminishes rapidly. Laterally, the occurrence of sulphur in the white bleached rock is extremely erratic away from central, or vent points from which hydrogen sulphide and carbon dioxide gases issue in minor, but detectable amounts. In places there appears to be a linear arrangement of such vents, probably along a major fracture in the altered andesite, along certain points of which the gases

escape to the surface causing sulphur enrichment with sulphur content in the surface debris and in minute fractures in the andesite diminishing rapidly away from them, both laterally and vertically. This irregular distribution of sulphur makes tonnage and value calculations somewhat difficult and subject to some error. It is felt, however, that tonnage and value estimates given in this report will tend to be high, rather than low, when compared with actual amounts of sulphur recovered if and when mined.

On deposit A-2 the occurrence of sulphur in somewhat larger amounts and to greater depths centers around a block of highly altered limestone with surface as well as underground presence of considerable amounts of gypsum exhibiting solution cavities and crevices; some of these appear to be entirely filled with sulphur while others show sulphur incrustations along their irregular walls. One of the test holes drilled ran into an open crevice from 7.3 ft. to 15 ft. below the surface from which no returns could be obtained. Gray, semi-liquid mud containing gas was found in one of the holes drilled. This mud, upon ignition, showed a weight loss of 52%. The sample was thoroughly dried before ignition, but some of the weight loss may be due to the presence of fine particles of crystalline gypsum in the sample.

It is possible that considerable subsidence, as much as 100 feet or more, has taken place during the past in the vicinity of the present limestone outcrop and that some of the limestone has been altered to gypsum, with deeper penetration of air into this altered mass and slightly deeper formation of sulphur in some of the cavities and crevices than in the other deposits in Sunlight Basin.

GENESIS

Under "Genesis" in his paper on the Sunlight Basin sulphur deposits, Hewett[1] believes that, based on features studied in the field, the sulphur deposits have been formed through

1. Hewett, D. F., Sulphur Deposits of Sunlight Basin, Wyoming. United States Geological Survey Bulletin 530-O, 1912.

the decomposition of hydrogen sulphide rising through irregular fractures in the lava flows, and that the decomposition has probably taken place according to the reaction

$$2H_2S \text{ plus } O_2 = 2H_2O \text{ plus } 2S.$$

During the sampling campaign as well as during earlier diamond drilling black and gray mud, often semi-liquid, was almost invariably encountered immediately below rich sulphur showings at the surface, at various depths not corresponding to the height of the underground water table. It is believed that any water liberated by above chemical reaction in part at least mixed with decomposed andesite along fissures, fractures and cavities and represents the mud now encountered below any surface sulphur showings. Samples of such mud encountered in drill holes invariably ran low in sulphur, with exception of some of the mud on Deposit A-2 which contained a large amount of hydrogen sulphide gas, sufficient in amount to raise the dust above the collar of the sample hole when surface material was kicked into the drill hole. The presence of this mud would substantiate Hewett's belief of the formation of sulphur at and near the surface from ascending gases upon their contact with oxygen from the air.

The sulphur deposits are thought to be of relatively recent origin and may be wholly post glacial. Dead roots of cedar trees similar to those now growing nearby are found penetrating cracks in the decomposed andesite. Finely crystalline sulphur is present between the rings of wood of such roots, but the wood itself has not been displaced by sulphur.

Recent drilling has proven that, while the source of the hydrogen and carbon dioxide gases even now escaping at the surface is probably in the sedimentary formations underneath the more recent lava flows, the deposition of free sulphur is distinctly superficial, is even taking

place now and does not extend far below the present surface of the ground.

MAPPING

Plane table mapping of deposits B, D, E, and a part of A-2 was done on a scale of 1:1200 (1 inch equals 100 ft.) The maps of above deposits which accompanied the three summary reports show all surface features, survey stations, locations of some of the earlier diamond drill holes, the Permanco auger drill holes; they show a number of benches and lines along which auger drill holes were spaced, as well as locations of sections later constructed from the plan maps; they also show locations of blocks of sulphur ore as determined from drilling results and cross sections; they also show the edges of timber lines and some change of slope lines. The data presented on the maps is based on 321 plane table survey stations. Major features represented on the maps are shown on the following table:

DATA ON PLAN MAPS

Deposit	Survey Stations	Number of Permanco Auger Drill Holes	Number of Benches	Number of Sections	Number of Blocks of Sulphur Ore
B	172	66	6	18	9
D	104	47	4	16	12
E	32	28	4	7	3
A-2	13	6	3	2	1
Totals	321	147	17	43	25

Mapping, drilling and laboratory results formed the basis for the construction of the 43 sections, the distribution of which is shown in above table. These cross sections also accompanied the summary reports prepared in the field while the test work was going on. The sections show surface profiles, locations and depths of all drill holes, surface observations at each drill hole, channel samples taken and widths (depths) and values (by ignition method only) of all channel and drill hole samples.

Diamond drilling by the Jones Drilling Company of Dallas, Texas, was started on Deposit B on June 30th, 1951, and

discontinued on July 17th, after the Parmanco auger drill arrived on the property. The Parmanco drill started operations on July 23rd and finished drilling on Deposit A-2 on September 4th, 1951. The locations of all holes drilled are shown on the plan maps mentioned above. Where hard ground was encountered near the surface, several holes (not counted in the table below) were drilled near a location to make sure no soft ground was passed up in the drilling campaign. Although it became apparent during the drilling campaign that major sulphur contents did not continue very far below the surface, drilling in each hole was continued, regardless of depth, until hard ground was encountered. Some of the auger holes were drilled to depths of 40 ft. The number of holes drilled and other data pertaining to them is set forth on the following table:

DRILLING

PARMANCO AUGER DRILL HOLE DATA

Deposit	Number of Holes	Total Feet	Number of Channel Samples	Total ft. Channels	Total Samples	No. of Man	Dates	No. of Days
"B"	66	866.8	27	68.79	281	53.5	7/23-8/17	26
"D"	47	750.1	42	116.3	264	27.5	8/18-8/28	11
"E"	28	401.8	19	27.8	137	14.0	8/29-9/2	5
"A-2"	6	144.0	3	8.0	38	1.5	9/3-9/4	2
	147	2162.7	91	220.89	720	96.5		44

Average depth of hole 14.7 ft. Average width of channel samples 2.4 ft.

96.5 - 9 hour man days @ 3 men p. day aver. 32.2 days actual drilling time out of 44 days.

A log of each hole drilled was kept. The log sheet shows the number of the hole, its location with respect to the plan map co-ordinate system, the survey number and the surface elevation, total depth of hole, name of drill operator, dates started and finished, number, descriptions and width of samples and sulphur content of samples. Moving time from hole to hole is carried under "Remarks" on each drill log. The size of the auger hole was 4½ inches in diameter. The hole was collared with a piece of casing about 18 inches in length,

welded to a pan about 18 inches square in which the sample accumulated while the auger drill rotated. Samples were packed in oblong boxes and removed to the laboratory at noon and at the end of each shift.

While the Parmanco drill operated very successfully, the steep slope of the deposits necessitated the digging of benches by caterpillar bulldozer, the time for which is not included in above man-days report. The drill, at all times under the supervision of Mr. E. W. Robbins, Jr., was moved from location to location and from deposit to deposit by Dodge power wagon, but at times, at highly inaccessible places, by the bulldozer. Temporary roads had also to be built by the bulldozer in order to get the equipment to the different deposits. This work, as well as the sketching of formations shown in the banks of benches and roads, as well as timekeeping, pay rolls, hiring and distribution of men, was done under the supervision of Mr. W. H. Knight.

LABORATORY.

During the reconnaissance trip to the properties in June, 1951, it was found that laboratory layout and equipment were entirely inadequate for the drilling and sampling work to be undertaken. Sufficient equipment was therefore assembled in Denver, Colorado, and shipped to Sunlight Basin. Such equipment consisted of a laboratory crusher, Braun pulverizer, both driven through a countershaft by a 5 HP Briggs-Stratton 4 cycle gasoline engine, either independently or jointly; 4 Jones channel samplers of different dimensions, a bucking board and muller; special Jones sampler bins and stands, 100 large sample sacks, 8 tarpaulins, carpenter tools, wrenches, Bunsen burners, axes, shovels, picks, hand auger drill; sample pans and pulp sample envelopes, cardboard boxes for storing samples, pulp scale, and other miscellaneous items. Much of this equipment as well as all plane table surveying equipment was furnished for the job by H. W. C. Frommel. Layout work and setting up of

laboratory, such as completion of building, construction of shelves, lean-to for housing crusher and quartering equipment, storage and drying sample shelves, etc. was done during the last days of July and early in August.

After preliminary air drying on sample shelves, all of each original sample was crushed to about ¼" size, passed over a Jones sampler where one quarter of the sample was cut out for storage and future inspection and reference. This part of the sample was stored in cardboard boxes marked with hole number and sample number and placed in consecutive order on sample box shelves so that each sample can be made immediately available for future inspection if desired. One half of the original sample was then crushed to finer size and quartered over a smaller Jones sampler. The quarter was then passed over a 10 mesh screen, oversize ground in a muller or Braun pulverizer and sample again quartered. After air drying thoroughly near, but not on a stove, the final sample was ground to minus 60 mesh on the bucking board, halved, and each half stored in properly marked pulp envelopes showing assay lab number as well as hole and sample numbers. From one of these, the final sample was weighed out on a pulp scale. Ignition was done over three Bunsen burners using Butane gas.

TONNAGE AND VALUE CALCULATIONS

Tonnage and value calculations are based on the results of above described work and equipment. Details of all calculations have been kept on record for inspection if desired. The weight of a cubic foot of material in place was assumed as 130 lbs., no actual weight tests having been made. Tonnage blocks calculated represent spaces between drill hole sections, with average values of holes and average values of sections determined by geometrical averages. Where more than one hole was present at one point, the average value and depth of such holes was worked out and used at the respective point. The number of blocks, together with ore tonnages

in short tons, average sulphur content in percent, and total amount of free sulphur in long tons contained in each block, are set forth below for each deposit sampled as well as on a summary table.

DEPOSIT "B"

Block No.	Ore, Short tons	Aver.% Sulphur	Free Sulphur Long Tons	Aver. Depth	Free S. Long Tons
1	1801.8	23.0	377	4.0	377.0
2	3705.0	17.3	583	4.75	
3	587.6	11.4	61	5.65	
4	582.86	33.75	178.8	3.5	178.8
5	1045.77	27.3	259.0	5.85	259.0
6	6100.38	30.3	1680.4	6.6	1680.4
7	2209.35	24.7	496.1	5.15	496.1
8	1358.53	14.3	180.5	4.65	
9	836.55	18.7	142.2	4.80	
	18256		3958		2991

DEPOSIT "D"

Block No.	Ore Short Tons	Aver. % Sulphur	Sulphur Long Tons	Aver. Depth Feet
1	260	21.3	50.3	4.0
2	346	23.7	74.5	2.9
3	1542	22.9	321.0	4.9
4	2396	26.5	577.1	5.2
5	2366	30.1	645.0	7.9
6	684	25.6	159.0	8.1
7	964	16.8	147.2	6.3
8	1317	19.9	238.3	5.2
9	1358	21.7	268.0	4.6
10	478	19.9	86.4	4.9
11	429	15.4	60.1	5.5
12	893	29.9	242.8	7.0
	13023		2869.7	

Blocks 1 to 6, and Blocks 9 and 11, sulphur content above 20%
9835 tons of ore (short tons)
2337.7 long tons of sulphur.

Blocks 7, 8, 10, 11, sulphur content below 20%
3188 short tons of ore
532 tons (long tons) sulphur.

DEPOSIT "E"

Block No.	Ore Short Tons	Aver.% Sulphur	Sulphur Long Tons	Aver. Depth Feet
1	1271	25.0	289	3.4
2	2054	25.9	484	4.9
3	1365	19.8	246	4.8
	4690		1019	

DEPOSIT "A-2"

15,647 short tons of ore averaging 34.8% Sulphur, or 4950 long tons of sulphur.

SUMMARY TABLE. ORE TONNAGE AND SULPHUR CONTENT

Deposit	Ore Short Tons	Aver.% Sulphur	Free Sulphur Long Tons	Aver.Depth Feet
"B"	18,256	23.8	3,958	5
"D"	13,023	24.2	2,870	5.5
"E"	4,690	23.9	1,019	4.4
"A-2"	15,647	34.8	4,950	18.1
Totals	51,616	27.3	12,797	

Only six holes were drilled on Deposit A-2 during the time available. Geometrical averages of 5 holes were worked out and these were combined for a geometrical average and tonnage estimate for the drilled up part of the deposit. Due to greater depth of sulphur bearing material and higher sulphur content in some of the holes, Deposit A-2 shows a greater sulphur tonnage than any of the other deposits. It is possible that some additional test drilling around the limestone and gypsum outcrop to the south of the block drilled might double the tonnage figures for Deposit A-2. However, due to the loose character of the ground drilled through, it is also possible that some of the samples obtained were salted due to cavey holes. As much gypsum is present, ignition tests may also show more sulphur than is actually present in the samples.

Deposit A-2 is the hardest deposit of access as it lies within a precipitous cirque which can be reached by four wheel drive vehicles only during dry weather. Additional road construction would be necessary to make this deposit accessible to exploitation.

The above are the closest estimates which can be made on the data available. They may vary to some extent when actual mining of the

ore is undertaken. The occurrence of sulphur is very erratic and far less in amount than one is led to believe by only casual observation of the deposits. Incrustation of minute fractures make much of the rock appear as solid sulphur to the eye, which, however, is not the case. The sulphur content drops off rapidly, laterally as well as vertically, from hydrogen sulphide gas surface vents. In the calculation of tonnages, attempts were made to consider only those holes which would keep the average sulphur content of the tonnage to 20% to 25%. But even lowering this to 15% which would include a slightly larger average, would not increase final tonnage figures by more than 15% to 20%. This is due to the fact that lower value holes have already been used in interpolations for tonnage calculations of some of the blocks.

Respectfully submitted,

Harold W. C. Pressnal

Harold W. C. Pressnal
Consulting Geologist and Mining Engineer
Denver, Colorado

Denver, Colorado
January 26, 1952

MAP

BELONGS

HERE

3

Noted
Com

DEFENSE MATERIALS PROCUREMENT AGENCY
WASHINGTON

OFFICE OF THE ADMINISTRATOR

June 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 5 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
Bureau of Mines
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA-103 - Sulphur
Continental Sulphur and Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-E28

Dear Mr. Mittendorf:

Thanks for yours of the 26th referring to your letters of May 2 and May 8 transmitting Certificate of Discovery or Development and Final Field Team Report on the above contract.

I note the Government participated in the project at the rate of 50 percent and the total Government expenditure was $19,751.50.

Sincerely yours,

Howard I. Young
Deputy Administrator

FILE COPY
SURNAME:

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

600

MAY 26 1952

Houk
J H Chamberlin
Lemmon
Hedges
F E Johnson

Mr. Jess Larson, Administrator
Defense Materials Procurement
Agency
General Services Administration
Building
Washington 25, D. C.

Subject: Docket No. DMEA-103 - Sulphur
Continental Sulphur and
Phosphate Corporation
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-E28

Dear Mr. Larson:

Reference is made to our letters of May 2nd and May 8th, transmitting Certificate of Discovery or Development and Final Field Team Report on the above referenced contract.

The total expenditures under the contract were $44,493.26; the salvage value of equipment, material and supplies amounted to $4,990.25; giving a net cost to the project of $39,503.01. The Government participated in the project at the rate of 50%, and the total Government expenditure was $19,751.50.

Sincerely yours,

C. O. Mittendorf (for) cc 5/26

Acting Administrator
Defense Minerals Exploration
Administration

LGHouk:gad 5/23/52

Copy to: Docket File
Admin. Reading File
Operating Committee
Field Team, Region IV
Mr. Lemon, 5216, GSA Bldg.
Mr. Hedges, 4604
Mr. F. E. Johnson
Mr. Houk

FILE COPY
SURNAME:

Houk

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

600

MAY 21 1952

Continental Sulphur and Phosphate Corporation
2010 Tower Petroleum Building
Dallas 1, Texas

Subject: Docket No. DMA-103 - Sulphur
Continental Sulphur and Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Exploration Project Contract No. Idm-228

Gentlemen:

Reference is made to your letter of May 19, 1952 pointing out what appears to be an error in the Certification of Discovery or Development under Exploration Project Contract No. Idm-228.

Our copies of the letter show the description in the last part of paragraph one to read: "Secs. 5, 6, 7, 8, 9, 15 and 16, T. 54 N., R. 106 W., and Secs. 1 and 12, T. 54 N., R. 107 W."

You are at liberty to change line 11 to read Secs. 1 and 12, T. 54 N., R. 107 W.

Sincerely yours,

C. O. Mittendorf (fw) J.N. 5-21-52

Acting Administrator
Defense Minerals Exploration Administration

LGHouk:gad 5/20/52

Copy to: Admin. Reading File
Docket File
Mr. Houk

IN REPLY REFER TO:

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

May 20, 1952

Memorandum

To: Mr. F. E. Johnson

From: N. E. Nelson

Subject: Final Report, DMA-80 and 103, Contract I-DMA E28. Continental Sulphur and Phosphate Corporation.

Conclusions

I concur with the findings and recommendations of the field team as expressed in the memorandum of April 24, 1952, of W. H. King and A. H. Koschmann.

N. E. Nelson

N. E. Nelson
Geologist

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1952

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

May 19, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1952

Mr. C. O. Mittendorf
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

I refer to a letter dated May 1, 1952 addressed to our company, headed "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract".

Our attorneys, Goppert and Fitzstephens in Cody, Wyoming, advise us that there is an error in the description contained in your letter of May 1st, as it should read, "12" instead of "1w". In other words, the description in the last part of paragraph 1 should be, "Secs. 1 and 12, T. 54 N., R. 107 W", instead of "Secs. 1 and 1w".

I am sending Mr. Goppert a copy of this letter to you calling attention to this error in the description, and remain,

Very truly yours,

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE CORPORATION

CA/cm

CC: Ernest J. Goppert
Goppert & Fitzstephens
Cody, Wyoming

FILE COPY
SURNAME:

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

Houk

Mr. J. H. East, Jr.
Executive Officer, DMEA
Field Team, Region IV
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Subject: Docket No. DMEA-103 - Sulphur
Continental Sulphur and
Phosphate Corporation
Sunlight Basin Deposits
Park County, Wyoming
Exploration Project Contract
No. Idm-K28

Dear Mr. East:

Reference is made to the Final Field Team Report on the subject contract. This office will be pleased to receive the following information, when this contract has been terminated:

(a) The Operator's Final Report.
(b) The salvage value of any equipment, materials or supplies purchased.
(c) Total amount of money spent.
(d) Amount of Government funds to be returned to the revolving fund.
(e) Statement as to whether the work accomplished the objective set forth in the contract.
(f) Was the Operator competent, and did he pursue the work in an efficient manner.
(g) All Forms MF-104, "Strategic and Critical Mineral Exploration Program, Operator's Monthly Progress Report".

Sincerely yours,

ce 5/14

(signed) FRANK E. JOHNSON

(HB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

Mr. H. Hedges (HB)

Member, Bureau of Mines

D. M. Lemmon (HB)

Member, Geological Survey

LGHouk:gad 5/13/52
Copy to: Operating Committee
Admin. Reading File
Mr. Norton, G-232 GSA Bldg.
Mr. Josephson, 3510
Mr. Houk

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

224 New Customhouse
Denver 2, Colorado

May 9, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corporation, Park County, Wyoming

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period June 28, 1951 through September 15, 1951, pertaining to DMA Docket 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation.

W. H. King

W. H. King, for
J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1952

FILE COPY
600-110 NAME:

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

FEJohnson

MAY 8 1952

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA-103 (Sulphur)
Continental Sulphur & Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract No. Idm-828

Dear Mr. Larson:

Reference is made to our letter of May 2, 1952, transmitting Certificate of Discovery or Development on the above referenced contract.

You will find enclosed a copy of the Final Field Team Report. The amount of the Government's share that was expended has not been determined; however, when the final audit is made, and the salvage fund from the disposal of equipment, materials, and supplies is determined, you will be supplied with this figure.

Please note that this Final Field Team Report covers Loan Application DMA-80 and tax amortization application, and that the Field Team recommends both of these applications be denied.

The Defense Minerals Exploration Administration has certified that a discovery or development has been made as a result of the Exploration Project on this property because it believes that a small amount of sulphur may be produced from these claims, and although the production may be of no great magnitude, DMEA should receive payment from the net returns on any production in accordance with the terms of the Exploration Project Contract.

Sincerely yours,

C. O. Mittendorf (for) 5/8/52

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure
LGHouk/FEJohnson/gad/bih
5/7/52
cc to: Docket
Admr's Reading File
Operating Committee
Field Team, Region IV
Messrs. Lemon R-5216 GSA Bldg.
Hedges R-4604
Houk
FEJohnson

FILE COPY
SURNAME:

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

600

Hank Talbert
Yke Johnson

Mr. Jean Larsen, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Subject: Docket No. DMA-163 - Sulphur
Continental Sulphur and
Phosphate Corporation
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-428

Dear Mr. Larsen:

Reference is made to our letter of May 2, 1952, transmitting Certificate of Discovery or Development on the above referenced contract.

You will find enclosed herewith a copy of the Final Field Team Report. The amount of the Government's share that was expended has not been determined; however, when the final audit is made, and the salvage fund from the disposal of equipment, materials, and supplies is determined, you will be supplied with this figure.

You should note that this Final Field Team Report covers Loan Application DMA-80 and tax amortization application upon which the Field Team recommends denial.

The Defense Minerals Exploration Administration has certified that a discovery or development has been made as a result of the exploration project on this property because it was felt that a certain small amount of sulphur may be produced from these claims and while the production may be of no great magnitude, it was felt that the DMA is entitled to receive some return from its expenditure there.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure
IGHouk:gad 5/6/52

Copy to: Admin. Reading File
Operating Committee
Mr. F. Johnson
Mr. Hedges, Bureau of Mines
Lemon ~~Mr. Thayer~~, U.S.G.S.
Docket File
Field Team, Region IV
Mr. Houk
~~F. Johnson~~

FILE COPY
SURNAME:

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

MAY 1 1952

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Subject: Docket No. DMA-103 - Sulphur
Continental Sulphur and
Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-528

Dear Mr. Larson:

I am enclosing a copy of the "Certification of Discovery and Development; a copy of the Field Team's Final Report on the above-referenced property will be forwarded when it becomes available.

The project contract was signed June 27, 1951, the Government participating to the extent of 50% in an exploration project estimated to cost $79,410.00, Government's share $39,705.00. The amount of the Government's share that was expended has not been determined; however, when the final audit is made, and the salvage fund from the disposal of equipment, materials, and supplies is determined, we will supply you with the total Government funds expended.

The Government's estimate of Gain Discovery or Development is described and delineated as follows:

Deposit	Ore in Short Tons	Average Percent Sulfur	Average Thickness	Sulfur Long Tons
A-2	15,647	34.8	23.5 feet	4,950
B	11,738	28	5.0 feet	2,991
D	9,835	23	5.0 feet	2,338
E-1	2,325	25.5	3.7 feet	773
Total	40,545			11,052

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

P.H.
5-2-52

LCHouk:gad

Copy to: Admin. Reading File
Field Team, Region IV
~~Mr. J. J. Forbes~~
Mr. F. E. Johnson
Mr. Hedges, Room 4604
Mr. Thayer, Room 5216, GSA Bldg.
~~Mr. W. E. Weather~~
Mr. Houk
Operating Committee

FILE COPY
SURNAME:

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

Hook
Hoffhind
Edwards
Hodges
Gordon
Fagan

MAY 1 1952

Continental Sulphur and Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

Subject: Docket No. DMA-193 - Sulphur
Continental Sulphur and
Phosphate Corp.
Sunlight Basin Deposits
Park County, Wyoming
Contract Idm-228

Gentlemen:

Transmitted herewith is a Certificate of Discovery under Contract No. Idm-228 on the Sunlight Basin Sulphur Deposits.

By the terms of the Exploration Project Contract and of the Certification, all sulphur produced from the aforesaid claims listed in the Certificate of Discovery from the date of the Exploration Project Contract is subject to Government's percentage royalty as set forth in the contract until the total sum (subject to adjustment when disposition is made, as weather conditions permit, of equipment, materials, and supplies purchased under the contract and final audit) of $39,705.00 is paid or until June 27, 1961, whichever occurs first.

Payments should be made to Mr. J. R. East, Jr., Executive Officer, DMA Field Team, Region IV, 224 New Customhouse Building, Denver 2, Colorado. Checks should be payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the sulphur product sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. East of any changes in

ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Lant at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

D.N.
5-2-52

LGHouk:gad
4/11/52

Copy to: Admin. Reading File
Docket File
Field Team, Region IV
(Mr. J. J. Forbes) Mr. Hedges, Room 4604
(Mr. W. E. Wrather) Mr. Thayer, Room 5216, GSA Bldg.
Operating Committee (✓)
Mr. Houk
J. L. Chambers
Mr. Murkland

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

224 New Customhouse
Denver 2, Colorado

April 24, 1952

Memorandum

To: Secretary to the Operating Committee, DMEA, Washington, D. C.

From: Field Team, Region IV

Subject: Final Report, DMA Dockets 80 and 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation, Sunlight Basin, Park County, Wyoming

Enclosed are the original and three copies of the final report on Dockets 80 and 103, Contract I-DMA-E28, of the Continental Sulphur and Phosphate Corporation, 2010 Tower Petroleum Corporation, Dallas 1, Texas.

The original application was for a development loan of $2,000,000 to provide funds to purchase mining equipment and to construct a sulphur processing plant. The application was changed to exploration which was estimated to cost $79,410.

The DMEA examining geologist estimated the deposit to contain 40,545 short tons of sulphur ore containing between 23 and 35 percent sulphur. It is estimated that approximately 11,052 long tons of elemental sulphur can be recovered which at the present market price would have a value of about $350,000.

The company consulting engineer, H. W. C. Prommel, estimated 51,614 short tons of ore containing between 23 and 35 percent sulphur from which about 12,797 long tons of elemental sulphur can be recovered, having a value of about $414,000 at the present price of sulphur.

Neither the government estimate of tonnage nor the estimate of the consulting engineer warrant the granting of the $2,000,000 loan as requested. We recommend that the development loan and the Certificate of Necessity be denied.

The exploration project resulted in the discovery of 40,545 short tons of sulphur ore. The sulphur ore is low grade, but may be utilized in the fertilizer industry.

Defense Minerals Administration
APR 28 1952

The Field Team of Region IV has forwarded the Administrator of the Defense Minerals Administration a Certificate of Discovery.

W. H. King

W. H. King for
J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Enclosures

Mining Division
Region IV

April 24, 1952

Memorandum

To: Field Team, Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMA Dockets 50 and 103, Contract I-DMA-[illegible], Continental Sulphur & Phosphate Corporation, Sunlight Basin, Park County, Wyoming

Enclosed are eight copies each of the final reports on DMA-103, Contract I-DMA-[illegible], on the Sunlight Basin property of the Continental Sulphur & Phosphate Corporation by F. L. Widman of the Bureau of Mines.

We concur with the findings of the examining engineers that the deposits do not warrant a $2,000,000 development loan. We do believe, however, that the deposits might be mined for use by the fertilizer industry and the operator should be obligated to pay the Government a royalty on the net proceeds realized from the sale of this ore.

We recommend that the application for a $2,000,000 loan, DMA-103, and the request for a Certificate of Necessity, DMA-50 be denied.

W. H. King
W. H. King

Reviewed by
DMEA OPERATING COMMITTEE
5-5-52
(date)

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

200 New Customhouse
Denver 2, Colorado

March 3, 1952

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Dockets 80 and 103, Continental Sulphur and Phosphate Corporation, Sunlight Basin, Park County, Wyoming

Attached are 8 copies of the geologic report by Ward B. Meek on the results of exploration performed under Contract I-DMA-E28, Continental Sulphur and Phosphate Corporation, in Sunlight Basin, Park County, Wyoming.

The exploration established the presence of a reserve of 40,545 short tons of sulphur ore containing between 23 and 35 percent sulphur, from which about 11,052 long tons of free sulphur could be recovered.

The Continental Sulphur and Phosphate Corporation has applied for a development loan of $2,000,000 (DMA Docket 103) to provide funds to purchase mining equipment and to construct a processing plant to develop and treat the sulphur deposits on its claims in Sunlight Basin, Wyoming, and for a certificate of necessity in the amount of $1,850,000 (DMA Docket 80). Meek points out that at the present market price, 11,052 long tons of sulphur would sell for about $350,000, approximately only one-fifth of the $2,000,000 loan requested. He therefore recommends that the loan be denied.

I concur with his recommendation.

The brochure is enclosed.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd
1952
Bureau of Mines
Denver, Colorado

March 11, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 103, Contract I-DMA-E26, Continental Sulphur and Phosphate Corp., Park County, Wyoming - Your memoranda of January 25 and February 19, 1952.

Enclosed are the original and 7 copies of a final report appraising the exploratory work done under the subject contract. The various reports and other data included with your memorandum of February 19 are attached.

Stephen R. Wilson

Enclosures

Final Edit Report

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION

SUNLIGHT BASIN

PARK COUNTY, WYOMING

DMA DOCKETS 80 AND 103

GEOLOGY

By Ward B. Meek
U. S. Geological Survey

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION
SUNLIGHT BASIN, PARK COUNTY, WYOMING

INTRODUCTION

The Continental Sulphur and Phosphate Corporation has applied for a loan of $2,000,000 with which to develop sulphur deposits on its claims in the upper part of Sunlight Basin in Park County, Wyoming. These funds would be used primarily to purchase equipment for the mining and processing of the sulphur. There are insufficient reserves, however, to justify the project contemplated.

GEOLOGY

The rocks which enclose the sulphur deposits, briefly described by Hewett (1911), are Tertiary volcanics of andesitic to basaltic composition, and small inliers of Devonian (?) limestone, dolomite, and shale at deposit A-2. These volcanic rocks comprise two types: (1) pyroclastic rocks, and (2) flows.

The pyroclastic rocks are dominantly agglomerate and breccia, but include some tuff which crops out at deposit A-2. The agglomerate consists of round to sub-round fragments averaging several inches in diameter enclosed in a matrix of very similar rock. Both the fragments and the matrix contain approximately 25 percent plagioclase and augite (?) phenocrysts which average one-eighth inch in length and are set in a black to reddish or greenish aphanitic groundmass. The volcanic breccia contains angular fragments averaging about 1 inch in diameter. Both matrix and fragments are aphanitic and green to reddish.

Interspersed with the pyroclastics are flows (and possible small intrusives) of rock similar to the matrix of the agglomerate; some of these have chilled aphanitic margins.

Bedding in the volcanic rocks can be detected close at hand only after long and painstaking scrutiny; at distances of over one-half mile, however, lenticular beds of moderate thickness and considerable horizontal extent stand out clearly. They dip rather gently, and the direction of dip changes gradually with locality. It is probably that this variation is systematically arranged with respect to centers or lines of eruption; none, however, was recognized.

SULPHUR DEPOSITS

The volcanic rocks immediately surrounding the sulphur have been leached and are essentially chalky-looking opal that is white to light gray in color. These altered areas are nearly devoid of vegetation, presumably because of sulphuric acid and hydrogen sulphide in the mineralizing solutions and gases. This opaline zone ranges in thickness from an inch or less to more than 20 feet, and it overlies dark gray rock of varying freshness which is locally black from its content of fine-grained marcasite or pyrite.

Most of the opalized rock observed is surface debris that consists of angular to slightly rounded fragments averaging about 1 inch in maximum dimension. Opalized bedrock crops out at only a few places which are chiefly in bulldozer cuts; much is probably present, however, near gas and solution vents under the loose mantle. The opalized debris typically shows crude but definite stratification that is parallel with

the present surface even in detail. The deposits are thickest at the base of steep slopes, and at deposit D one cut shows a thickness of about 20 feet at the foot of the hill, wedging to nothing within less than 100 feet up the slope. Since there are no equivalent accumulations of unopalized rock in adjoining areas, it is believed that the deposition of this stratified debris was a function of hot spring activity which opalized the rock, caused it to disintegrate, and furnished sufficient overflow of water to move the fragments. Doubtless, slump and run-off of surface meteoric waters assisted in the transportation.

Around the margins of the deposits are limonitic halos formed by the upward and outward transportation of iron leached from the bedrock and later deposited in the surrounding rock and soil as limonite. The limonite ranges in color from yellow to dark brown. In places, especially at deposits A-2 and B, dark brown limonite firmly cements some of the surface rubble; the conglomerate thus formed is crudely bedded and forms a local peripheral capping up to 10 feet thick which lies parallel with the present surface.

Sulphur was deposited in the closing stages of mineralization which may have been fumarolic in character. Most of it forms a coating of minute crystals on fragments of opalized rock in the upper part of the debris and does not replace the rock. Since most of the sulphur was deposited at or near the surface, it is believed that aeration of hydrogen sulphide was a very important factor in causing its deposition. The thickness of the sulphur impregnated layer is in general proportional to the total thickness of the debris.

Some sulphur lies in the opalized bedrock as veinlets, as drusy fillings of fissures, and, in the limestone, as fillings in occasional cavities formed by solution. None of this bedrock contains enough sulphur to make ore. These sulphurized patches of bedrock have such locations and outlines that they are believed to be the upper parts of conduits (hot springs and fumaroles) for the mineralizing solutions and gases. At such points the odor of hydrogen sulphide can usually be detected.

The lithologic character of the rock was of no discernible consequence in determining the size and nature of the deposits except that solution of limestone provided minor cavities which were later filled by sulphur; most of the limestone, however, was altered to gypsum or was relatively unaffected.

These deposits have a range in altitude of about 600 feet; they lie indifferently on ridges, spurs, and long steep slopes. Some are adjacent to streams and others are relatively remote from them. Clearly, the hot springs and fumaroles that created these deposits were in no way related to the local topography.

The several deposits lie along a gently curving line, suggesting that they occupy a fractured zone. Fractures transverse to this axis may have helped to provide escape channels for the mineralizing solutions and gases and thus determined the loci of the individual deposits.

All features of these deposits point to a Recent origin by such hot spring and fumarolic action as is causing the "mud pot" regions which lie some 30-50 miles westerly in parts of Yellowstone National Park.

ORE RESERVES

The Continental Sulphur and Phosphate Corporation has completed a comprehensive program of exploration and development by means of bulldozer cuts, auger drilling, and limited core drilling of deposits A-2, B, D, and E-1 with some core drilling of deposits A-3 and C.

Tonnage and grade figures as determined by the Corporation are listed below. They are based on drilling and assaying supervised by, and on calculations made therefrom, by H. W. C. Prommel, Denver, consulting geologist and engineer. Copies of his reports, maps, and cross-sections are on file with the U. S. Geological Survey and the U. S. Bureau of Mines. A few tons of ore may also be recovered from deposit C. Deposits A-1, A-3, and E-2 are so small and contain so little sulphur that they do not warrant further investigation or consideration for economic purposes. Deposit F contains very little sulphur although the area of leached rock is rather large. The sulphur content required to make ore might have to drop to 5 percent or lower before it would pay to build a road to haul ore from this deposit.

The grade of the ore listed in the following table ranges between 23 and 35 percent sulphur. However, inclusion of material containing as little as 20 percent free sulphur would make no decisive difference in the total reserves.

Deposit	Ore in Short Tons	Average % Sulphur	Average Thickness	Free Sulphur in Long Tons
A-2	15,647	34.8	23.5 feet	4,950
B	11,738	28	5.0 feet	2,991
D	9,835	23	5.0 feet	2,338
E-1	3,325	25.5	3.7 feet	773
Total	40,545			11,052

SUMMARY AND CONCLUSIONS

The sulphur deposits of Sunlight Basin are in Tertiary volcanic rocks and appear to have been formed in Recent time by hot spring and fumarolic action. Fractured zones served as conduits for the rise of solutions and gases that leached and opalized the adjacent rock and, during a late stage of activity, deposited the sulphur. Although some sulphur is present in bedrock, commerical mineralization is confined to a coating or cementing of the particles in the upper portion of a surface debris of opalized rock.

Exploration has demonstrated a reserve of 40,545 short tons of sulphur-bearing ore containing between 23 and 35 percent free sulphur. From this ore about 11,052 long tons of free sulphur could be recovered.

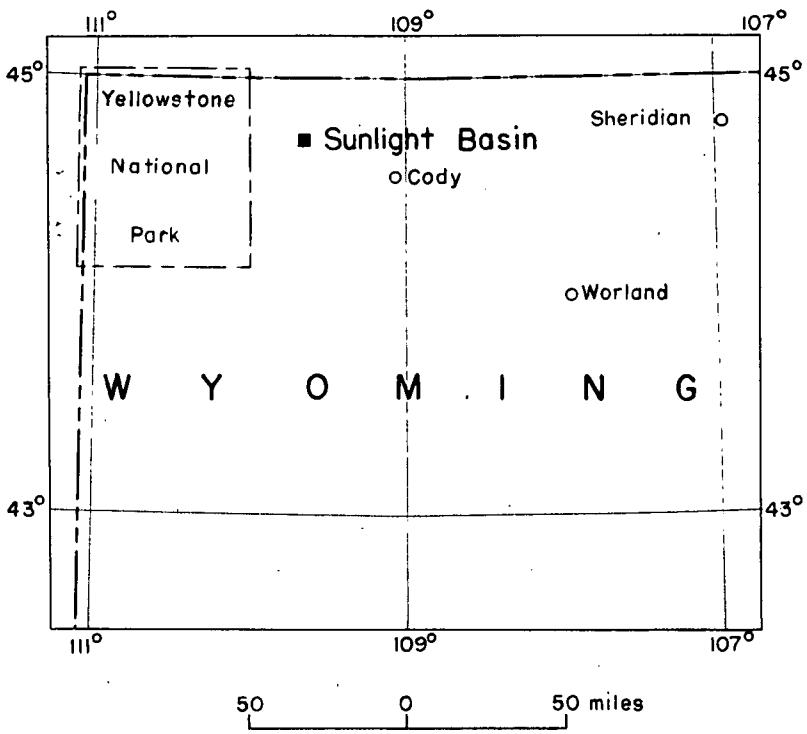
RECOMMENDATION

The Continental Sulphur and Phosphate Corporation has applied for a development loan of $2,000,000 with which to develop sulphur deposits on its claims in Sunlight Basin, Park County, Wyoming, (DMA Docket 103) and for a certificate of necessity in the amount of $1,850,000 (DMA Docket 80). The main purposesof the loan applied for are to provide funds to purchase mining equipment and funds to construct a processing plant.

At the present market price 11,052 long tons of sulphur would sell for about $350,000. Thus the gross value of these deposits is approximately one-fifth of the $2,000,000 loan requested to mine and process them. It is, therefore, recommended that the application be denied.

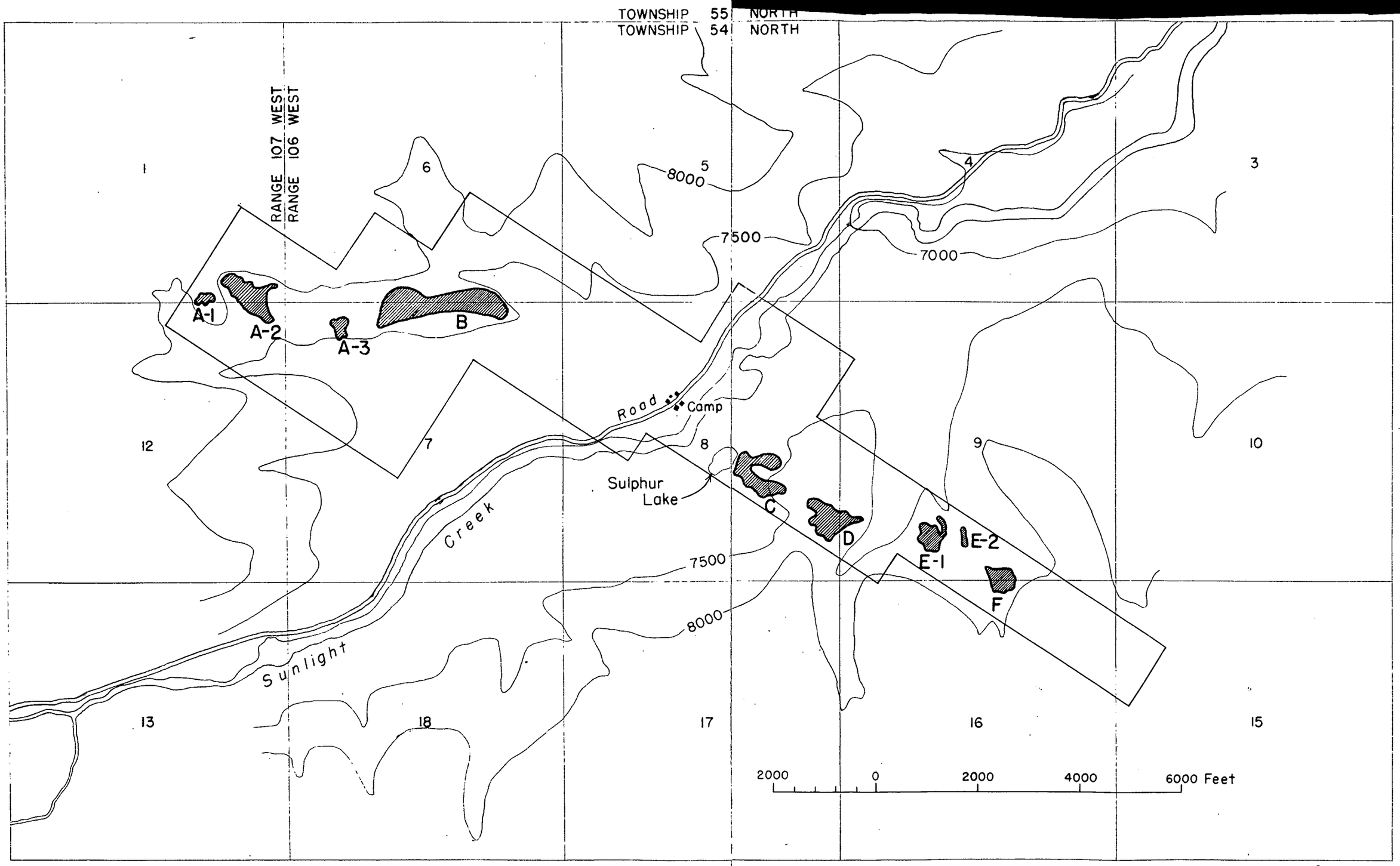
REFERENCE

Hewett, D. H., Sulphur deposits of Sunlight Basin, Wyoming,: U. S. Geol. Survey Bull. 530, part 1, pp. 350-362, 1911.



Index map showing location of Sunlight Basin, Wyoming

FIGURE 1



Adapted from a map
by E. W. Krampert

Sunlight Basin Sulphur Deposits
Park County, Wyoming
Showing Claims of Continental Sulphur & Phosphate Co.
FIGURE 2

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION
PARK COUNTY, WYO.
DMA-103
Contract I-DMA-E28

Final Report

By F. L. Wideman
Mining engineer
Bureau of Mines

FINAL REPORT

CONTENTS

	Page
Introduction	2
Location and physical features	2
Description of the deposits	3
Exploratory work	3
Summary of drilling	4
Supplement A	5

ILLUSTRATIONS

Fig. 1 Location map

INTRODUCTION

The sulfur deposits on property of the Continental Sulphur and Phosphate Corp., Park County, Wyo., were explored by core and auger drilling and bulldozer trenching as a DMA exploratory project (fig. 1).

Core drilling began on June 27, 1951, and continued until July 18, 1951. Auger drilling began on July 23 and was terminated on September 2, 1951. All project work was stopped September 15, 1951.

Approximately 8 miles of road and 3 bridges were constructed to give better access to the property.

One cabin was built and several others were rehabilitated.

This report is written to present the results of the drilling and sampling of the deposits. An estimate of ore reserves is included as Supplement A.

LOCATION AND PHYSICAL FEATURES

The mining claims of the Continental Sulphur and Phosphate Corp. are located in Park County, Wyo., approximately 50 miles from Cody, Wyo. The property is situated in Secs. 5, 6, 7, 8, 9, 15 and 16, T. 54 N., R. 106 W., and Secs. 1 and 12, T. 54 N., R. 107 W.

The deposits lie on steep hillsides in a region of bold relief. The elevation at the campsite is 7,075 feet, and elevations of approximately 8,100 feet are attained in the western part of the property.

DESCRIPTION OF THE DEPOSITS

The host rock of all the deposits is bleached and highly altered andesitic rock. On deposit A-2, there is evidence of sulfur concentration around a block of altered limestone and gypsum.

Elemental sulfur occurs as a cementing material of surface debris and as incrustations along minute fractures in the andesite. The sulfur content diminishes rapidly from the surface downward. The occurrence of sulfur is erratic laterally away from central vents from which hydrogen sulfide and carbon dioxide gases issue in small but detectable amounts. Apparently there has been no replacement of the altered igneous rock by sulfur. These conditions make a reliable estimate of tonnages and grade difficult. Most of the estimated ore reserve lies within 6 feet of the surface. Deposit A-2 contains sulfur at greater depth.

EXPLORATORY WORK

Exploratory work consisted of core and auger drilling and bulldozer trenching. Because of steep terrain, it was necessary to excavate trails and drilling sites by bulldozers. Sulfur-bearing material exposed by this work was sampled in the vicinity of the drill holes. These samples, in addition to samples taken from the drill holes, were used to make estimates of tonnage and grade.

The following table has been compiled from information submitted in reports by a consulting engineer (H. W. C. Prommel) employed by the Government and the company.

SUMMARY OF DRILLING

Deposit	No. of holes	Total feet drilling	Av. depth	Total feet channel samples	No. drill samples	No. channel samples	Total No. samples
A-2	6	144.0	24.0	8.0	35	3	38
B	66	866.8	13.1	68.8	254	27	281
D	47	750.1	15.95	116.3	222	42	264
E	28	401.8	14.35	27.8	118	19	137
Total	147	2,162.7		220.9	629	91	720

The deepest auger holes drilled were on A-2 and D deposits, where holes 43.3 feet and 43.0 feet respectively were drilled.

No drilling was done on deposits A-1, A-3, C, E-2, or F because of their small size.

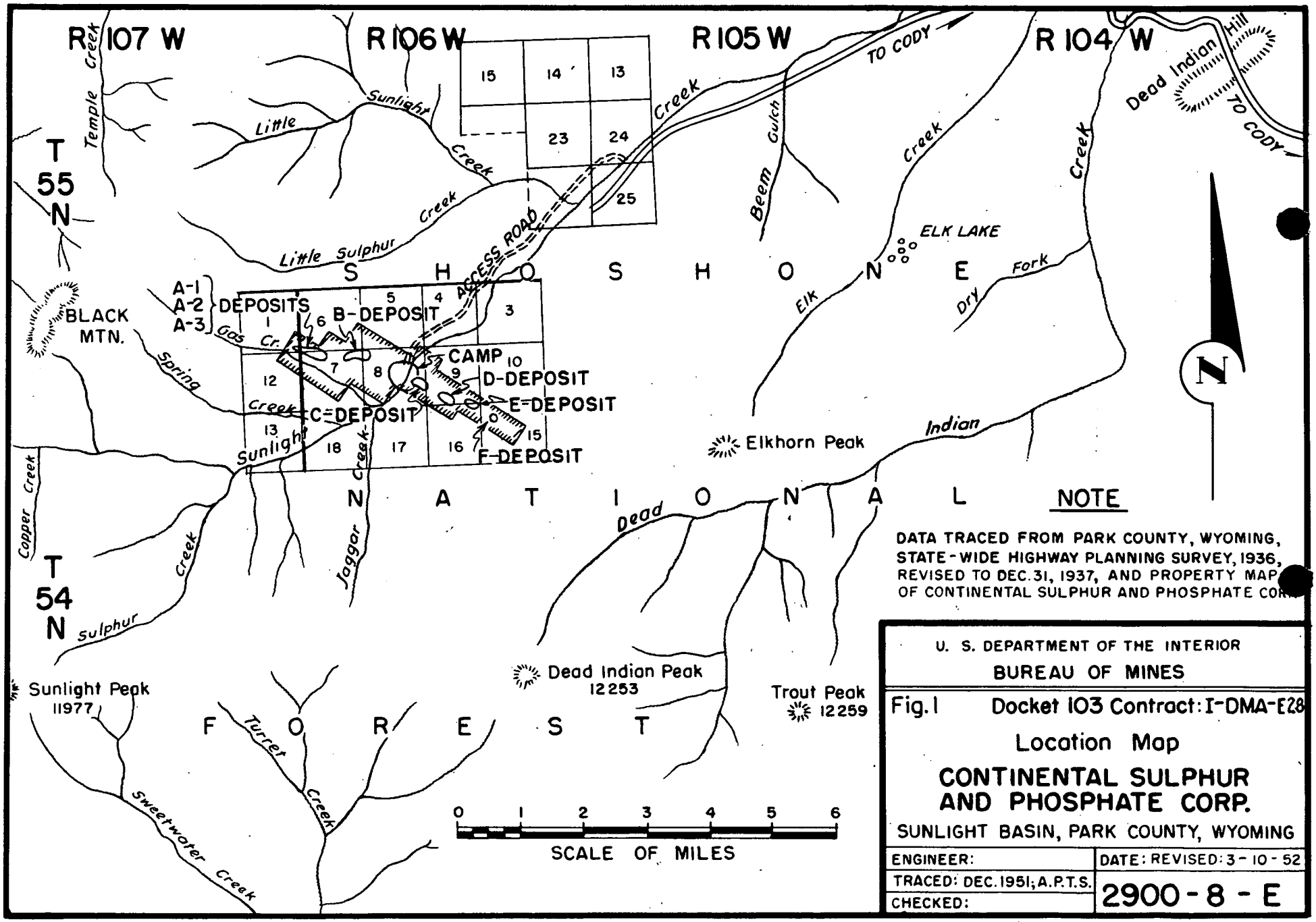
SUPPLEMENT A

Ore Reserves

The following table of ore reserves has been compiled from information contained in three reports written by the consulting engineer:

Block	Short tons ore	Percent sulfur	Long tons elemental sulfur
A-2	15,647	34.8	4,950
B	18,255	23.8	3,958
D	13,022	24.2	2,870
E	4,690	23.9	1,019
	51,614	27.7	12,797

It is doubtful that the deposits are of economic value because of their small size and the erratic distribution of sulfur. It is therefore considered that no commercial discovery was disclosed by the exploratory work.


R 107 W
R 106 W
R 105 W
R 104 W
T 55 N
T 54 N
TO CODY
Dead Indian Hill
Temple Creek
Little Sunlight Creek
Little Sulphur Creek
ACCESS ROAD
Beem Gulch
Elk Creek
Dry Fork
ELK LAKE
S H O S H O N E
BLACK MTN.
A-1
A-2
A-3
DEPOSITS
B-DEPOSIT
CAMP
D-DEPOSIT
E-DEPOSIT
C-DEPOSIT
F-DEPOSIT
Gas Cr.
Spring Creek
Sunlight
Jaggar Creek
Elkhorn Peak
Indian
N A T I O N A L
Dead
Copper Creek
Sulphur Creek
Sunlight Peak 11977
Dead Indian Peak 12253
Trout Peak 12259
F O R E S T
Turret Creek
Sweetwater Creek
0 1 2 3 4 5 6
SCALE OF MILES
N
NOTE
DATA TRACED FROM PARK COUNTY, WYOMING, STATE-WIDE HIGHWAY PLANNING SURVEY, 1936, REVISED TO DEC. 31, 1937, AND PROPERTY MAP OF CONTINENTAL SULPHUR AND PHOSPHATE CORP.
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 1 Docket 103 Contract: I-DMA-E28
Location Map
CONTINENTAL SULPHUR AND PHOSPHATE CORP.
SUNLIGHT BASIN, PARK COUNTY, WYOMING
ENGINEER:
DATE: REVISED: 3-10-52
TRACED: DEC. 1951; A.P.T.S.
CHECKED:
2900-8-E

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

224 New Customhouse
Denver 2, Colorado

April 14, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract I-DMA-E28, Docket DMA 103, Continental Sulphur & Phosphate Corporation

Enclosed are the original and two copies of an amendment to the above contract. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

J. H. East, Jr.

Enclosures

APR 16 1952

MF-104
(August 1951)

Copy

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E

Name of Operator CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
Docket No. DMA I-DMA-E28
Total Contract Amount $
Government Participation: 50 % Amount, $ 19,831.65
Distribution of Expenditures for Month of June 27, 1951 thru September 15, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

CONTINENTAL SULPHUR & PHOSPHATE CORP.
(Name of Company)

By ????????????
(Signature of Authorized Official)

April 10, 1952
(Date)

President
(Title)

NOTE.—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.

16--64068-6

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
Roads, Bridges, access roads- All Contract workODavis Const. Co.			25,000.00			25,000.00
(b) Buildings						
*New Supervisor's Cabin			1,700.00			1,700.00
(c) Fixtures						
Pibg. Materials, Furniture, etc.			446.35			446.35
2. Operating Equipment:						
(a) Purchased[1]						
* Auger Drill- New			3,806.70			3,806.70
(b) Rented[2]			4,500.00			4,500.00
Jones Core Drill Rental						
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
Repairs- Cook Shack:			1,023.56			1,023.56
Bunkhouse:			222.25			222.25
Lab - Shop			75.00			75.00
*Light Plant						
(c) Installations						
*Lab. Equipment			793.25			793.25
*Gas Engine			53.20			53.20

* Items which are Jointly Owned.

16—64068-3

Mining Division
Date Rec'd.

MAY 5 - 1952

BUREAU OF MINES
Denver, Colorado

May 1, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corp., Park County, Wyo. MF-104 forms for the duration of the project, June, July, August, September 1951 - your memorandum of April 15, 1952

Enclosed are 6 copies of a progress report covering operations under the subject contract for the period shown.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

S. R. Wilson May 1, 1952

F. L. Wideman

DMA-103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corp., Park County, Wyo. MF-104 forms for the duration of the project, June, July, August, September 1951.

The following brief summary of work done under the above-mentioned contract has been prepared from such records as are available. It may vary somewhat from final reports submitted by the consulting engineer and members of the company's staff.

Exploratory Work

Deposit	Type of drilling	Date	No. of holes	Footage
	core	June 27 to July 18, 1952	14	548.7
	auger	July 22 to Sept. 4, 1952		
A-2			6	144.0
B			66	866.8
D			47	750.1
E			28	401.8
Total			161	2,711.4

No drilling was done on deposits A-1, A-3, C, E-2, or F, because of their small size.

Sampling

Deposit	Total feet channel samples	No. channel samples	No. drill samples	Total samples
A-2	8.0	3	35	38
B	68.8	27	254	281
D	116.3	42	222	264
E	27.8	19	118	137
Total	220.9	91	629	720

Road Construction

Approximately 8.3 miles of graded and drained road was constructed. Three bridges were built. One bridge was 100 feet in length, one was 500 feet in length, and one was 17 feet in length. Two cattle guards were constructed near the northern end of the road.

Building Construction and Rehabilitation

One two-room log cabin was built and four log cabins were repaired. One cabin was used as a laboratory, two as bunkhouses, and one as a cook shack.

All the work done was within the time limit of the contract.

F. L. Wideman

F. L. Wideman

Schedule DMA 52-44

April 21

$19751.50

Mining Division
Region IV

April 21, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation, Park County, Wyoming - Operator's Monthly Progress Report for the period of June 28, 1951 through September 15, 1951

Enclosed are the original and three copies of Form MF-104 and Operator's Narrative Report for the above period.

Work accomplished is in accordance with the contract and payment is recommended as follows:

Total amount reported	$44,493.26

Deductions - settlement of Government equity

Items	Cost	
Supervisor cabin	$1700.00	
Auger drill	3616.36	(less freight)
Laboratory equip.	793.25	
Light Plant	75.00	
Gas Engine	53.20	
Total Cost -	$6237.81	

Salvage Value 80% of cost -	4,990.25
	$39,503.01
Payment, 50% Govt. Participation	19,751.50

W. H. King
W. H. King

JWT:oc
cc: Contract, Chron
Secretary to the Operating Committee
SRWilson
AHKoschmann (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd
APR 21 1952
BUREAU OF MINES
Denver, Colorado

April 18, 1952

Registered Mail

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corp., Park County, Wyoming. Your memorandum of April 15, 1952, and teletype of April 18, 1952.

Enclosed are four copies of the MF-104 forms and accompanying information covering the subject project which were transmitted to this office with your memorandum of above date. The MF-104 forms have been signed by F. L. Wideman and initialed by me. We will prepare the inspecting engineer's report covering the total project and forward to your office within a few days.

Stephen R. Wilson

Stephen R. Wilson

Enclosures

April 10, 1952

U. S. Department of the Interior
Defense Minerals Administration
Bureau of Mines
124 New Customhouse
Denver 2, Colorado

Gentlemen:

We are again forwarding this company's DMA reports on Form MF-104 covering period of operations in the Sunlight Basin, Park County, Wyoming for the total period beginning June 28 through September 15, 1951.

This report is submitted and calculated on total expenditures as per agreement with Mr. East in telephone conversation April 4, 1952. This was granted in view of the fact that previous monthly reports on this form had been filed with your office. In accordance with the requirements of the report and your letter dated April 4, 1952, we are submitting herein a detailed narrative pertaining to the operational activities for this over-all period:

NARRATIVE

Diamond core drilling by Jones Drilling Company was begun in the area on deposit "B" on June 27, 1951, and continued until July 16, 1951, at which time Diamond core drilling was suspended. This period covered thirty-six days drilling time for both rigs, total footage of 548' 8", and drilled a total of fourteen test holes. At this time the Furmanite Auger Drill was put in to operation having been purchased July 1, 1951. It was agreed by all concerned that this auger drill program would give us the desired results as to depth and recoveries of the sections penetrated. Mr. H. M. C. Prommel, Mining Engineer, was employed to supervise this auger drilling, and to evaluate and interpret the results as to the sulphur reserves. His report on Deposit "B" was enclosed and made a part of our report of July 28, 1951.

It was necessary to bench the locations for the auger drill, and a D8 Caterpillar was used in this work. The steep slopes of the deposits made this work necessary in order that the drilling unit could be moved to each location. The results obtained and outlined on Mr. Prommel's map of Deposit "B"

appear to fully justify this method of operation.

On June 27, 1951, the road from Sunlight Ranger Station toward our Sulphur Camp had been completed, for a distance of 3.8 miles, with the exception of two bridges. Work was begun on these bridges about July 1, 1951. Piling was used for the foundation work. A total of eight miles of roadway was necessary to give ingress and egress to and from the camp. Also additional trails had to be dozed to the various Deposits. On July 28, 1951, or the first month terminal period covered by the report, a total of 5.5 miles had been roughly worked on the right-of-way road bed. A dozed trail, or pilot road, had been dozed through to Camp. It was found that considerable more blasting of rock was necessary than was originally estimated.

The sawmill operated by this Company had turned out roughly 75,000 b.f., in July, of lumber for the three bridges it was necessary to build under the Forest Service contract for the road river crossings.

The Laboratory building was remodeled and repaired during July, and all equipment purchased and installed for running samples of the ore. A complete set of equipment for sample determinations was purchased by Mr. Prommel for this Company and the Government, and was installed under his able supervision. A chemist and helper was employed in the laboratory.

A new two room cabin was begun, using lumber from the premises, and carpenters employed for the erection of this cabin. Repairs were made on the roofs of the existing facilities. All lumber used was logged, cut, milled, and used on the claims and/or the bridge work.

MAPS

The Map and Cross Section enclosures with our report of July 28, 1951 depict the auger holes as outlined and drilled on a grid pattern, and denote the progress as outlined by Mr. Prommel. Mr. E. C. Robbins, Jr., Geologist, had actual supervision of this Furnasco Auger Drill in the field. All samples obtained are in storage in the Laboratory and properly identified for future reference and use. This Company also has all well logs available at any time. Copies of logs and determinations were sent with our report of July 28th.

NARRATIVE

The second phase of operational activity and results for this period at Sunlight Basin pertaining to further drilling on Deposit "B" involves a total footage drilled of 660.6', covering a total of 56 auger holes. Deposit "B" was completed on August 17, 1951, and Base Maps and Cross Section with reports of sulphur reserves made by Mr. Prommel, Mining Engineer. A total of 866.8' was drilled and evaluation work based on Mr. Prommel's findings was submitted and made a part of our report of August 28, 1951. A total of 47 auger holes were drilled on Deposit "B" with a total footage of 750.1'. Complete maps and cross section were enclosed with said report of August 28th, and Mr. Prommel's report was made a part thereof.

The Laboratory was completed and all samples run and determinations made by our Chemist, under Mr. Prommel's supervision. A system had been set up to expedite the taking of samples from the drill locations to the Laboratory.

The road work had progressed to within one mile of Camp, and the third bridge was being built -- Nos. 1 and 2 having been completed. Our sawmill had turned out sufficient lumber for all bridges, repair work, and the cabins. A total of 19 wood culverts had been made and installation begun. Two steel cattle guards had been installed, and estimated completion date on the road was September 1, 1951.

Parmance Auger Drill was moved to Deposit "D" for further drilling on August 17, 1951.

MAPS

Complete Base Map and Cross Sections on Deposit "B" were attached and made a part of our report of August 28th. Complete details of grid pattern drilled and results obtained were detailed on the Cross Section, together with report by Mr. Prommel.

NARRATIVE

For the third period of operations, the Parmance Auger Drill work was begun on Deposit "E" on August 29, 1951, and drilled a total of 28 holes, and a footage of 401.8'. This Deposit was completed, as to drilling, on September 2, 1951, and drill was moved to Deposit "A-2". Here we drilled holes with a total depth of 143.9'. Base Maps and Cross Sections were enclosed for this period as outlined by Mr. Prommel with our report of September 27, 1951.

All samples are properly stored and identified in the Laboratory. Complete listings have been made and all data is available for inspection and samples are ready for sample split, if so desired.

The Permanse Auger Drill is stored at Camp site and properly winterized, covered, and oiled. This may be inspected at any time.

The road was completed on September 11, 1951, and right-of-way clearing of debris and trees was in progress until weather conditions made it impossible to continue. This work will be completed, however, as soon as the weather permits.

The sawmill ceased operations on September 7, 1951, and winterized. A permanent watchman and caretaker is employed to watch the premises and equipment at the Camp.

A complete inventory has been made of all equipment used during this operation and on hand at the close of this period.

All items of expenditures, cancelled checks, receipted bills, and distribution sheets of expenditures during these periods are in the offices of the firm of Peat, Marwick, Mitchell & Company, Accountants, Mercantile Securities Building, Dallas, Texas. All records are available at any time for an audit of all disbursements.

H. W. C. Prommel has submitted monthly phases of evaluation work during the contract periods which have been forwarded your office and were made a part of the original DMA reports. Accompanying Mr. Prommel's reports are his maps of the areas involved, described, and worked during the specified periods of operations. A final report and summary by him showing complete evaluation work done, total footage drilled, and detailed description of the areas involved was sent your office on March 18, 1952, which constitutes fulfillment of the obligation wherein a final and complete summary is to be made by the Operator.

Mr. Andrade has read and analized the reports of Mr. Prommel as well as other geologists and engineers. He wrote you a letter dated March 18, 1952, to which reference is hereby made, with reference to the Prommel reports stating Mr. Prommel "did a good job and certainly, his reports as rendered are entirely satisfactory". This letter was sent to you at my request after my conversation with you on the telephone from Cody.

Trusting this will give a substantial review of the work involved, I am

Very truly yours,

CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

By: W. H. Knight

WHK/em

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

George D. Jackson 520-05-9528
General Delivery
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$ 555.25	$ 8.34	$ 555.25	$ 85.30

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

☆ GPO 16—62527-2

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Walter Harold Moore 723-16-9847
Vet's Apt's #7
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$ 36.36	$ .54	$ 36.36	$ -0-

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

☆ GPO 16—62527-2

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Form W-2
(Rev. July 1951)
U.S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Delbert E. Robinson 520-24-3874
P. O. Box 727
New Castle, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$449.69	$6.73	$449.69	$55.90

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

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Form W-2
(Rev. July 1951)
U.S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Darreld E. Barnes 520-16-3210
Encampment, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$150.00	$2.25	$150.00	$7.00

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

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*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

Form W-2
(Rev. July 1951)
U.S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Richard B. Waggoner 520-28-1711
2910 Bent Ave.
Cheyenne, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$576.90	$8.64	$576.90	$77.70

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

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Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Charles Ray White, Jr. 520-32-4701
801 - 12th St.
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$63.00	$.95	63.00	9.90

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

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Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Clarence Henry Ullarich 516-16-2910
Belfry, Montana

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$692.00	$10.39	692.00	23.30

EMPLOYER BY WHOM PAID (Name, address, and identification number) 75-0817521

Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Bldg.
Dallas, Texas

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Charles Ray White 520-03-2310
801 - 12th Street
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$897.75	$13.45	897.75	65.90

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & Phosphate Corp. 75-0817521
2010 Tower Petroleum Bldg.
Dallas, Texas

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Harrison L. Darrah 520-01-4740
P. O. Box 407
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$ 1,407.50	$ 21.12	$ 1,407.50	$ 65.20

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & 75-0817521
Phosphate Corp.
2010 Tower Petroleum Bldg.
Dallas, Texas

☆ GPO 16—62527-2

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Cameron E. Hardee 520-30-2220
Box 362
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$ 270.00	$ 4.05	$ 270.00	$ 48.80

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & 75-0817521
Phosphate Corp.
2010 Tower Petroleum Bldg.
Dallas, Texas

☆ GPO 16—62527-2

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

Form W-2
(Rev. July 1951)
U. S. Treasury Department
Internal Revenue Service

WITHHOLDING STATEMENT—1951
Wages Paid and Income and F. I. C. A. Taxes Withheld

EMPLOYEE'S COPY (DUPLICATE)

EMPLOYEE TO WHOM PAID (Print name, full address, and Social Security account number)

Erald C. Hardee 520-07-599 (?)
Box 362
Cody, Wyo.

FEDERAL INSURANCE CONTRIBUTIONS ACT		INFORMATION FOR INCOME TAX RETURN	
Total F.I.C.A. wages (before payroll deductions) paid in 1951*	F.I.C.A. employee tax withheld, if any	Total wages (before payroll deductions) paid in 1951	Federal income tax withheld, if any
$ 607.50	$ 9.09	$ 607.50	$ 50.20

EMPLOYER BY WHOM PAID (Name, address, and identification number)

Continental Sulphur & 75-0817521
Phosphate Corp.
2010 Tower Petroleum Bldg.
Dallas, Texas

☆ GPO 16—62527-2

KEEP THIS COPY FOR YOUR OWN RECORD

*If your wages were subject to F.I.C.A. taxes, but are not shown, your F.I.C.A. wages are the same as wages shown under "INFORMATION FOR INCOME TAX RETURN," but not more than $3,600.

EXPLANATION OF SUMMARY STATEMENT
FORM NF-104

Item 1 --	Consists of Contract work by Davis Construction Company on roads, bridges, and access roads. All equipment used Rental	$25,000.00
Item 2 --	New Supervisor's Cabin This amount consists of labor, roofing material and does not include any lumber charges	1,700.00
Item 3 --	Plumbing Materials, Furniture, etc. For Bunkhouse	446.35
Item 4 --	Auger Drill - New This Parmance Drill was purchased at a cost of $3,616.20, plus freight	3,806.70
Item 5 --	Jones Core Drill Rental equipment used during first part of program	4,500.00
Item 6 --	Consists of repairs to Cook Shack and Bunkhouse, and is all Labor - W-2s attached	1,023.56
Item 7 --	Laboratory - Shop Repairs to Lab - Labor - W-2s attached	222.25
Item 8 --	Light Plant Purchased for Lab night work and used as standby only	75.00
Item 9 --	Laboratory Equipment Consists of complete Lab setup for assaying and sampling	793.25
Item 10-	Gas Engine - New Never used	53.20
Item 11 -	Labor Consisting of Allowable Items -- $1,209.00 - Auger Drill, $1,014.26 - Assayer - Sampler, $449.69 - Timekeeper	2,672.95
Item 12 -	Supervision - H. W. Prommel Fees for his time involved	4,200.00
	TOTAL	$44,493.26

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

March 18, 1952

Mr. John H. East, Jr.
Bureau of Mines
224 New Customhouse
Denver, Colo.

Dear Mr. East:

In connection with certain items owned jointly by D.M.A. and Continental Sulphur & Phosphate Corporation, including a cabin, auger drill, laboratory equipment, etc., located at Sunlight Basin, Wyoming, it is perfectly agreeable and satisfactory to Continental Sulphur & Phosphate Corporation to put a value of 80 percent of the original cost of this equipment as shown in detailled items furnished your Department for the purpose of our settling with the D.M.A. under our contract.

In other words, taking the 80 percent figure of the cost as rendered, we will credit the Goverbment with one-half of the 80 percent in settling our account.

I remain,

Very truly yours,

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

CA/cm

COPY

INVENTORY OF JOINT EQUIPMENT

Class 2 1. 1500 Watt - 3 KW - Serial No. D 11814
Koehler light plant
Cost $75.00

Class 2 2. Auger Drill - Serial No. VF4 1046919
Complete - w/60' Carriers
Cost $3,616.00

Class 2 **3. Laboratory complete - as listed below
Cost $793.25

Class - New 4. 1 - 2 H. P. - B&S Gas Engine - 4 Cycle
- New
Cost $53.20

Class - New 5. Cabins - 2 Rooms - with Bath and
fixtures
Cost - ~~approx. $1,500.00~~ 1700.00 ca work

No effort made to dispose of these items.

** Laboratory Equipment

1. Jones Crusher - Pulverizer Unit complete
with B&S Gas Engine (4 cycle 3 H.P.)

2. Jones Samplers - 1 large and 1 small

3. Brunsen Burners - 2

4. Meeker Burner -1
Crucibles, tubing, supports

5. Pans, Scoops, Spatulas, Funnels

6. 1 Pulp Balance - 200 grams

Cost $793.75

Complete and in Laboratory Building
Sunlight Basin, Wyoming

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

March 18, 1952

Mr. John H. East, Jr.
Bureau of Mines
224 New Customhouse
Denver, Colo.

Dear Mr. East:

In connection with certain items owned jointly by D.M.A. and Continental Sulphur & Phosphate Corporation, including a cabin, auger drill, laboratory equipment, etc., located at Sunlight Basin, Wyoming, it is perfectly agreeable and satisfactory to Continental Sulphur & Phosphate Corporation to put a value of 80 percent of the original cost of this equipment as shown in detailled items furnished your Department for the purpose of our settling with the D.M.A. under our contract.

In other words, taking the 80 percent figure of the cost as rendered, we will credit the Goverbment with one-half of the 80 percent in settling our account.

I remain,

Very truly yours,

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CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

CA/cm

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INVENTORY OF JOINT EQUIPMENT

Class 2 1. 1500 Watt - 3 KW - Serial No. D 11814
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Cost $75.00

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Cost $793.25

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Cost $53.20

Class - New 5. Cabins - 2 Rooms - with Bath and
fixtures
Cost - ~~approx.~~ ~~$1,500.00~~ 1700.00 ea amx

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4. Meeker Burner -1
Crucibles, tubing, supports

5. Pans, Scoops, Spatulas, Funnels

6. 1 Pulp Balance - 200 grams

Cost $793.75

Complete and in Laboratory Building
Sunlight Basin, Wyoming

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

224 New Customhouse
Denver 2, Colorado

May 9, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corporation, Park County, Wyoming

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period June 28, 1951 through September 15, 1951, pertaining to DMA Docket 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation.

W. H. King

W. H. King, for
J. H. East, Jr.

Enclosures

ld

cc: Contract, chron.
Koschmann
Wilson

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3] Prommel			2,672.95			2,672.95
5. Supervision			4,200.00			4,200.00
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total			44,493.26			44,493.26
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by F. Wideman
Amount approved for payment
Remarks

SKW IVY

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF Total Period

(Supply Data Below Applicable Only to Your Operations) June 27, 1951 Thru Sept. 15, 1951

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes	1,209.00	8,306.70			9,515.70					
Overburden										
Rehabilitation and preparation	1,695.30	128.20	446.35	1,700	2,970.04					
Geology and geophysics	4,200.00				4,200.00					
Trenching										
Sampling and assaying	1,014.26	793.28			1,807.51					
Roads and trails		25,000.00	(Contract)		25,000.00					
Test pits										
Other (specify)										
Totals	8,118.76	34,228.15	446.35	1,760.00	44,493.25					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

FILE COPY
SURNAME:

Talbert

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

APR 7 1952

AIR MAIL

Continental Sulphur and
Phosphate Corporation
2010 Tower Petroleum Building
Dallas 1, Texas

103

Attention: Mr. Andrade

Gentlemen:

Enclosed herewith is a supply of blank Forms MF-104, Revised, for use in preparing your revised Monthly Reports under Project Contract IDM-E-28.

These forms are being forwarded in accordance with a telephone request from Mr. Burwell of the law firm Murphy, Duiker, Smith & Burwell.

Sincerely yours,

S.N. 4-7-52

(Signed) E. D. Talbert

Jay L. Chambers, Chief
Contract Administration and
Audit Division

Enclosures

EDTalbert/wb
April 7, 1952

cc: Mr. Burwell
American Security Bldg.

Mails & Files
Mr. Chambers

BL

OFFICE OF THE ADMINISTRATOR

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

224 New Customhouse
Denver 2, Colorado

March 27, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 4 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Certification of Discovery, DMA Docket 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation

We are attaching an original and three copies of a Certification of Discovery on Docket DMA 103, Contract I-DMA-E28, Continental Sulphur & Phosphate Corporation, as described in DMEA Circular 9 dated January 2, 1952.

This contract has not been terminated. The equipment jointly owned by the operator and the Government has not been liquidated and no payments have been made to the contractor. The Field Team, under these circumstances, requests a Certification of Discovery before the contract has actually been terminated.

For your information we understand that the Continental Sulphur contemplates opening some sort of operation to mine out the ore that has been explored.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

LAW OFFICES
MURPHY, DUIKER, SMITH & BURWELL
AMERICAN SECURITY BUILDING
WASHINGTON 5, D.C.
METROPOLITAN 5556

JAMES R. MURPHY
WILLIAM J. DUIKER
GEORGE F. SMITH, JR.
CLAYTON LEE BURWELL

HOWARD J. ANDERSON
OF COUNSEL

E-28
DMD-103
Contemporary Correspondence

March 6, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

Mr. C. O. Mittendorf
Defense Minerals Administrator
Department of the Interior
Washington 25, D.C.

Dear Mr. Mittendorf:

Reference is made to your letter of February 27, above subject, in which you note that there is a difference between figure of $22,858.26, shown on Exhibit B of my letter to you of February 18, 1952 and the $33,008.26 total shown on the work sheet, which was left with you.

Under the original schedule attached to the contract, expenditures for the road were first totalled under Exhibit B, but then eliminated under the summary schedule to avoid duplication of certain labor and material shown under Exhibits D and E. Rather than include them in the Exhibit B and subtract them later on, we simply entered the net figure and if you will check the work sheets more closely, the elimination will be obvious.

In addition to the other information furnished you, we wish to point out that the total amount which has been spent on the road cost--which seems to be a controversial item--is actually $25,000 in excess of the figures furnished you. That is to say, the Company spent approximately $25,000 on road building before the date of the contract. By way of further clarifying the situation, it was acknowledged from the outset of negotiations on the contract that the full cost of a road was not a proper charge against the contract. This was so because of the fact that the exploration program, while requiring a road of some sort, did not require a road of the caliber which was built. It was also conceded on the other hand, that it would be uneconomical to build a temporary road first with improvements later. With these two conflicting view points in mind (and your files should probably show this fact) a rough compromise was agreed upon whereby the contract would specify $25,000 for the road, although actually the road admittedly was to cost much more. As the facts turned out, the estimates were fairly accurate. The Company had spent $25,000 on the road prior to the effective date of the contract and has claimed no reimbursement whatever as to that expenditure. The net cost (after duplications are eliminated) of $22,858.26 is not too far off from the

amount which both parties contemplated, at least during the time of negotiation of the contract.

We appreciate the fact that it is difficult to deal with specific points of this nature by correspondence and for that reason, we heartily request that we be afforded the opportunity of another conference on this subject as soon as your auditor returns on March 7.

Sincerely,

George F. Smith Jr.

GEORGE F. SMITH, JR.

GFS:dw

Mr. East, on phone this A.M., advised Mr. Chambers that contract had been amended to cover auger drilling and he would forward copy to us; final engineering report complete with maps had not been received; contractor had offered 80% of purchase price of auger drill, and this was unacceptable; and upon receipt of revised MF-104 every effort will be made to pay as promptly as possible.

Mr. Smith was advised accordingly this PM.

EO 3/17/52

Dr. not Copy

Mr. Earth Ltr 3/4/52

	Road	Camp	Other	Total
Claimed	$54,226.47	$5,749.53(est)	$17,628.25	$77,604.25
Willing to pay	25,000.00	4049.53	6,666.68	35,716.21
Deductions	$29,226.47	$1,700.00	$10,961.57	$41,888.04

* 50% = $17,858.11

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 7 1952

March 4, 1952

Reviewed by
DMEA OPERATING COMMITTEE
3-17-52
(date) (AHB)

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Continental Sulphur & Phosphate Corporation, Docket DMA 103, Contract I-DMA-E28

This is in reference to your letter dated February 19, 1952, and the attached letter from George F. Smith, Jr., dated February 18, 1952. Mr. Smith's letter contains errors, misstatements, distorts the facts, and omits essential information which is necessary for the complete understanding of the situation.

Paragraph two of Mr. Smith's letter states that the total amount actually spent was $61,027.69, or $23,743.13 less than that authorized to be spent, and that the authorized total was $84,770.82. The monthly progress reports and the photostatic copies of the expenditures show that the total expenditures for the period of the contract were $77,604.25. The total contract authorization was $79,410.00.

Mr. Smith states that the contract was amended to include the purchase of an auger drill for $3,806.70 and additional labor of $1,554.12. He evidently adds these two figures to the $79,410.00, the amount authorized by the contract, to obtain his figure of $84,770.82. The amendment submitted to Mr. Andrade for signature, a copy of which is enclosed, states: "This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form."

Mr. Smith states that the auger drilling program necessitated the hiring of additional supervisory assistance. It is our opinion, and it is also recognized in the mining industry, that one qualified supervisor is sufficient to supervise a drilling program in which only one drill is being operated. The exploration project contract states in Exhibit "A" under the descriptive matter, "It is understood that an engineer will be employed to supervise this work who has had experience with sampling methods that have been used at other properties with similar

mineral deposits and who has the approval of the Executive Officer of Region IV of the U. S. Bureau of Mines." We agreed that Mr. Prommel would be a satisfactory engineer. His appointment was agreed to by Mr. Andrade.

Under Exhibit "D", "Supervisors", is listed one geologist and supervisor at $1,000.00 per month. We do not feel obligated to pay the salary of more than the one supervisor specified in the contract. Mr. Prommel was paid $75.00 a day and the total amount paid him was $4,200.00, which is in excess of the maximum of $1,000 a month. However, we feel that his total salary should be allowed.

As far as Mr. Knight and Mr. Robbins are concerned, they were employees of Continental Sulphur and their salaries are not reasonable direct costs of performing the exploration work.

Mr. Smith mentions that the contractor spent approximately $25,000.00 on the program prior to the date of the contract. This is no concern of the Government and does not have any bearing on the situation. Mr. Smith neglects to mention that the term of the contract was 181 dayss and that the work was completed in 81 days.

The contract provides for construction of 8 miles of road from the Ranger Station to the deposits. It states in Exhibit "B", "Road will consist of rough bulldozer trail with two temporary bridges. This road is absolutely necessary to permit access to the properties for equipment, supplies and personnel. Also, includes cost of access roads to each major deposit from campsite - $25,000."

The contract also states: "The Haberthier Construction Company, Cody, Wyoming, has furnished the following estimate of equipment" and personnel which will be required in the construction of the road." Itemized cost figures are given which add up to a total of $15,050.00. Additional equipment which includes one D-8 Caterpillar, Supervisory Personnel, and Labor Charges for carpenters, loggers and sawyers bring the total up to $25,000.00. The operator spent $54,226.47 in the construction of this road. The road was constructed under a permit from the U. S. Forest Service, which specifies the minimum roadway width of 12 feet; maximum pitch, 15 percent; bridges and cattle guards, 14 feet, and bridges should support a 15 ton load. The road, as constructed, ranges in width from 16 to 36 feet and follows a gentle grade. It is calculated that one of the bridges will support a load of 38.8 tons and the other bridge will support a load of 54.4 tons.

The road was discussed with Mr. H. M. Shank, Assistant Regional Forester, and he stated he was surprised that the Continental Sulphur constructed such a road, and that it exceeded the minimum requirements of the permit under which they were operating. A cost of $54,226.47 for constructing a road to a project that lasted 81 days is equivalent to $669.46 per day of use.

Mr. Smith implies that the Government engineers should have stopped the work if the expenditures were not allowable under the contract. We do not attempt to police these operations. We do not have the personnel and it is the responsibility of the operator to live up to the terms of a contract which he has signed.

Drawings are attached which show the constructinn of the bridges and also cross sections of the road. Also attached are a series of photographs showing the road and the campsite.

The original road into Sunlight Basin was constructed by the U. S. Forest Service. A part of this road is shown on photograph 1. The road becomes steeper and more narrow and winding as it approaches the top of the mountain (Dead Indian Hill) shown in the background. The cross sections shown on figure 2 were taken along the road on the hill to the right in the photograph. Bridges spanning creeks along the road are short and are made with round pole stringers. Fifteen or 20 tons is the maximum safe limit these bridges will support.

Photographs 2, 3, and 4, and figure 3 illustrate the bridges constructed as part of Contract I-DMA-E28. It is estimated that each span on the bridge across Sunlight Creek and Bridge 2 will support a uniformly concentrated load of 38.8 tons. It is estimated that Bridge 3 will support a uniformly concentrated load of 50.4 tons. These estimates are based on tables in the Carnegie Steel Handbook and were calculated for railroad specifications. Highway specifications permit an increase of about 25 percent loading. The estimates were prepared using the strength of white pine as a basis, since this lumber has the least strength of any timber used in construction. From these illustrations, it appears that these bridges were built for permanency.

The following table gives estimates of lumber and timber used in bridge construction:

Bridge	Bridge timber and lumber F.B.M.	Round timber F.B.M.
Bridge across Sunlight Creek	32,100	2,688
Bridge No. 2	19,620	1,250
Bridge No. 3	15,100	960
Total	66,820	4,898

Photograph 5 and cross sections on figure 2 illustrate the type of roads constructed between camp and drill sites. Parts of these roads necessitated heavier constuction than shown, but in general, these roads are rough trails constructed to move the drill rig between drill sites.

Photographs 6, 7, 8, and 9 and figure 2 illustrate the type of construction of the access road to the camp site. No attempt was made to photograph or measure the deepest cuts or highest fills. The illus-

trations show that the road was built to a gentle grade line, is well graded and drained, and with some maintenance could be a permanent road.

Photograph 10 illustrates an old road near the new road. This road did not extend all the way into camp, but in many places it was in a state of repair good enough to be usable for transportation of such equipment and supplies as were required at the project.

Photographs 11, 12 and 13 are pictures of buildings at the camp site prior to the beginning of the contract. Photographs 14 and 15 show the supervisor's cabin built under the contract. The difference in the construction of the old and new buildings is illustrated by these photographs.

Photographs 16 and 17 illustrate the auger drill used to explore the deposits. The size of the rig can be judged by the 50-gallon oil drum nearby.

Photograph 18 shows the stockpile of lumber estimated to contain 30,000 F.B.M. of lumber. It was not possible to estimate all the unsawed timber cut at the project. One pile of logs was measured and estimated to contain 14,364 F.B.M.

We are unable to determine the exact cost of an exploration road to this project, but inasmuch as the cost was estimated at $25,000 we feel justified in approving that amount for payment. Accordingly, we have deducted $29,226.47.

Exhibit "B" of the contract under "Campsite" provides for one supervisor's log cabin at $1,700, and furnishings for bunk house at $1,000. It also provides for repairing bunk houses, $1,000; cook shack, $500; work shop, $500; and machine shop, $300.

Information is not available from the records to show the time spent between work on bridges and buildings, but our estimated cost of the buildings was $5,749.53. The buildings are elaborate. A building such as that constructed for the supervisor has no place in an exploration project. We have tentatively disallowed $1,700 from the estimated cost of the buildings unless evidence can be submitted to the effect that buildings of this type are required for exploration.

The supervisor's cabin contained hot and cold running water and toilets. We do not feel that plumbing bills should be allowed.

Travel expense amounted to $1,967.94, which is excessive for an 81 day project.

A number of other items have been disallowed, among which are hotel bills, petty cash and a liquor bill. Our tentative deductions amount to $41,888.04. The record of expenditures, as submitted, are confusing, and we are unable to determine the exact amount spent in each phase of the work. Pending further clarification, we can approve

for payment the sum of $17,858.11.

An inventory of the joint equipment is attached. Mr. Andrade is willing to purchase this equipment at the rate of 70 percent of the new value.

Also attached is a copy of our notes on the expenditures of the project showing how we arrived at the amount approved for payment.

On January 25, we requested in a letter to Mr. Knight that revised forms MF-104 be submitted, including only the items allowable under the terms of the contract. Revised forms have not yet been received. Neither have we received the final geologic report from the operator as required under the terms of the contract.

We do not question the statement that the money has been actually spent, but we do question the validity of the expenditures.

Although the total amount expended did not exceed the authorized amount of the contract, the expenditures for certain items were excessive and cannot be considered as reasonable direct charges against the project. We do not attempt to tell a man how much money he can spend on his property, but we do not approve for reimbursement expenditure of funds not allowable under the terms of his contract.

J. H. East, Jr.

Enclosures

INVENTORY OF JOINT EQUIPMENT

Class 2	1.	1500 Watt - 3 KW - Serial No. D 11814 - Koehler light plant Cost $75.00
Class 2	2.	Auger drill - Serial No. VF4 1046919 Complete - w/60' Carriers Cost $3,616.00
Class 2	**3.	Laboratory complete - as listed below Cost $793.25
Class - New	4.	1 - 2 H.P. - B&S Gas Engine - 4 Cycle - New Cost $53.20
Class - New	5.	Cabins - 2 Rooms - with Bath and fixtures Cost - approx. $1,500.00

No effort made to dispose of these items.

** Laboratory Equipment

1. Jones Crusher - Pulverizer Unit complete with B&S Gas Engine (4 cycle 3 H.P.)
2. Jones Samplers - 1 large and 1 small
3. Brunsen Burners - 2
4. Meeker Burner - 1
   Crucibles, tubing, supports
5. Pans, Scoops, Spatulas, Funnels
6. 1 Pulp Balance - 200 grams

Cost $793.75

Complete and in Laboratory Building - Sunlight Basin, Wyoming.

CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION
DMA Docket 103 Contract I-DMA-E28

Notes on Expenditures

Compartive Statement of Contract Authorizations and Expenditures

Term of Contract:	6 months	180 days
Duration of contract:	2-2/3	81 days
Total contract authorization		$79,410.00
Total expenditures for period of contract		77,604.25

Road repairs and improvements, including two temporary bridges, were estimated at $25,000. The expenditures amounted to $54,226.47, and are tabulated as follows:

Equipment and supplies	$45,453.25
Wages (see attached schedule)	3,165.24
FOAB & Insurance	282.98
3 Trucks @ $25 per day each (prorated)	5,325.00
Total	$54,226.47

The road which was constructed ranges from 16 to 36 feet in width. It is estimated that the bridge across Sunlight Creek and Bridge 2 will support uniformly concentrated load of 38.88 tons. It is estimated that Bridge 3 will support a uniformly concentrated load of 50.4 tons.

The following table gives estimates of lumber and timber unsed in bridge construction:

Bridge	Bridge timber and lumber F.B.M.	Round timber F.B.M.
Bridge across Sunlight Creek	32,100	2,688
Bridge No. 2	19,620	1,250
Bridge No. 3	15,100	960
Total	66,820	4,898

The stockpile of lumber is estimated to contain 30,000 F.B.M. of lumber. It was not possible to estimate all the unsawed timber cut at the project, but one pile of logs was measured and estimated to contain 14,364 F.B.M.

If the road had been build according to the Forest Service minimum road requirements, it could have been constructed for considerably less. These requirements are:

Minimum radius for curves	40 feet
Maximum pitch	15%
Maximum sustained grade	10%
Roadway width (excluding ditches)	12 feet
Bridges and cattle guards	14 feet
Bridges	15 ton load
1 Traffic lane	

This expenditure violates Exploration Project Contract Form MF-200 Article 10. Allowable costs of the project which states "The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work...."

Proration of Wages between buildings and bridges:

	Total	Buildings	Bridges
Saw Mill	$2427.25	$1213.63	$1213.62
Carpenters	2481.25	1240.63	1240.62
Logging	1422.00	711.00	711.00
D-8 Operator	363.00	363.00	
	$6693.50	$3528.26	$3165.24

Note: No information is available from the records to show time spent between work on buildings and bridges but it is assumed approximately 1/2 of time of above personnel should properly be charged to Roads and Bridges.

	Total	Buildings	Bridges
FOAB and Compensation Insurance	$565.95	$282.97	$282.98

Estimated Cost of Buildings:

Wages (per attached schedule)	$3528.26
Buildings equipment	326.35
Camp equipment	804.18
Other miscellaneous supplies	807.77
FOAB and Insurance	282.97
	$5,749.53
	27 to

The buildings are more elaborate than necessary and repayment of all these expenditures violate Article 10. These items should be reduced by at least $1,700.00 unless evidence to the contrary can be produced.

The total expenditures itemized according to classification are recapitualated as follows:

Labor and Supervision	$18,330.69	
Rental of equipment by operator	6,597.50	
Contract rental	35,727.88	
Supplies & misc.	9,844.33	
Drilling	8,306.70	
	$78,807.10	
	- 77,604.25	- Total reported expenditures
	$1,202.85	- Difference due to adjustments in rentals of equipment.

The breadkdown of items are:

Labor and Supervision Schedule:

Cook	73 days	8.00/day	$ 584.00
Cooks helper	- -	- -	- -
Housekeeper	31 days	2.00/day	62.00
Plumber	43 hours	2.00/hr.	86.00
		Total -	$732.00

Assayer	- - -	- - -	- - -
Assayer	- - -	$200/mo.	476.90
Assayer	- - -	275/mo.	36.36
Assayer	- - -	300/mo.	150.00
Sampler	63 hrs.	1.00/hr.	63.00
Helper	126 hrs.	1.50/hr.	189.00
Helper	99 hrs.	1.00/hr.	99.00
			$1,014.26

Bookkeeper			
Timekeeper		$200/mo.	449.69
Mechanic			
Head Sawyer			
(2)Asst. Sawyer			
Saw Man	464 hrs.	2.00/hr.	928.00
Helper (5)	839½ hrs.	1.50/hr.	1259.25
Truck hire	24 days	10.00	240.00
			$2,427.25

Loggers (2)			
Helpers (7)	760 hrs.	1.50/hr.	$1140.00
Team	138 hrs.	1.50/hr.	207.00
Truck	7½ d.	10.00/d.	75.00
			$1422.00
Head B. Carpenter			
Asst. Carpenters			
Carpenters (3)	81 hr.	2.00/hr.	162.00
	955 hr.	2.25/hr.	2148.25
Helper	171 hr.	1.00/hr.	171.00
			$2481.25
D-8 Operator	134 hr.	2.00/hr.	268.00
"	9½ hr.	10.00/hr.	95.00
			363.00
Auger Drill Operator	351 hr.	(2.55)hr?	
		(2.25)hr?	897.75
Helper	197½ hr.	1.50/hr.	296.25
Utility Care			15.00
			$1209.00
Supervisors:			
Supervisor (Knight)	1,000/mo.	2-2/3	$3,000.00
Geologist (prommel)	75/day		4,200.00
Geologist (Robbins)	500/ mo.		1,015.36
			$8,215.36

Total -2-2/3 month operations-$18,313.81

Correction of pay E. Robbins reported on MF-104 16.88

Revised total -2-2/3 months operations $18,330.69

Schedule of other Expenses:

Explosives	$1,326.09
Logging	1,556.67
Repair parts, etc.	1,174.42
Other Misc. Supplies	1,678.30
Travel	
Wm. Knight	1,033.29
Petty Cash	120.00
Cody Inn	222.34
D. Robinson	6.00

H. W. C. Prommel	74.67
C. Andrade III	35.36
Auto Expense	
Stanley Mitchell	58.42
Benmuth Welding Co.	45.86
Davis Construction Co.	372.00
	$1,967.94
Miscellaneous Road Expense	1,281.60
FOAB and compensation insurance	859.31
	$9,844.33

Schedule of Items Furnished by Operator:

1 Station Wagon	10.00/da.	71 da.	$710.00
3 Trucks	25.00/each	213 da.	5325.00
1 Pickup	12.50/da.	45 da.	562.50
			$6597.50

Does not include 31½ days @ $10 under logging

Schedule of Drilling:

Contact core drilling	$4500.00
Purchase of auger drill	3806.80
	$8306.70

Schedule of Contract Rentals:

Actual:		
Davis Construction Co.	$29,789.91	
McGlothin & Kaimann	4,656.37	
Other ?	1,281.60	
		$35,727.88

A study of these items indicates that several either violate Article 10 of Form MF-200 or are not allowed in the exhibits attached to the contract. They are as follows:

Plumber	86.00
D-8 operator	363.00
Supervisor	3000.00
Geologist	1015.36
Logging	1556.67
Misc. Supplies	1678.30
Travel:	
Wm. Knight	1033.29
D. Robinson	6.00
H.W.C.Prommel	74.67

C. Andrade III	35.36
Petty Cash	120.00
Cody Inn	222.34
Package Liquor Store	12.70
Auto Expense:	
Stanley Mitchell	58.42
Benmuth Welding Co.	45.86
Davis Constr. Co.	372.00
Misc. Road Expense	1281.60
TOTAL -	$10961.57

Copies of all contracts should have been submitted to Region IV in accordance with Form MF-200, Article 4, Performance of work". The work shall be performed by the Operator, under his sole direction and control: Provided: That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors.

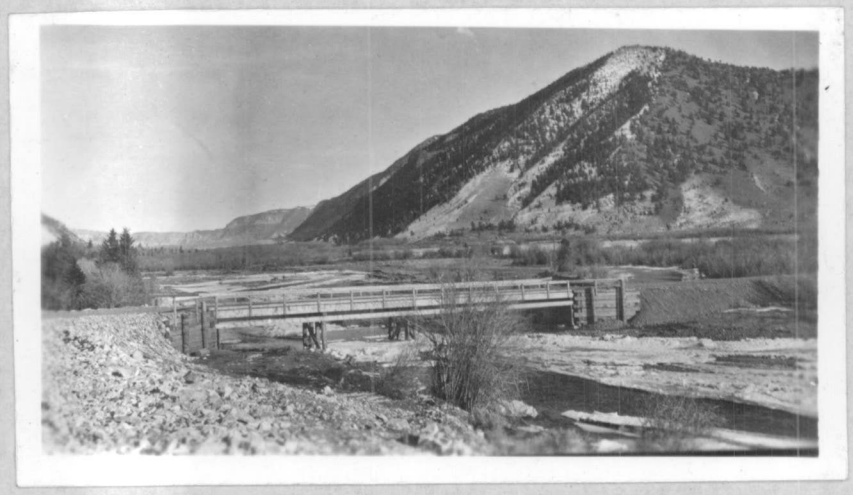
The item "other" under Schedule of Contract rentals should be withheld in the amount of $1281.60 until it is clarified.

The purchase of a Power Auger Drill in the amount of $3806.70, and the payment of wages for the drill operator and helper will be provided for in an amendment. This amendment was requested prior to the purchase of the drill.

The total deductions are:

Road	$29,226.47
Buildings	1,700.00
Other	10,961.57
	$41,888.04
	$77,604.25
	41,888.04
Authorized expenditure -	$35,716.21
Approved for payment -	$17,858.11

1. View of Dead Indian Hill from Sunlight Basin. Switchback road seen on hills right of center.



2. Bridge across Sunlight Creek. Access road joins road serving ranches in Sunlight Basin approximately 1/4 mile to right of bridge.

3. Abutment of bridge No. 2 across creek flowing into Sunlight Creek. Note bulldozer cut to ford of creek shown lower left.

4. Bridge No. 3 across creek flowing into Sunlight Creek.

5. View of road between camp and "A" deposits. Cross sections taken in this vicinity.

6. View of access road in vicinity of cross section A.

7. View of access road in vicinity of cross section B.

8. View of access road in vicinity of cross section C.

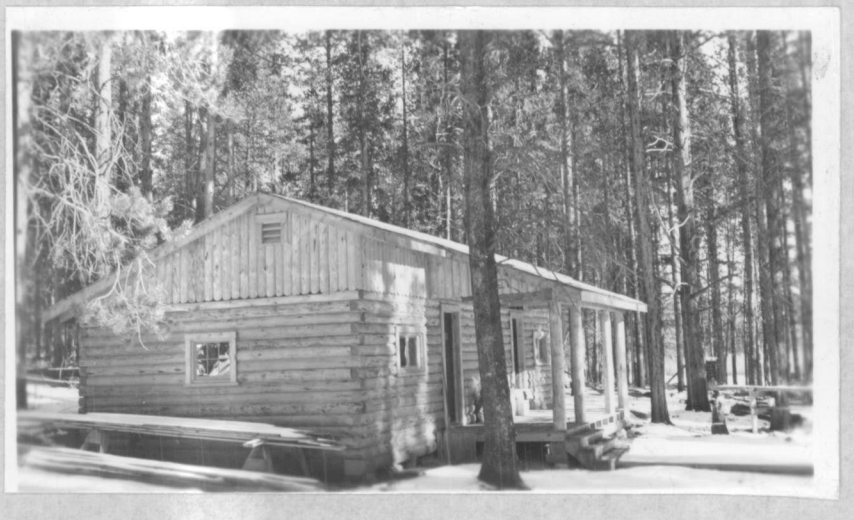
9. View of access road in vicinity of cross section D.

10. View of old road. Picture taken near cross section D of new road.

11. View of camp looking northerly. Two bunk-houses on left, lavatory and water tank near center, and laboratory extreme right.

12. View of part of camp from east. A bunk-house on left, supervisor's cabin center, and lavatory and water tank at right.

13. View of part of camp. Lavatory and water tank at left, cook house at right.



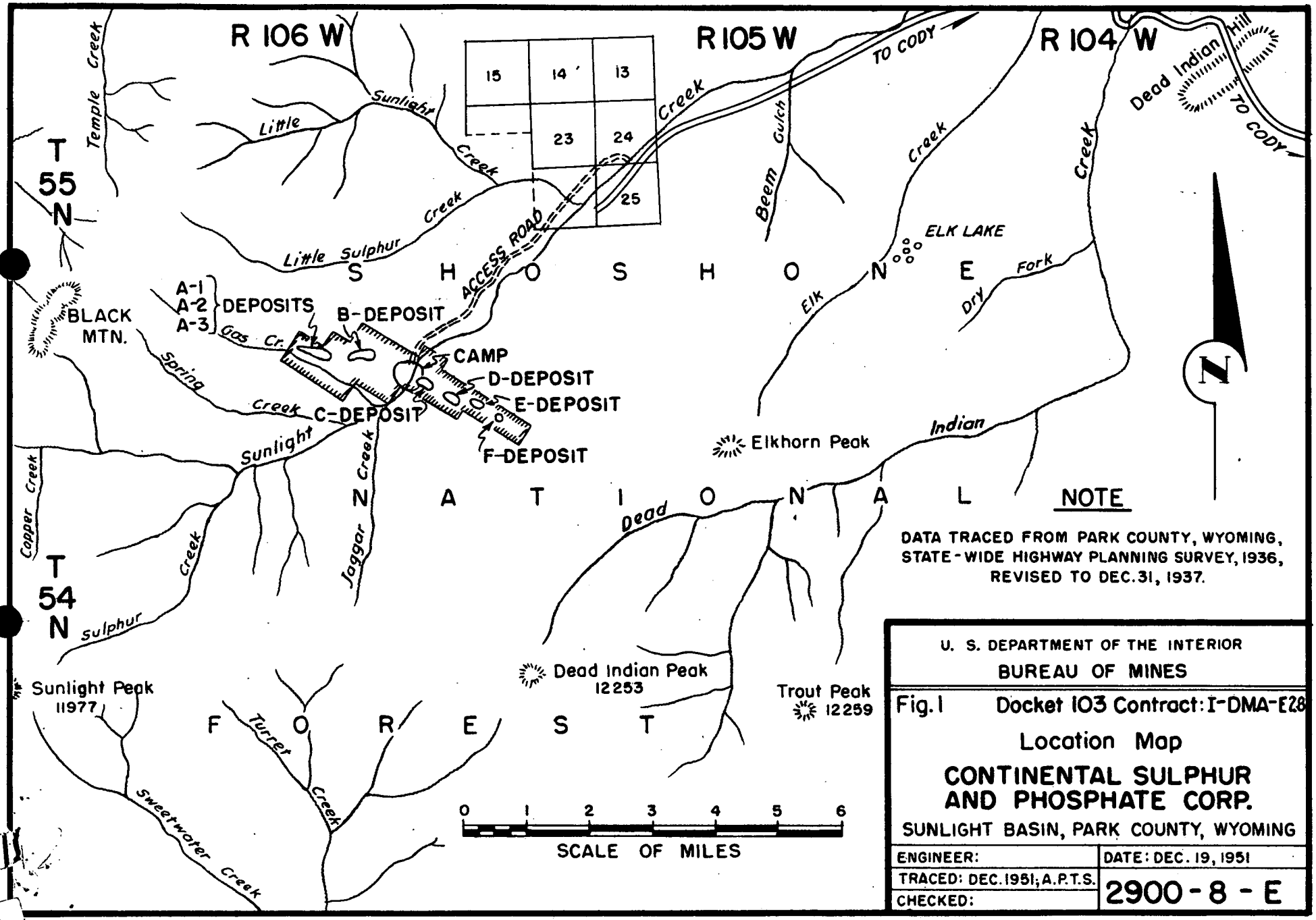
14. View of supervisor's cabin. Note walls made of logs sawed on 3 sides and trim of slabs.

15. Front view of supervisor's cabin which was built as part of exploration contract.

16. End view of auger drill used after core drilling was abandoned.

17. Side view of auger drill. Gasoline motor is covered by canvas.

18. Stockpile of lumber estimated to contain 30,000 F.B.M. of lumber.



NOTE

DATA TRACED FROM PARK COUNTY, WYOMING, STATE-WIDE HIGHWAY PLANNING SURVEY, 1936, REVISED TO DEC. 31, 1937.

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 Docket 103 Contract: I-DMA-E28

Location Map

CONTINENTAL SULPHUR AND PHOSPHATE CORP.

SUNLIGHT BASIN, PARK COUNTY, WYOMING

ENGINEER:	DATE: DEC. 19, 1951
TRACED: DEC. 1951; A.P.T.S.	2900-8-E
CHECKED:	

MAP

BELONGS

HERE

FILE COPY
SURNAME: 800

Chambers

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

Murphy, Duiker, Smith & Burwell
American Security Building
Washington 5, D. C.

FEB 27 1952

Re: Project Contract IDM-E-28
Continental Sulphur and
Phosphate Corporation

Gentlemen:

Reference is made to your letter of February 18, 1952 and the accompanying statement over the signature of Mr. George F. Smith, Jr., of your firm.

In Mr. Smith's comparative statement of the expenditures made by the Continental Sulphur and Phosphate Corporation and the authorized amount in the contract, I note that under Exhibit "B" the amount given by Mr. Smith is $22,858.26. The amount of expenditures, however, under Exhibit "B" taken from a work sheet of your company's books in Dallas, Texas, shows expenditures of $33,008.26 for this item. I point to this particular item because of the obvious error. There are a number of points, however, in the contract and in the figures taken from the working papers of your company which our auditor is now examining.

In addition, we have an auditor in the field who will give this contract some attention prior to his return to Washington on March 7, 1952. As soon after March 7 as possible, our auditor will make a recommendation for settlement of this contract.

I do not want to give you the impression that the settlement will be made immediately after March 7 because we do not know at this time what additional information and papers we will have to obtain from our Regional Office in Denver.

Sincerely yours,

C. O. Mittendorf (for) J.N. 2-27-52

Acting Administrator
Defense Minerals Exploration
Administration

JLChambers/wb
February 25, 1952

cc: Mails & Files
Admin. Reading File
Mr. Chambers
Mr. J. H. East, Region IV

1.a.

FEB 2 0 1952

FILE COPY
SURNAME:
100

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

Memorandum

February 19, 1952

To: Mr. J. H. East, Jr.
Executive Officer
Region IV

From: C. O. Mittendorf
Acting Administrator

Subject: Continental Sulphur and Phosphate Corporation
DMA-103, Contract Idm-E28

Last Friday afternoon, February 15, Mr. Clayton L. Burwell, of the law firm, Murphy, Duiker, Smith, and Burwell, called on me to discuss the subject case in behalf of their client. Mr. Burwell presented the case in an impartial manner and fully recognized that there are two sides to each question and that the allegations of his client may not be correct in every respect. He felt that the solution to differences between his client and the Government is making very little headway and hoped that some intermediate position might be taken by Washington which would expedite the finalization of this project. I told Mr. Burwell that the primary responsibility for resolving problems like this rested with the Field Office, but that we would be very glad to have him present his claims in writing and thereafter we would discuss the matter with the Executive Officer of the Regional Field Team.

I have just now received his letter setting forth his company's position in the controversy, and the purpose here is to transmit a copy to you for your comment. I am forwarding the docket to Mr. Chambers, who will review the case in light of your memorandum dated October 29, 1951 and the recent investigation made by Ken Bailey. No doubt you will hear directly from Mr. Chambers in due time.

We would appreciate having any additional memorandum you wish to prepare which will apprise us of the more recent developments in this case from your end.

C. O. Mittendorf (fw) E.L. 2/20/52

Attachment

COMittendorf/fw
cc: Mr. Chambers
Mr. Houk
Mr. Josephson, Rm.3510
Mr. Norton, Rm.G-232 GSA
Reg. IV
Admr. Reading File
Docket file

BL

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/21

REFERRED TO:

1. Chambers
2.
3. (800)
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS:

Sent Jack Kast copy of Burwell letter

Check (X) before the items needing attention.

CDM

Initials of sender.

GPO 16—63815-1

Understand Ken Bailey made audit

LAW OFFICES
MURPHY, DUIKER, SMITH & BURWELL
AMERICAN SECURITY BUILDING
WASHINGTON 5, D.C.
METROPOLITAN 5556

JAMES R. MURPHY
WILLIAM J. DUIKER
GEORGE F. SMITH, JR.
CLAYTON LEE BURWELL

HOWARD J. ANDERSON
OF COUNSEL

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1952

February 18, 1952

Dma 103

Mr. C. O. Mittendorf
Defense Minerals Administration
Department of the Interior
Washington 25, D.C.

Dear Mr. Mittendorf:

I enclose an original and two copies of a letter explaining our position with respect to the Government's share of the exploration costs on a sulphur project. This, together with the detailed breakdown of expenses, will, I believe, give you an adequate picture of the situation. If there is any further material you desire, we will be happy to try to procure it for you.

I appreciated very much your sympathetic understanding of our point of view in this matter and of the urgency which compels us to attempt a solution to the problem as quickly as possible.

Sincerely,

Clayton L. Burwell

CLAYTON L. BURWELL

CLB:dw

Enclosures:

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1952

LAW OFFICES
MURPHY, DUIKER, SMITH & BURWELL
AMERICAN SECURITY BUILDING
WASHINGTON 5, D. C.
METROPOLITAN 5556

JAMES R. MURPHY
WILLIAM J. DUIKER
GEORGE F. SMITH, JR.
CLAYTON LEE BURWELL

HOWARD J. ANDERSON
OF COUNSEL

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1952

February 18, 1952

DMA 103

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

IN RE: Exploration Project Contract
I-DMA-E28
Continental Sulphur and Phosphate Corp.

Dear Sirs:

This office represents the above-named corporation with whom, on June 27, 1951, you contacted to engage in an Exploration Project Contract with respect to sulphur. Under the terms of the contract the Government and the Operator (Continental) each agree to share 50% of the cost of the project which was estimated in the total amount of $79,310.00. 79410. 6 months

At the time the contract was entered into it was obviously impossible to estimate, with complete accuracy, the exact amounts which would be spent under the various categories of expenditures which are summarized in the following table, Column 1 of which represents the amounts itemized in various exhibits which formed a part of the contract. Column 2 of the table below represents actual expenditures which were incurred by the Operator; and it will be noted that the total amount actually spent under Column 2 was $23,743.13 less than that authorized to be spent.

Item	Column 1 (As authorized)	Column 2 (As spent)
Ex. "B"	$ 27,700.00	$ 22,858.26
Ex. "C"	40,175.00 45,535.82 (1)	20,519.04
Ex. "D"	25,710.00	10,172.20
Ex. "E"	3,000.00	1,320.81
Miscellaneous (2)		6,157.38
Less Duplications	(17,175.00)(3)	
TOTAL	79,410.00 84,770.82	61,027.69

(Notes to Table)

(1) Original Exhibit "C" of $40,175.00 amended to include Auger Drill Purchase of $3,806.70 and additional labor of $1,554.12. Refer to letter of J.H. East, Jr. from Denver D.M.A. team.

(2) Operator believes first portion of Article 10 covers this as it now reads.

(3) Deduct

Throughout the course of the project, the closest liaison possible was maintained between your officials in the field and the Operator's supervisors and most, if not all, of the major items of expenditures which in any way departed from the itemization shown on the Exhibits attached to the contract were discussed in detail with your representatives and it was the Operator's conception that such departures were approved. At least no objection was made to any of such expenditures and the Operator assumed that it was agreed--at least at the working level--that the spirit of the contract was being followed in all respects. By way of illustration, it was agreed at an early point in the progress of the project that the amount set up in Exhibit "C" for core drilling rigs as per contract with Jones Drilling Company in the amount of $25,000.00 was not desirable and it was concluded to engage in an auger drilling program instead. This necessitated the hiring of an additional supervisory assistants, in particular Mr. Knight and Mr. Prommel, whose expenses, it might be added, were far short of the $25,000 figure originally authorized. This was done only after full consultation with your representatives in the field and at no time was any objection raised as to this departure from the technical itemization set up in Exhibit "C".

Article 10 of subject contract reads in part as follows:

"Allowable costs of the project. The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work,***".

The Operator believes that the amounts actually expended as classified under Column 2 in the foregoing table constitute allowable costs of the project notwithstanding that they vary from the amounts authorized and notwithstanding that certain miscellaneous expenditures were incurred which were not itemized on the Exhibits annexed to the contract but which would appear to be covered by the first portion of the sentence quoted from Article 10. Since there appears to be some question about this in your field organization, the purpose of this letter is to request that a clarifying amendment(by way of substituted exhibits) to the contract be made so as to conform the contract Exhibits with actual expenditures as listed under Column 2 in the table. In the alternative, and if you consider that no such amendment is necessary, we request that you so inform the appropriate field official involved. In this connection we are attaching to this letter a completely itemized breakdown of all expenses incurred on the project since June 27, 1951, although we desire to point out, as a matter of equitable consideration, that the contractor spent approximately $25,000.00 on the program prior to the date the contract was finally approved for which no participating reimbursement is claimed. You are also advised that the items covered in the attached itemization have been audited by one of your field representatives at the

offices of the Company in Dallas and no question has been raised as to the actual fact of expenditure.

Although seven and a half months have expired since the contract was executed, the Operator has not received any reimbursement whatever. It is planned to erect a sulphur plant in the immediate future and we should appreciate your urgent consideration of this letter since the erection of the new plant will call for Continental's maximum financial effort. Prompt reimbursement, therefore, would represent a great help to the Company at this time.

Yours very truly,

George F. Smith Jr.

GEORGE F. SMITH, JR.

2/15/52

Mr. M:

Mr. Burwell, wants to come see you (15 minutes only) today re his client, Continental Sulphur & Phosphate Corp. (DMA-~~856~~-63)

Client upset re dealings with Denver Office, in which Denver office has not only disallowed a large number of items, but they are just not getting anywhere.

He knows the Denver office will have to handle the case, but he needs to discuss the difficulties with you.

Me. 5556

Chambers

Was contract amended to provide, in lieu of core drilling ($25,000.00 per Exhibit C), for an auger drilling program including additional supervisory personnel (Mr. Knight + Mr. Prowind) and their expenses, as well as the purchase of auger drill for $3,806.70 and additional labor of $1,554.12?

Exhibit "C" should be Equipment only

Exhibit "D" are maximum amounts (art 8)

Exh.	B.	22,858.36
"	C	20,519.04
"	D	10,172.20
"	E	1,320.81
Auger Drilling		6,157.38
Total		$61,027.69

* [illegible]

Cont. Sulphur + Phosphate Corp
DMA 103-628

See my note on bottom of Smith's ltr. 3/6/52

11/9/51

Mr Rice wires Mr. Bailey in Albuquerque to contact Jack Ford in Denver and make an audit of the operators' accounts.

AHJ.

Mr. Beaumont

DEPARTMENT OF TH[redacted]OR
RECEIVED
NOV 7 1951
Defense Minerals Administration,
Production Expansion Divi[redacted]

[redacted] OFFICIAL FILE C

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

To	Init.	Date

224 New Customhouse
Denver 2, Colorado

October 29, 1951

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming

The Continental Sulphur and Phosphate Corporation has forwarded forms MF-104 for a period of three months. We find that the work is at a considerable variance from that outlined in the contract and our engineer, Stephen R. Wilson, reports as follows:

> "We have not approved payment of any part of the requested amount. It appears that because of errors, additions and general inadequacy of the information in the MF-104 forms, an audit should be made before payment is approved."

Exhibit "B" allowed $25,000 for building a road and the contracting firm estimated it at $15,000. The company has requested payment of $39,000 for the road. The company has also requested 90 days at $75.00 per day for a geologist, or a total figure of $6,750.00 and 90 days at $1,000 per month for a manager, or a total of $3,000. The contract calls for a geologist and supervisor at $1,000 per month.

The forms MF-104 for July, August, and September show a total of $4,200 paid for a geologist. In a telephone conversation with Mr. Prommel, the geologist, he stated that he had been paid $5,006.25. Of this amount $806.25 was paid on June 10, 1951, which is prior to the effective date of the contract.

Exhibit "D" of the contract totals $25,710 and the company submits a figure of $26,010 in spite of the shortened time the work was in progress.

It is my understanding from Kenfield Bailey that your office proposes to establish positions for two auditors in Denver. Before payment of these bills as shown on form MF-104 are approved for payment, we recommend that a complete audit be made.

Defense Minerals Administration
RECEIVED
NOV 1 - 1951

BN

It may be easier for your office to determine the steps that should be taken if we forwarded you the forms MF-104 for your audit, together with supporting documents such as the Narrative Reports and the Engineer's Reports. Please advise as promptly as possible as we do not care to approve these for payment without considerable investigation.

The total amount of the monies expended under form MF-104 is $77,604.25, while the total contract was $79,410. Something appears to be wrong because of the shortened period of time.

J. H. East, Jr.

J. H. East, Jr.

October 22, 1951

Memorandum

To: Mr. J. E. Mast, Jr.
224 New Customhouse Bldg.
Denver 2, Colorado

From: Acting Administrator
Defense Minerals Administration

Subject: Addressing Instructions.

All correspondence relating to Exploration Contracts should be addressed to the Acting Administrator, or to the Director of Production Expansion Division, and not to the Supply Division of Defense Minerals Administration.

Your memo of September 28, 1951, regarding Docket DMA 103 Contract Idm-E 28, Continental Sulphur and Phosphate Corporation, for example, should have been addressed to either the Acting Administrator or Director of Production Expansion Division.

(signed) FRANK E. JOHNSON

PBBlakemore/hmj
Typed 10-22-51

cc to: Reports and Records
Adm. Reading File
Messrs. Mittendorf, Olum
Mr. Blakemore
Region IV
Docket

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 1 1951
Defense Minerals Administration,
Production Expansion Division,

September 28, 1951

Memorandum

To: Tom Lyon, Director, DMA Supply Division

From: Executive Officer, Region IV

Subject: DMA Docket 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming

Referring to your letter dated September 20, 1951, we are enclosing two copies of a report of the above exploration project by Stephen R. Wilson, Chief, Utah-Wyoming Branch, Mining Division, Region IV.

This report is based on an examination by F. L. Wideman during the period of September 3 to 6. No assays are reported, but Mr. Wilson stated after his examination on August 6, 1951, that 30 auger holes drilled to that date were less than 30 percent sulphur.

The final report will be made on this project when revised MF-104 forms are received with maps, reports and assays.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

OFFICIAL FILE COPY

To	Init.	Date
Hoo	Q.EC	10-1
210		

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
OCT 1 10 52 AM '51

September 21, 1951

Memorandum

To: Paul T. Allsman, Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA Docket 103, Contract I-DMA-E28, Continental Sulphur and Phosphate Corp., Park County, Wyo. Progress report.

The subject property was inspected by F. L. Wideman during the period September 5 to 6, 1951. The MF-104 forms submitted by the operator previous to this date were not acceptable, and it appeared advisable to have an engineer assist the company in correcting the report.

Preparation of the forms was discussed with W. E. Knight, exploration manager. Mr. Knight requested permission to delay submission of the forms until company auditors at Dallas, Texas, could complete them. The results obtained from the exploration are not promising; thus it was decided by the company to terminate the work under the contract. This information was given to Wideman during the inspection period. Construction work on the road and buildings was stopped on September 6, 1951. Mr. Knight informed this office that he planned to have all data completed about September 15, at which time he expected to return to the company office at Dallas, Texas. It is probable that requests for changes in the contract will be made before the final MF-104 forms are completed. No information has been received concerning the exact date that all operations were terminated.

Mr. Knight stated that the company did not anticipate reimbursement for road construction in excess of $25,000 or for any lumber cut for use other than in bridges or buildings. He estimated that the total amount of Government expenditures would be between 25 and 30 thousand dollars. He further stated that the auger drill probably would be the only equipment purchased under contract.

Auger drilling began July 23 and continued thru September 4, 1951. The following table gives a summary of auger drilling operations. This is subject to revision, as all the data may not have been included.

Deposit	No. of holes drilled	Total feet drilled	Total fr. channel samples	No. channel samples	Total No. samples	Actual No. man shift
B	66	866.8	68.8	27	281	53.5
D	47	750.1	116.3	42	264	27.5
E	28	401.8	27.8	19	137	14.0
A	6	144.0	8.0	3	38	1.5
Totals	147	2,162.7	220.9	91	720	96.5

3 men on drill crew (does not include technical personnel).

Av. depth hole = 14.7 feet
Av. depth channel sample = 2.4 feet
Av. depth per man shift = 22.41feet
Av. depth per drilling day = 67.16 feet

Approximately 8-1/2 miles of road and 3 bridges have been built. The repairs to all the buildings were finished, and the supervisor's cabin was almost complete.

A complete set of cuttings from two holes on each B and D deposits were obtained for the core library in Salt Lake City, Utah. Pulp samples from various holes drilled on B and D deposits were obtained for check analyses should it be desirable to do so. Pulp samples from the other samples are stored in the company laboratory in Sunlight Basin and will be available to the Government at any time.

The company plans to have a watchman at the property during the winter.

Stephen R. Wilson

FILE COPY
SURNAME:

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

370

Waskey
Barr

SEP 20 1951

a. E.C.

Mr. J. H. East, Jr., Executive Officer
DMA Field Team, Region IV
224 New Customhouse Bldg.
Denver 2, Colorado

Continental Sulfur & Phos.

Subject: DMA-103X, Sulfur

Dear Mr. East:

Enclosed are copies of two letters from subject applicant regarding sulfur exploration at Sunlight Basin.

Will you please render a brief report on status of exploration under DMA-103X.

Sincerely yours,

SIGNED BF 9/20

Tom Lyon, Director
Supply Division

Attachments

RWASKEY:mp
9-18-51
cc: Administrator's Reading File
Field Team, Reg. IV
DMA Docket File
Mr. Barr

~~JAMES BOYD~~

~~L B Moore~~
~~Mr Rowe~~
~~Mr Rowe~~
Mr Rowe

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

Please return to Rm 4539 - Mrs Curtis as soon as you are finished

September 10, 1951

Dr. James Boyd, Director
Bureau of Mines
U. S. Department of the Interior
Washington 25, D. C.

Dear Dr. Boyd:

With further reference to letter I wrote you on September 6th, there is a possibility we may want to do some deeper drilling than was done in conjunction with the Bureau of Mines and the Department of the Interior under our DMA contract.

I didn't want my letter the other day to be construed as a withdrawal of our Certificate of Necessity for the building of a plant. Mr. S. A. Winfrey, our Vice President, is firmly convinced from prior core drilling done on these properties that sufficient sulphur exists below where we drilled the auger holes which we have just concluded.

Again thanking you for your past cooperation and assuring you we will keep you advised of any future developments, I am

Very truly yours,

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE CORPORATION

CA/cm

SEP 13 7 59 AM '51
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

RECEIVED
JAN 28 9 03 AM '52
DEFENSE MATERIALS
PROCUREMENT AGENCY

rel to Mrs Curtin
Rm 4539

~~JAMES BOYD~~

~~Moon~~
~~Rove~~
~~Lyon~~
~~Boyd~~ JBT

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

September 6, 1951

recd by Lyon
SEP 12 1951

Dr. James Boyd, Director
Bureau of Mines
U. S. Department of the Interior
Washington 25, D. C.

Dear Dr. Boyd:

I want to take this opportunity to thank you most sincerely for the help rendered by you and your Department in connection with the exploratory loan granted to our company for work in the Sunlight Basin near Cody, Wyoming.

I just returned from Denver last night having had a meeting with Mr. John East and Mr. Koschmann with our Superintendent and General Manager, Mr. W. M. Knight, present. Unfortunately, the auger work done with the core drilling does not justify, in our opinion, a loan for the proposed plant to produce elemental sulphur.

I am deeply shocked at the outcome in view of the optimistic reports I had read from presumably able geologists. I put over $140,000.00 of my own money into this company so you can see it is a pretty tough blow.

In any event, I want you to know that the Denver office of the U.S.G.S. and the Bureau of Mines cooperated with us in every way and were most pleasant in our dealings with them.

Again thanking you, I remain

Sincerely yours,

C. Andrade, III, President
CONTINENTAL SULPHUR & PHOSPHATE
CORPORATION

CA/cm

RECEIVED
SEP 10 1951
BUREAU OF MINES
OFFICE OF DIRECTOR

3610

RECEIVED
SEP 11 1951
BUREAU OF MINES
MINERALS DIVISION

FILE COPY
Surname:

Josephson

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

July 12, 1951

Memorandum

James Barr

To: Chief, Industrial Minerals Branch, DMA

From: Chief, Construction and Chemical Materials Branch

Subject: Continental Sulfur and Phosphate Company
DMA-103 - Sulfur

Confirming our previous conversations on this loan application, I am in agreement with the conclusion expressed in your memorandum of July 3. Consideration of the development loan application of this company should be held up pending the submission of proof of adequate reserves. The field team is in the best position to judge the reserve situation and we should follow their advice on this point.

G. W. Josephson
Chief, Construction and
Chemical Materials Branch

GWJosephson:dct

Copy to: Files
Const. & Chem. Mats. Br.

COPY FOR THE SECRETARY'S OFFICE

Honorable Lindley Beckworth
House of Representatives
Washington, D. C.

Dear Mr. Beckworth:

The Secretary has referred your letter of April 1, 1951, to this office for acknowledgment and reply.

The Continental Sulfur & Phosphate Corporation's Certificate of Necessity, [illegible]-[illegible], was approved on January 12, 1951. A second application lettered as [illegible]-[illegible] was withdrawn at the request of the applicant on March 1, 1951.

The Natrolgas Chemical Corporation applied for a Certificate of Necessity, [illegible]-[illegible], which was processed by the Industrial Minerals Branch, Defense Mineral Administration, and forwarded to the Chief, Associate Office on March 5, 1951.

The Freeport Sulfur Company applied for a Certificate of Necessity, [illegible]-[illegible], which was processed by the Industrial Minerals Branch and forwarded to the Chief, Associate Office on March 2, 1951.

Sincerely yours,

Administrator

Enclosure

JAMAB:tmy

cc: Secretary's Reading File
Administrator's Reading File
Mr. Lyons
Mr. Kirshbaum
Mr. Shaw
Secretary's File Copy
DPA Files

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

Code 370

Dear Lester:

We have your letter of July 13 in regard to the Continental Sulphur Company contract.

The Defense Minerals Administration has signed an exploration contract with the Continental Sulphur Company whereby the Government pays 50 percent of the cost of the authorized project to drill for sulphur in Sunlight Valley, Wyoming.

The contract qualified under M.O.-5, a copy of which is enclosed.

The exploration assistance program is meeting with general approval and the results have been very satisfactory.

We appreciate very much your interest in the matter and will be glad to supply any additional information.

Sincerely yours,

Secretary of the Interior

Hon. Lester C. Hunt
United States Senate
Washington 25, D. C.

JABARR:mp
cc: Secretary's Reading File
Administrator's Reading File
Reports & Records Units
Mr. Barr
Mr. Lyon
DMA Files

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

My dear Congressman Harrison:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with the Continental Sulphur and Phosphate Company operating in your district for the exploration of possible sources of strategic metals and minerals.

The contract provides that the Government will participate in the expense of this work in accordance with assistance provided under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding this matter.

Sincerely yours,

OSCAR L. CHAPMAN

Secretary of the Interior

Honorable William H. Harrison
House of Representatives
Washington 25, D. C.

JWFeiss/af
7/3/51
Copy to: Files
Adm. Reading File
Mr. Strobel (2)
Secretary's Reading Copy

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

My dear Senator O'Mahoney:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with the Continental Sulphur and Phosphate Company operating in your state for the exploration of possible sources of strategic metals and minerals.

The contract provides that the Government will participate in the expense of this work in accordance with assistance provided under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding this matter.

Sincerely yours,

Secretary of the Interior

Honorable Joseph C. O'Mahoney
United States Senate
Washington 25, D. C.

JWFeiss/af
7/3/51

Copy to: Files
Adm. Reading File
Mr. Strobel (2)
Secretary's Reading File

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

My dear Senator Hunt:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with the Continental Sulphur and Phosphate Company operating in your state for the exploration of possible sources of strategic metals and minerals.

The contract provides that the Government will participate in the expense of this work in accordance with assistance provided under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding this matter.

Sincerely yours,

(SGD) [illegible] CHAPMAN

Secretary of the Interior

Honorable Lester C. Hunt
United States Senate
Washington 25, D. C.

JWFeiss/af
7/3/51

Copy to: Files
Adm. Reading File
Mr. Strobel (2)✓
Secretary's Reading File

FILE COPY
SURNAME:

Mittendorf

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

July 10, 1951

Mr. Frank McAtee, Jr.
Contract Services Section
General Accounting Office
4th Floor - New G.A.O. Building
Washington 25, D. C.

Re: Docket No. DMA-103
Continental Sulphur & Phosphate Corporation
Exploration Project Contract No. Idm-E28

Dear Mr. McAtee:

Enclosed for recording in your office is the original of an executed Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

SPWarren/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
Barr
Espenshade
J. H. East, Jr., Reg. IV (2)
Strobel
Warren
F I L E S

FILE COPY
SURNAME:

Barr

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

July 6, 1951

Mr. J. H. East, Jr.
Executive Officer, Region IV
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. East:

Subject: DMA-1031

We have your letter of June 20 in regard to Continental Sulphur & Phosphate Company.

We hope that the new drilling will outline enough ore reserves to enable us to start processing the loan application, in the meantime we are holding this up in line with your previous recommendations.

Sincerely yours,

James Barr
M.P.

James A. Barr, Sr., Chief
Industrial Minerals Branch

S. Power Warren

JABARR:mp

cc: Mr. East, Region IV
Mr. S. Power Warren
Mr. Josephson
Mr. Strobel
Mr. Barr
DMA Files

Barr 163

FILE COPY
SURNAME:

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

July 3, 1951

Memorandum

To: Chief, Department of Strategic Materials Branch, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: Continental Sulfur and Chemical Co. [illegible]-103; Sulfur [illegible] tons

Continental Sulfur and Chemical Co., which is [illegible] with the Lake Charles [illegible]-103 [illegible], on the claim that 1,[illegible] tons of sulfur has been proved by drilling.

The Field Team advises that consideration of the claim be postponed, pending [illegible] drilling and proved reserves of sulfur.

I find no estimate of 1,[illegible] tons, or other tonnage, is advanced by the Field Team.

I am inclined to advise [illegible] that development of additional sulfur reserves as recommended by the Field Team, is a requirement for further consideration of claim.

Please let me have your opinion.

James [illegible]

James A. Barr, Jr.

JABJR:mns

cc: Mr. Strobel
Mr. Barr
DMA Files

P.E. Dept file

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

224 New Customhouse
Denver 2, Colorado

July 3, 1951

REGISTERED MAIL

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Continental Sulphur & Phosphate Corporation
Contract I-DMA-E28 (DMA 103)

We are attaching the original and two copies of the signed contracts of Continental Sulphur & Phosphate Corporation, I-DMA-E28 (DMA 103). These contracts have been signed by C. Andrade, III, president of the corporation, and he has affixed his seal.

One copy of this contract has been delivered to the Finance Officer and one copy has been retained in this office.

Your attention is directed to the title of your letter of June 27, which refers to this as the Consolidated Sulphur & Phosphate Corporation in place of the Continental Sulphur & Phosphate Corporation. You may wish to change your records.

J. H. East, Jr.

J. H. East, Jr.

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 6 - 1951
LANDON F. STAUBEL
Executive Secretary

FILE COPY
~~SURNAME~~

Mittendorf

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

6/27/51

JUN 28 1951

Mr. J. H. East, Jr.
Executive Officer, Region IV
Defense Minerals Administration
224 New Customhouse
Denver 2, Colorado

Q.E.C.

not stripped in R.R.

Re: Docket DMA-103
~~Consolidated~~ Sulphur and
Phosphate Co.

Dear Mr. East:

Enclosed please find six copies of an exploration contract with captioned company which have been signed by Mr. James Boyd, Administrator, and given a project number, with effective date as shown.

Please note provision in this contract to have all work performed under the direction of an experienced engineer who has the approval of the Regional Engineer, Region IV.

The six copies of the contract must be signed by a duly authorized official of the company without any change in its content. If any provisions are unsatisfactory to the operator, the contract must be returned to this office for re-execution. After signing, you can then follow the instructions in Procedure 11, dated May 22, 1951.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

APPROVED:

Tom Lyon
Chairman, Coordinating Committee

Member, Bureau of Mines

M W Knight
Member, Geological Survey

~~RQMikkkkn~~
SPWarren/fw

cc to: Adm. Reading File
Mr. Strobel
Mr. Moon
~~MxxxMxxxxx~~
Mr. Mittendorf, Mr. Olund
Mr. Warren
Field Team, Reg.IV
Bu. Mines Eng.
Geol. Survey Eng.
FILES

FILE COPY
SURNAME:

Author

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

June 26, 1951

Memorandum

To: C. O. Hittendorf

From: J. L. Hofflund

Subject: Continental Sulphur & Phosphate Corporation exploration contract -- Docket No. DMA-103

This office has reviewed the contract in the above-styled case and finds it in satisfactory form for execution, but calls your attention to the following:

1. The drilling contract is dated April 24, 1951 and provides that the work will start not more than 40 days from date. We understand that the work was started within the alloted time.

2. The drilling contract is silent as to the continuance of daily payments during a period of breakdown and repair of the equipment. We understand, however, that once the drilling is started the daily fee goes on whether the equipment is in order or is broken down.

3. The drilling contract does not specify the size of the hole to be drilled but we are informed that the size is understood between the parties and that our engineer on the job will see that operations are carried on properly.

4. An item of $700 for rehabilitating an FWP truck appears in Exhibit E. The contract form contemplates the rehabilitation of buildings and fixtures only and that equipment will be supplied to the job in operable condition. In addition, rental on the truck is charged in Exhibit C thus

there seems to be a duplication of truck expense, and in both instances the expense is recoverable by the Government only if ore is discovered and mined. Had the truck been purchased for the project the Government would have had a half interest in it. The rental rate on the truck should be adjusted, if it is not, to the allowance of $700 for repairs.

At the time of execution the effective date should be inserted in the contract.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachments

R.R.Guthrie/ema

Copy to: L. F. Strobel
R. R. Guthrie
J. L. Hofflund
Chron.
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

1. Mr. Josephson
2. Mr. Bard

June 20, 1951

AIR MAIL

Memorandum

To: Landon Strobel, Defense Minerals Administration, Washington, D. C.

Attn: G. W. Josephson

From: Regional Director, Region IV, Denver, Colorado

Mr. S. Power Warren called me on June 15, relative to the application of the Continental Sulphur and Phosphate Company and particularly regarding an engineer to attend to their exploration. Mr. Andrade, an officer of that company, called at this office several days ago and asked that we recommend an engineer to handle the exploration work contemplated. We recommended H. W. C. Prommel and T. C. DeSollar.

Mr. Prommel was in the office yesterday and advises that he has been retained by the Continental Sulphur and Phosphate Company and plans to leave for Sunlight Basin, Wyoming today.

In our opinion, the company has selected a very competent engineer and geologist.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 2 6 1951
LANDON F. STROBEL
Executive Secretary

J. H. East, Jr.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 2 6 1951
LANDON F. STROBEL
Executive Secretary

June 19 - 51.

This deal waiting for Smith to get better description of the road work and a ~~Guestimate~~ Guesstimate on total footage to be drilled

June ~~20~~ 19 - 51

Waiting for Smith to come back to office. H.C. Prommel is to be employed according to Jack East.

June 22 - 51 | NA8987

Guthrie is with Hoffland's reason for not signing

June 25 - 51

Guthrie sez Hoffland has

June 27 - 51

[illegible]

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5,000 –

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

224 New Customhouse
Denver, Colorado

June 15, 1951

Memorandum

To: G. W. Josephson

From: Field Team, DMA, Region IV

Subject: DMA Docket 80, DMA Docket 103, and Undocket exploration loan application of May 3, 1951 - The Continental Sulphur and Phosphate Corporation, Sunlight Basin, Park County, Wyoming

Referring to our telephone conversation of several days a go at which time we advised you that engineers and geologists who visited the Sunlight Basin property of the Continental Sulphur and Phosphate Corporation would recommend an exploration project, we are attaching the report of Ogden Twety, geologist, U. S. Geological Survey, and W. E. Young, engineer, U. S. Bureau of Mines.

We concur with the recommendation that an exploration loan should be granted and that any further governmental assistance be held in abeyance until sufficient reserves are established.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Enclosures

Mining Division
Region IV

June 14, 1951

Memorandum

To: DMA Field Team, Region IV

From: Paul T. Allsman, Chief, Mining Division, Region IV

Subject: DMA-103 - Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming.

I have reviewed the preliminary report by McMillan of May 29, 1951, and the memorandum by W. F. Young of June 12, 1951. No analyses of samples taken have been made, however, it is indicated by the examiners that the first complete report will recommend approval of the exploration loan on a matching basis.

I concur in the recommendation, however, it is my opinion that any further loans for construction should be withheld pending at least partial completion of the exploration. Investigation of similar deposits of sulphur in Wyoming have proven very disappointing in quantity and grade.

Paul T. Allsman
Chief, Mining Division

PTA/mo

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

200 New Customhouse
Denver 2, Colorado

June 14, 1951

Memorandum

To: DMA Field Team, Region IV

From: Supervising Geologist, Colorado-Wyoming

Subject: DMA Docket 80, DMA Docket 103, and Undocketed exploration loan application of May 3, 1951--The Continental Sulphur and Phosphate Corporation, Sunlight Basin, Park County, Wyoming

Attached is the geologic report by Ogden Tweto covering DMA Docket 80, 103, and undocketed exploration loan application of May 3, 1951.

Mr. Tweto points out that the Company's estimated reserve of 2,000,000 long tons of recoverable sulfur, based on "assumed area of 125 acres, and assumed average thickness of 25 feet, and assumed average grade of 35% sulfur," are not substantiated at the present state of investigation. He recommends that the exploration loan for $78,000 be granted, and that the Certificate of Necessity, Docket 80, and Development loan, Docket 103, be held in abeyance until the reserves are established.

I concur in this recommendation.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Attachment

THE CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION
SUNLIGHT BASIN
PARK COUNTY, WYOMING

RMA Docket 80

RMA Docket 106

Undocketed exploration
loan application
of May 3, 1951

Geology

By Ogden Tweto
U. S. Geological Survey

The sulphur properties of the Continental Sulphur and Phosphate Corporation are on the northwest and southeast sides of Sunlight Creek, in rough mountainous country 8 or 10 miles east of Yellowstone Park and 51 miles by road northwest of Cody, in Park County, Wyoming. The Continental Corporation has made applications for a Certificate of Necessity in the amount of $1,850,000 (DMA Docket 80), a Development Loan of $2,000,000 (DMA Docket 103), and an Exploration Loan, on a 50-50 basis, for a total of $78,800 (Undocketed application on Form MP-105, dated May 3, 1951).

The deposits were examined in connection with their applications on June 4-8, 1951, by William Young and John Hild of the U. S. Bureau of Mines, and Ogden Tweto and H. T. Schassberger of the U. S. Geological Survey, who are unanimously and emphatically agreed that the property justifies an exploration loan, but that the other two applications should be held in abeyance until the reserves are established.

As shown on the maps accompanying the applications, the sulphur occurs in 8 or 9 distinct deposits strung out in a line about 3½ miles long trending NW-SE across Sunlight Valley. The country rock is andesitic breccia of the Yellowstone volcanic plateau, except for a small boss of Madison limestone that juts up into the volcanics in one deposit. The deposits are of fumarolic origin. Hydrogen sulfide gas is escaping from many small cavities, drill holes, and test pits. The sulphur has evidently formed by oxidation of the H_2S and is doubtless being deposited at the present time. The alignment of the deposits suggests that the gases are

rising from depth along a persistent fissure in the underlying rocks.

Much of the sulfur occurs in the "wash" of small fragments of andesite, although some is in shattered or intensely jointed bedrock. The wash contains bits of wood, logs, and stumps that are heavily impregnated, or even replaced, by sulfur. The gases and solutions that accompany the H_2S have altered the andesite intensely. It is bleached white in the vicinity of the sulfur deposits, and most of the rock constituents except the silica have been removed, leaving a white, brittle, porous rock that consists largely of opal. At places, particularly near the edges of the bleached areas, there is much bright green chlorite in the rock, and in others, the rock is buff in color and contains considerable clay. Some rock of the latter type is coated by yellow clay, iron sulfate, or a mixture of the two, on joint planes. This yellow coating has apparently been mistaken for sulfur. Locally, in a few of the deposits, finely granular gypsum is abundant.

As shown in the documents supporting the applications, the Company's estimate of the reserves is about 2,000,000 long tons of recoverable sulfur. This is based on an assumed area of 125 acres, an assumed average thickness of 25 feet, and an assumed average grade of 35% S. All three of their dimensions seem insufficiently substantiated at the present state of investigation. The area of the exposed deposits is much less than 125 acres. The largest deposit, known as "B" deposit, was mapped by plane table on a scale of 100 feet to the inch and was found to be a group of small deposits separated by rather extensive barren-looking areas, rather than a single large deposit 34 acres in extent as assumed heretofore. The other deposits all contain similar barren areas. The average thickness

will not be known until considerable drilling is done, but we doubt that it is as much as the 25 feet assumed in the Company's calculations. The thickest sulfur seen was about 10 feet, and although several drill holes have shown sulfur at depths up to 50 or even 100 feet, few of these have shown sulfur above the cut-off grade of 20% at depths of more than 10 feet. In two holes, sulfur of good grade was cut at depths of 50-60 and 90-105 feet, but there was much essentially barren rock above them, suggesting that the sulfur may be in fissures at these depths. The average grade of the sulfur in the present exposures is probably considerably less than 35%. The operators have concentrated their drilling, test-pitting, and bulldozing in the areas that are obviously highest in grade. These are small, however, and if a maximum area is to be classed as sulfur-bearing, then the average grade must be reduced.

Thus drilling, test-pitting, or trenching must be done to determine whether sulfur is present beneath some of the covered areas, to determine the thickness of the deposits, and to determine grade. As sulfur of good grade (25 to 50%) is visible at many places, there are grounds for going to the expense of such work, and it is accordingly recommended that the Exploration Loan for $78,800 (government participation 50%, or $39,400) be granted. The other two applications cannot be appraised until such an exploration program is completed.

If the Exploration Loan is granted, it should be made contingent upon Government supervision or upon assurance upon the Government's behalf that the Company has personnel capable of efficiently directing such work. The Company is doing exploration work at present with two diamond drills, but the work suffers badly for want of competent direction. The Company

has agreed and is now attempting to find and hire a capable man to direct the exploration work.

The map of "Deposit B" mentioned above is being drafted and will be forwarded as soon as completed.

June 12, 1951

Confidential

Memorandum

To: Chief, Utah-Wyoming Branch, Mining Division

From: William E. Young

Subject: Sunlight Basin Sulfur Deposits, Park County, Wyo.

Extensive areas of outcropping native sulfur occur in the Sunlight Basin area. These properties have been acquired by the Continental Sulfur & Phosphate Corp., which company is planning a large-scale operation complete with milling facilities for producing 99 percent pure sulfur concentrates.

Diamond drilling of these deposits was started in 1949 and a few widely scattered holes were drilled on several of the deposits. Results of this drilling are reported to have been poor in view of the low core recovery obtained. It is reported that no attempt was made to recover the sludge because of incomplete water return and solubility of the sulfur. Generally the holes showed good sulfur values for a short distance (15 to 20 feet) below the surface. Some few holes showed sulfur values at considerable depth below the surface. It is generally agreed that previous drilling did little to indicate the size or furnish information from which a reliable estimate of grade could be obtained. No records are available regarding the method employed in obtaining samples for analysis. Verbal reports indicate the sampling procedures were unreliable and inaccurate. Past work has done little except to indicate deposits of large areal extent and a good grade of sulfur ore.

At present the company is starting an exploration program designed to delineate the deposits and determine the grade of ore. Two Model 22 Sullivan, skid-mounted drills are employed to do the job. An attempt is being made to drill dry using steel saw tooth bits and a single tube core barrel. Although fair

recovery has been obtained, the drilling progress has been so slow that it is evident some other method of drilling will be required. On almost all deposits the rough terrain encountered makes the use of heavy drilling equipment impractical. Also the present knowledge of the deposits suggests that numerous short holes closely spaced will be required to properly evaluate their size and grade. It is believed that bulldozer work for cutting trenches would be impractical. The deposits will present a mining problem at best because of included blocks of waste and low-grade material. Obviously sampling by bulldozer would mix large quantities of material and complicate the mining problem.

The company is constructing 7-1/2 miles of road from the Ranger Station to Sulfur camp to make the project accessible. Ultimate plans are to construct an additional 5 miles of road at the lower end of the canyon. This will connect with Wyoming State Secondary 188 and eliminate going over the pass at Dead Indian Hill. This plan is contingent on their success in persuading the State Highway department to surface the present road between Belfrey, Mont. and the end of the hard surface, 10 miles northeast of Cody.

At present the project is definitely in the initial exploration stage. Large expenditures are not recommended until more definite information is available regarding tonnage and grade. The size and grade of surface outcrops indicate an exploration project to be justifiable. It is evident that the cost of such a project would be large because of the extent of the deposits and necessity of closely spaced holes for mining information. More detailed mapping will be required before an estimate of the number of holes could be made.

The company has made application for an exploration grant of $100,000 on a 50 percent participating basis. It is recommended that the company procure the services of a competent mining engineer to supervise the exploration project and advise on problems relative to mining and milling. It is recommended that this application be accepted.

William E. Young

Copy to-
PT Allemann
Files

Confidential

May 29, 1951

Memorandum

To: Executive Officer, Field Team, Region IV

From: W. D. McMillan (Through Paul T. Allsman)

Subject: DMA-103 - Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming.

The above deposits were briefly examined during the period May 21-23, 1951, in company with S. A. (Jack) Winfrey, Executive Vice-President and Director of Continental Sulphur and Phosphate Corporation. The following representatives of various companies were also present during the examination:

E. C. Freeland, W. R. Grace & Co., New York City
J. A. Brown, Geologist, Minnesota Mining & Milling Co., St. Paul, Minnesota
H. M. Gregor, Consultant, Bureau of Mines, Washington, D. C.
C. L. Ball, General Motors, Waco, Texas
W. C. Rauch, Geologist, Lion Oil Co., Grand Junction, Colorado
W. M. Knight, Consultant, (representing C. Andrade III, President and Director of Consolidated Sulphur and Phosphate Corp.), Dallas, Texas
Dr. H. G. Fiske, University of Wyoming, Laramie, Wyoming
Thomas P. Forbath, Chemical Construction Corp., New York City
W. P. Jones, Chemical Construction Corp., New York City.

Continental Sulphur and Phosphate Corporation has applied for a loan of $2,000,000 under the Defense Production Act of 1950 for the following objectives:

1.	Sulphur plant	$1,385,000
2.	Mining equipment for 2-site operation	250,000
3.	Shop, shop equipment, and shop supplies	40,000
4.	Construction and improvement of roads	175,000
5.	Working capital	150,000
		$2,000,000

The justification for this loan was that the deposits contained 1,912,000 long tons of recoverable sulphur, this being based on the following premises:

Total area of deposits	125 acres
Thickness of deposits	25 feet
Tonnage factor	20 cu. ft./ton
Sulphur content	35 percent
Recovery at 90 percent	31.5

The factors requiring consideration before approval of the loan are the area, thickness and grade of the deposits, mining methods and costs, milling methods and costs. These factors are briefly discussed below:

Area.- The total area of nine deposits shown on maps submitted with Docket 103 was stated by the applicant to be 125 acres. Measurements by planimeter these areas in Washington showed only 75 acres. According to Winfrey, the original maps were surveyed by plane table and intersection, without use of a stadia rod. Davis' estimate was basedon later transit and chain surveys with the following results:

Deposit	Area, acres
A-1	2.1
A-2	15.0
A-3	2.5
B	34.5
C	21.5
D	18.9
E-1	11.5
F	11.0
Unnamed (Little Sunlight)	11.5
Total	128.5

Topographic maps of all the deposits should be made to check previous surveys.

Thickness of deposits.- The estimated 25 feet is believe to be on the conservative side. Bulldozer cuts at the bottom and half way up the slopes have exposed thicknesses of up to 15 feet, with sulphur bearing material in the bottom. One diamond drill hole on the slope at Deposit C had been drilled in ore to 33 feet on May 25, 1951. Diamond drill hole 8 on the A-3 deposit was in good ore at 110 feet when circulation was lost. No evidence was noted that the deposits were thinner on the upper slopes of the outcrops. In a few places, namely at the A-2 Deposit and at the C deposit, the upper part of the outcrop appears to continue under a capping of andesite.

Grade of ore.- Further sampling of exposures in bulldozer cuts and by drilling (core or power auger) will be required before the grade of reserves can be determined. Visual examination based on available analyses of exposures indicates that the estimated grade of 35 percent S. is not excessive, although selective mining will probably be required. At the A-2 Deposit, there is an outcrop of plus 90 percent S., which is now being drilled. The reported depth of hole on May 25, 1951 was 7 feet of similar material. Other similar lenses or pods may be found by exploration.

The company has made application for an exploration grant of $100,000 on a 50-percent participating basis. This was to include 100 NX core drill holes to depths of from 50 to 100 feet. The company is proceeding with this program with two Model 22 Sullivan skid-mounted drills. These were located at the time of the examination at the A-2 and C deposits. They are also planning on the purchase of an 8-inch power auger drill capable of drilling vertical holes up to 50 feet, which would be attached to their present Dodge power wagon. The ore in most of the deposits is in brecciated andesite, where normal diamond core drilling with circulating water is impractical due to the sulphur being washed out and lost in the breccia.

Mining methods and costs.- Open-cut mining with power shovels in benches appears to be the preferred method. Little, if any, blasting will be required. All ore would be transported in trucks to a central milling plant. Cost estimates are not made in this report.

Milling methods and costs.- Chemical Construction Corporation has developed a sulphur recovery process which grinds, slurries, coalesces, floats, melts, filters low-grade surface deposits. The first commercial plant to use the new process is not being constructed in Columbia, South America. Reported recovery is over 90 percent with a product containing 99.5 percent sulphur. Estimated costs at the mine are from $15 to $18 a ton.

General.- The present management of Continental Sulphur and Phosphate Corporation is composed mainly of petroleum engineers and geologists. Past performance in exploration shows the lack of competent technical advice, and even in the present exploration phase of the project, they should have a mining engineer at the property.

WDMcMillan:ftm

CC: PT Allsman
AH Koschmann
Ogden Tweto
WE Young
SR Wilson
WD McMillan
DMA file

s/ W. D. McMillan

COPY

CONTINENTAL SULPHUR & PHOSPHATE CORPORATION
2010 Tower Petroleum Building
Dallas 1, Texas

June 13, 1951

Mr. Geo. F. Smith, Jr.
412 Washington Building
Washington 5, D. C.

Dear George:

At Mr. Andrade's request we are forwarding you herewith certain information which you have requested relative to our application for assistance under the Defense Minerals Act.

We are enclosing a plat outlining our major sulphur deposits on which we have indicated the location for 36 core holes for drilling under our present program. Each hole is to be carried to a minimum depth of 50 feet and continued in depth as long as sulphur is recovered down to a maximum depth of 250 feet. After drilling the designated holes, our present plans call for drilling additional holes at 100 foot square intervals in order to define accurately the limits and continuity of the deposits.

A map on a scale of 1 inch to 100 feet is now being prepared. A surveyor is locating a base line on all deposits and will tie all core hole locations into this line. Also this map will show profile on 5 foot contour intervals.

These plans have been discussed with members of the Bureau of Mines Office at Denver and meets with their approval. Mr. Tweto of that office has indicated that they would prepare a recommendation for the additional holes and submit it to us for our consideration.

At the recommendation of Messrs. East, Allsman, and Tweto of the Bureau of Mines Denver office we have retained Mr. H. W. C. Prommel, Consulting Mining Engineer, Denver, Colorado for advising us with respect to the present coring and its associated mining problems.

We are at a loss to understand what supporting data should be furnished in connection with our request for aid under our application for building the road. We have asked for only 50 per cent consideration in this respect, and it is quite obvious that an access road is necessary in order to permit ingress and egress to the properties for equipment, supplies, personnel,

BUREAU OF MINES
WASHINGTON, D. C.
JUN 21 1 03 PM '51

etc. We feel in this respect that the 50 per cent basis for aid on the road is much less expensive than using pack wagons and similar modes of transportation without the road. We likewise should like to point out that we have not asked for assistance for a finished mining road but only for that part of the cost of the road which we deem absolutely necessary for access to the property in connection with the exploratory program only.

The type of road which we are building at present includes a rough bulldozed trail plus two temporary bridges. Plans and right-of-way for our finished mining road have been approved by the U. S. Forest Service, Department of Interior and copy is on file.

All of the necessary coring equipment for two core drilling rigs has now arrived on location. They have drilled approximately 200 feet of hole in order to determine the most feasible methods of coring and types of bits to use for optimum recoveries at minimum costs.

Very truly yours,

/s/ S. A. WINFREY

S. A. Winfrey,
Vice President

FILE COPY
SURNAME:

Barr

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

June 13, 1951

Memorandum

To: Executive Officer, Field Team, Region IV

From: Tom Lyon, Director, Supply Division, DMA

Subject: Docket DMA-103, Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming

This is to advise you that we have received the McMillan report on the Continental Sulphur and Phosphate Corporation.

Tom Lyon

Tom Lyon, Director
Supply Division

JABARR:mp

cc: Mr. Strobel
Mr. Barr
Field Team, Region IV
DMA Files

FILES: report in duplicate held in our files with applications.
J.A.BARR
M.P.

FILE COPY
SURNAME:

Wesley Barr

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

June 11, 1951

Memorandum

To: Stanley M. Walker, Acting Chief
Housing and Utilities Branch

From: James A. Barr, Chief
Industrial Minerals Branch

Subject: DMA-103X $78,800 50% Sulphur
Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 1, Texas

Subject application includes $25,000 for road construction and repair in Sunlight Basin, Park County, Wyoming about 52 miles northwest of Cody, Wyoming. Road will connect with road now ending at Ranger Station in Sunlight Basin. Exact length of road unknown at this time, thought to be 12 or 15 miles. Applicant to furnish map. Application recommended for approval by Industrial Minerals Branch.

James Barr

JAB

James A. Barr, Sr.

RW:dak

cc: Mr. Strobel
Mr. Barr
Files

FILE COPY
SURNAME:

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

June 11, 1951

Memorandum: Commitment

To: Director, Production Expansion Division
Defense Minerals Administration

From: Director, Supply Division
Defense Minerals Administration

Subject: Recommendation for Contract Approval

Name of Applicant: Continental Sulphur & Phosphate Corp.
2010 Tower Petroleum Building
Dallas 11, Texas

DMA No. 103X

Commodity: Sulphur

Amount Requested: $78,800

Amount Approved: $78,800

Government Participation: 50% $39,400

Tom Lyon

Tom Lyon

RW:dak

cc: Mr. Strobel
Mr. Lyon
Mr. Barr
Files

FILE COPY
Surname:

Josephson

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

June 11, 1951

Memorandum

To: Chief, Industrial Minerals Branch
Defense Minerals Administration

From: Chief, Construction and Chemical
Materials Branch

Subject: Continental Sulphur Company

Jack East called me from Denver this morning with regard to the Continental Sulphur loan application. He says that the Bureau of Mines-Geological Survey team has been into the property and finds that the company is vigorously attempting to explore the deposit but that they are having considerable technical difficulty. However, he believes that there is sufficient prospect of successful discovery of the necessary reserves to justify the Continental loan for exploration assistance. He does not believe, however, that any other action should be taken with regard to this company until such time as the exploration program has been completed and evaluated.

G. W. Josephson
Chief, Construction and
Chemical Materials Branch

GWJosephson:dct

Copy to: Files
Const. & Chem. Mats. Br.

COPY FOR THE SECRETARY'S OFFICE

Memorandum
Sec: Mr. Strobel
Mr. [illegible]
Field Team, Region IV
Mr. Hove
Mr. Moon
DMA Files

June 5, 1951

Mr. J. H. [illegible], Jr.
Executive Officer, DMA Field Team
Region IV
224 New Customhouse Building
Denver 2, Colorado

Subject: Docket [illegible]-1[illegible]X, Continental Sulphur and Phosphate Corp.
[illegible] County, Wyoming

Dear Mr. [illegible]

Attached is the file of [illegible]-1[illegible]X, an application for exploration subject and on [illegible] County, Wyoming, sulphur property, to the extent of $[illegible] of $78,000. Please review this proposal and furnish us your recommendations.

It is suggested that particular attention be given to the proposed exploration drilling program as to number, layout, depth of holes, and treatment of cores, together with geological data.

The necessity for the proposed expenditure of $5,000 for access road should be substantiated. Supervision expense of $18,000 for an exploration program of such limited extent also appears high and the need for three supervisors at $1,000 per month each, should be examined.

The [illegible]-1[illegible] file, a loan application from the same applicant, is already in your hands.

Summary of data wanted:

1. Examine and report on applicant's prospecting program.
2. Geological features.
3. Analysis of expenditures.
4. Recommendations.

Sincerely yours,

Chairman, Coordinating Committee

Bureau of Mines

Geological Survey

STANDARD FORM No. 14
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM Department of the Interior
Defense Minerals Administration
Industrial Minerals Branch

BUREAU #14-1110037 - Expense of Defense
Production Administration, Executive

CHG. APPROPRIATION Office of the President,
(Allotment to Interior, 1951) 10.1

U. S. GOVERNMENT PRINTING OFFICE 10—1723

WASHINGTON, D.C.
MAY 29, 1951

J. H. EAST, JR.
224 NEWCUSTOMHOUSE BLDG.
DENVER 2, COLORADO

MAIL 4 COPIES OF McMILLAN REPORT ON CRYSTALLINE SULFUR AND SECURITIES COMPANY

EXPLORATION PROJECT TO DMA WASHINGTON, D.C.

SON LYON, DIRECTOR
SUPPLY DIVISION

JAB:mp
cc: Mr. Lyon
Mr. Barr
Mr. East - Reg IV
Audits
Mr. Mayo
Coordinating Committee
DMA Files

JABarr

B

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

Case File (P.L.) 6/12

May 29, 1951

File with DMA 103

Memorandum

To: Tom Lyon, Director, Supply Division, Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 103, Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming.

As requested in your telegram of this date, we are enclosing four copies of the McMillan report on the Continental Sulphur and Phosphate Corporation.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
Postmark 5/31/51
JUN 5 - 1951
LANDON F. STROBEL
Executive Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

Confidential

May 29, 1951

Memorandum

To: Executive Officer, Field Team, Region IV

From: W. D. McMillan (Through Paul T. Allsman)

Subject: DMA-103 - Continental Sulphur and Phosphate Corporation, Sunlight Sulphur Deposits, Park County, Wyoming.

The above deposits were briefly examined during the period May 21-23, 1951, in company with S. A. (Jack) Winfrey, Executive Vice-President and Director of Continental Sulphur and Phosphate Corporation. The following representatives of various companies were also present during the examination:

E. C. Freeland, W. R. Grace & Co., New York City
J. A. Brown, Geologist, Minnesota Mining & Milling Co., St. Paul, Minnesota
H. M. Greger, Consultant, Bureau of Mines, Washington, D. C.
C. L. Hall, General Motors, Waco, Texas
W. C. Rauch, Geologist, Lion Oil Co., Grand Junction, Colorado
W. M. Knight, Consultant, (representing C. Andrade III, President and Director of Consolidated Sulphur and Phosphate Corp.), Dallas, Texas
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gte

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The company has made application for an exploration grant of $100,000 on a 50-percent participating basis. This was to include 100 NX core drill holes to depths of from 50 to 100 feet. The company is proceeding with this program with two Model 22 Sullivan skid-mounted drills. These were located at the time of the examination at the A-2 and C deposits. They are also planning on the purchase of an 8-inch power auger drill capable of drilling vertical holes up to 50 feet, which would be attached to their present Dodge power wagon. The ore in most of the deposits is in brecciated andesite, where normal diamond core drilling with circulating water is impractical due to the sulphur being washed out and lost in the breccia.

Mining methods and costs.- Open-cut mining with power shovels in benches appears to be the preferred method. Little, if any, blasting will be required. All ore would be transported in trucks to a central milling plant. Cost estimates are not made in this report.

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General.- The present management of Continental Sulphur and Phosphate Corporation is composed mainly of petroleum engineers and geologists. Past performance in exploration shows the lack of competent technical advice, and even in the present exploration phase of the project, they should have a mining engineer at the property.

W. D. McMillan

W. D. McMillan

CC: PT Allsman
AH Koschmann
Ogden Tweto
WE Young
SR Wilson
WD McMillan
DMA File

FILE COPY
SURNAME:

Barr

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

May 29, 1951

Memorandum

To: Mr. Tom Lyon, Director, Supply Division

From: Mr. James A. Barr, Sr., Chief
Industrial Minerals Branch

Subject: Docket DMA-103
Continental Sulfur & Phosphate Company
Sulfur Property
Sunlight Valley, Wyoming

We have a memorandum from Mr. J. R. West, Jr., Director, A Field Team, Region IV, 5th New Customhouse Building, Denver, Colorado, that the Field Team has completed an examination of the Continental Sulfur and Phosphate Company sulfur property, Sunlight Valley, Wyoming, which was made in connection with DMA 103, called the Gilliam report, which will serve as a field report for the exploration assistance request of the same company docketed DMA 103X.

We were preparing to request a field examination for the DMA 103X.

Since no authorization from DMA was sent to the Field Team for such an examination, it will be necessary to request that the Gilliam report be sent to Defense Minerals Administration, Washington, D.C.

To accomplish the transmittal of the subject report we have prepared the attached telegram for your signature.

James Barr
JMB

James A. Barr, Sr., Chief
Industrial Minerals Branch

JABimp

cc: Mr. Strobel
Mr. Koon
Mr. Barr
2 copies to Mr. West, Reg. IV
DMA Files

FILE COPY
SURNAME:

Barr

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

May 15, 1951

Mr. George T. Smith, Jr.
412 Washington Building
Washington 6, D. C.

Subject: DMA-103

Dear Mr. Smith:

We have your letter of April 20, 1951 requesting reactivation of docket DMA-103 and requesting loan filed by the Continental Sulfur and Phosphate Corporation.

We will therefore want a report from the DMA field team but in the meantime we will start processing the application.

Your proposed exploration assistance program DMA-103 will furnish information to the field team and assist in making up the report.

I just talked with the DMA field team at Denver and they are awaiting your company's advice as to when the snow is gone sufficiently to make a field examination. They will expect to meet your designated representative in the field in Cody; or as mutually agreed upon.

Sincerely yours,

James Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

JAB:sgl
cc: Mr. Barr
Mr. Strobel
F I L E S

DMA 103

FILE COPY
SURNAME:

Strobel

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

May 9, 1951

Mr. C. Andrade, III President
Continental Sulphur and Phosphate Corporation
2010 Tower Building
Dallas 1, Texas

Subject: DMA-103X
Re: Exploration Loan
(Wyoming)

My dear Mr. Andrade:

Receipt is acknowledged of your application and attachments of May 3, 1951 from the CONTINENTAL SULPHUR AND PHOSPHATE CORPORATION for a Government Loan under the Defense Production Act of 1950.

The application was assigned Docket Number 103 X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch, on May 9, 1951.

In any future correspondence relating to your application, kindly refer to DMA-103 X.

Sincerely yours,

L. F. S.

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Barr
Mr. Lyon

Dmma 103

856

dma 103x

GEORGE F. SMITH, JR.
COUNSELLOR AT LAW
412 WASHINGTON BUILDING
WASHINGTON 5, D. C.
NATIONAL 8987

May 8, 1951

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

In Re: Continental Sulphur & Phosphate Corporation

Gentlemen:

There is enclosed herewith an Application for Aid for an Exploration Project Pursuant to Mineral Order 5, under Defense Production Act of 1950, filed by the above-named company.

Will you please acknowledge receipt of same to the undersigned, who is authorized to represent the company in connection with this matter.

Very truly yours,

George F. Smith, Jr.

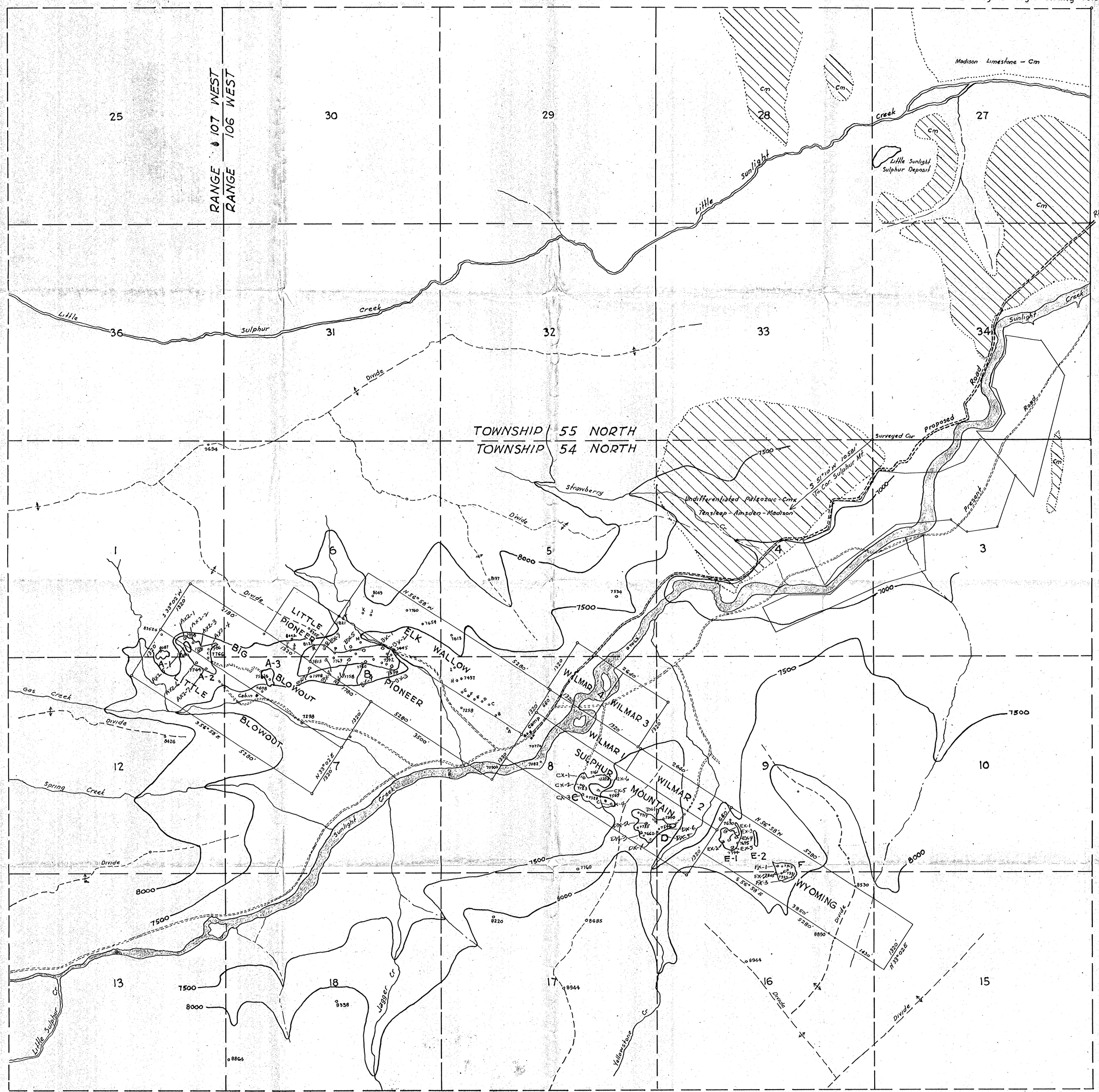
Enclosure

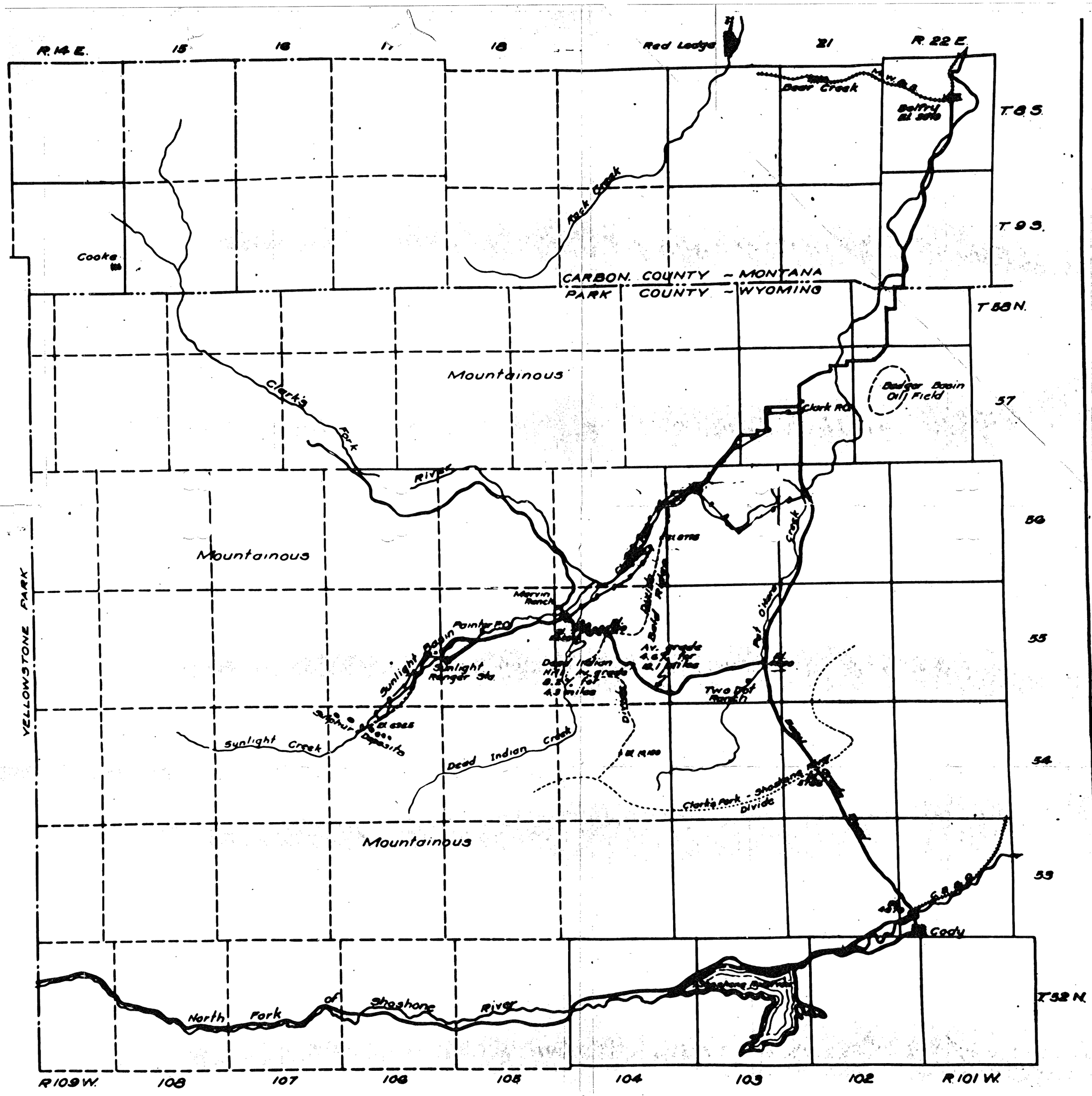
SUNLIGHT BASIN SULPHUR CLAIMS

PARK COUNTY, WYOMING.

From Office of Winfrey - Paine & Phillips. Dallas, Texas.
Control tied to Claim Boundry Surveys by Howard Bell. Cody, Wyoming.
Relief from Aerial Photos.

Scale - 1 inch = 1000 feet
Revised Date July 21, 1950.
M.E.Rogers. Reg. Prof. Eng #3310





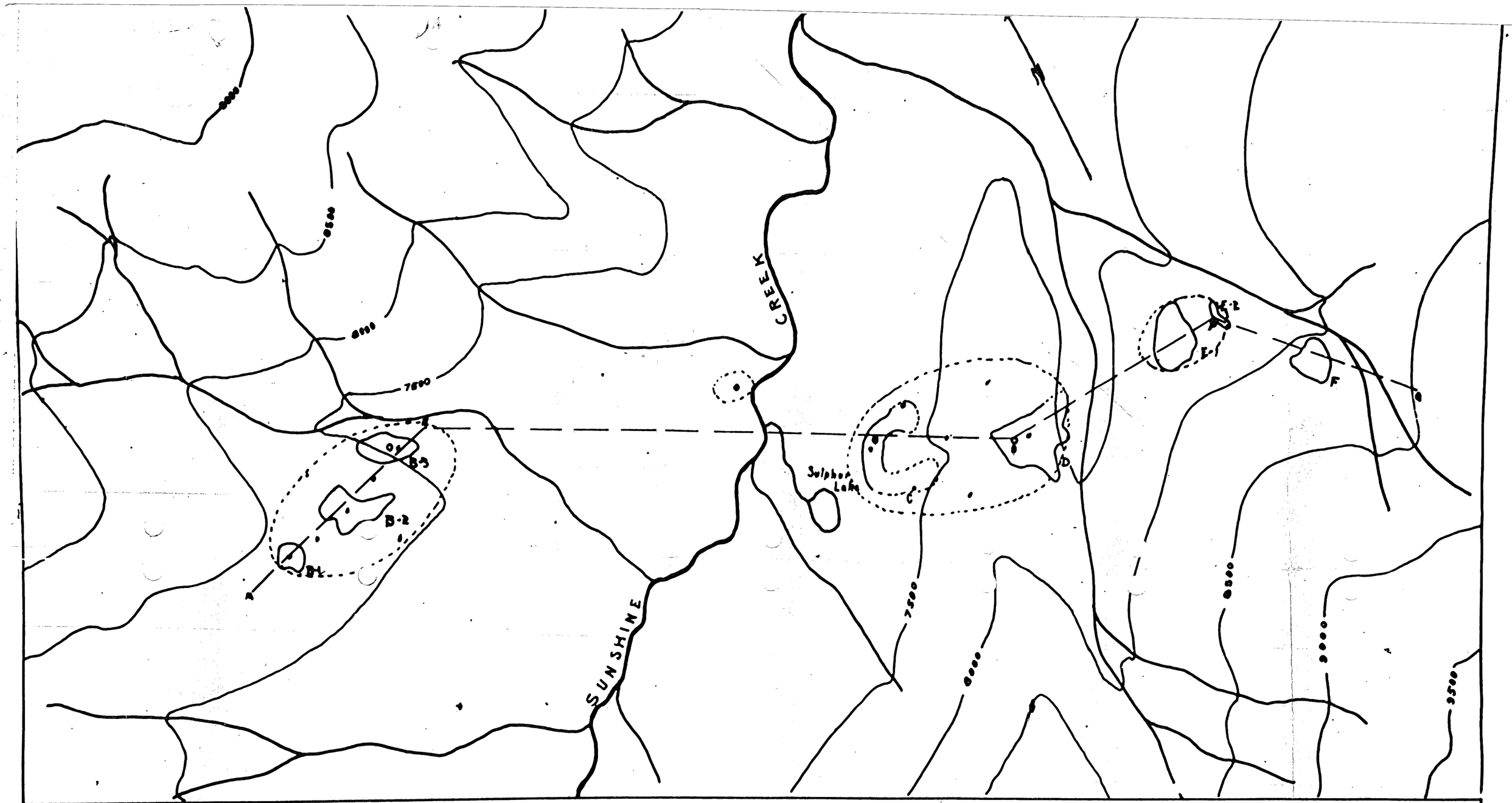
NORTHERN PACIFIC RAILWAY COMPANY
LAND DEPARTMENT
GEOLOGICAL DIVISION -- BILLINGS, MONTANA

Revised Nov. 3, 1927

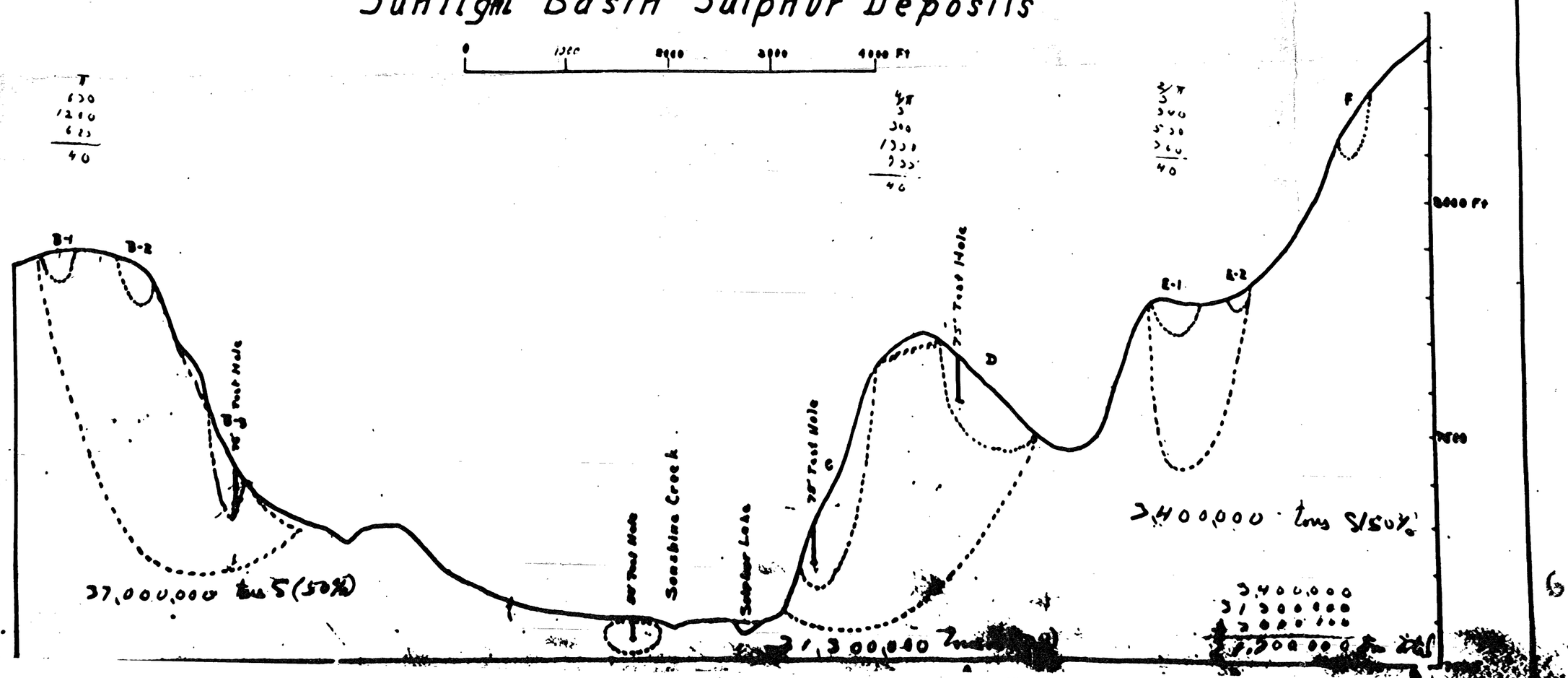
1 2 3 4 5 miles

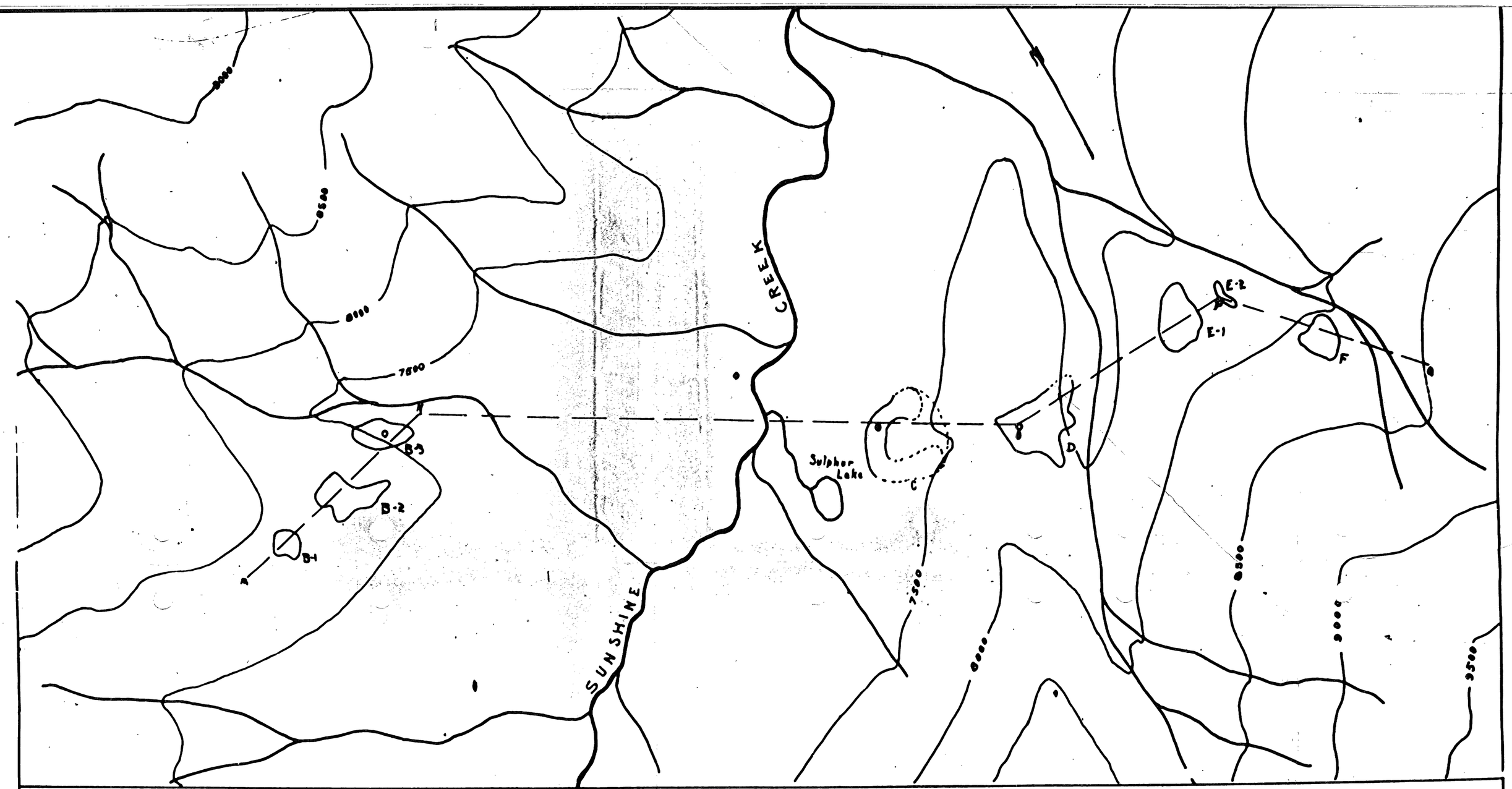
Note:- Proposed road to be built.

SKETCH MAP SHOWING
UPPER CLARK'S FORK VALLEY AND SUNLIGHT BASIN
PARK COUNTY - WYOMING
WITH REFERENCE TO
ROADS AND RAILWAYS
SCALE IN MILES

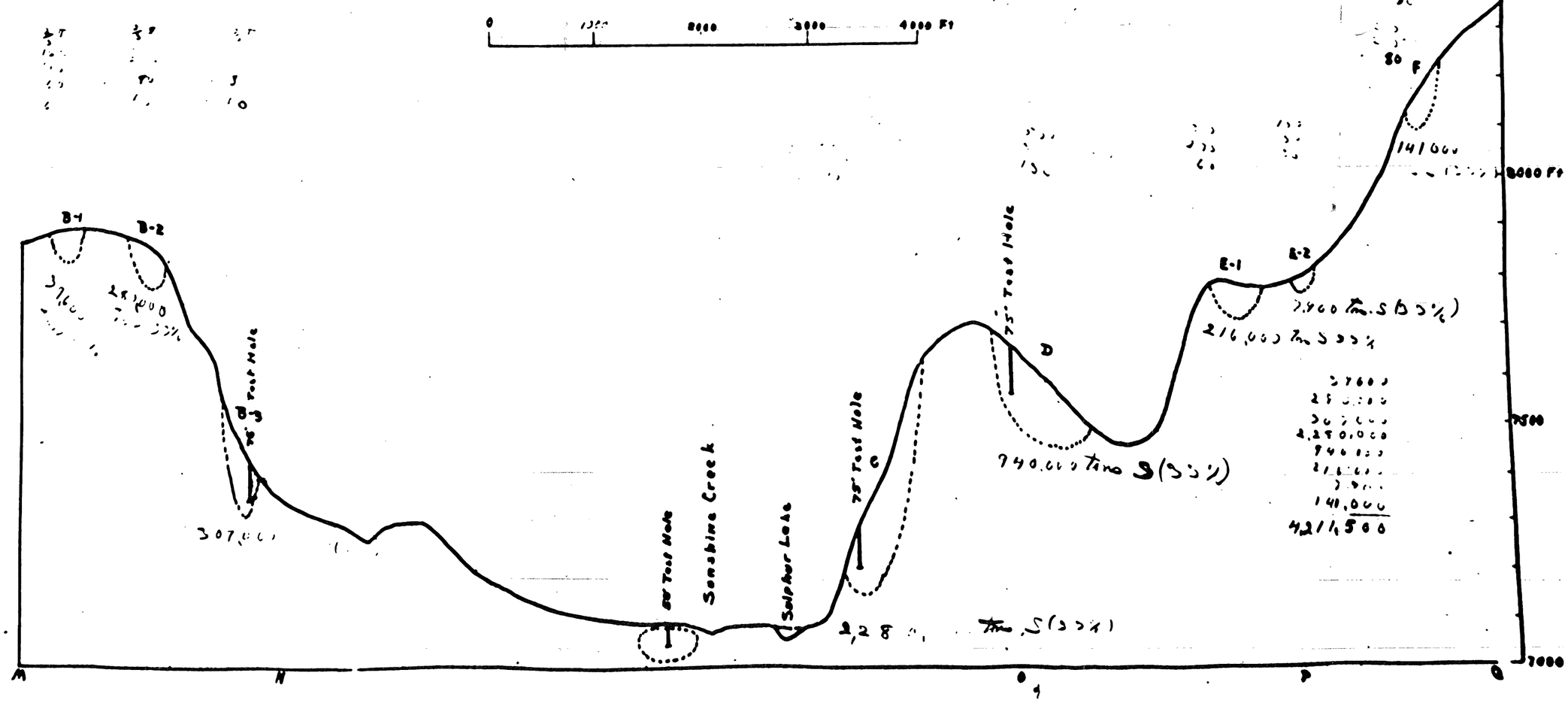


Sunlight Basin Sulphur Deposits





Sunlight Basin Sulphur Deposits



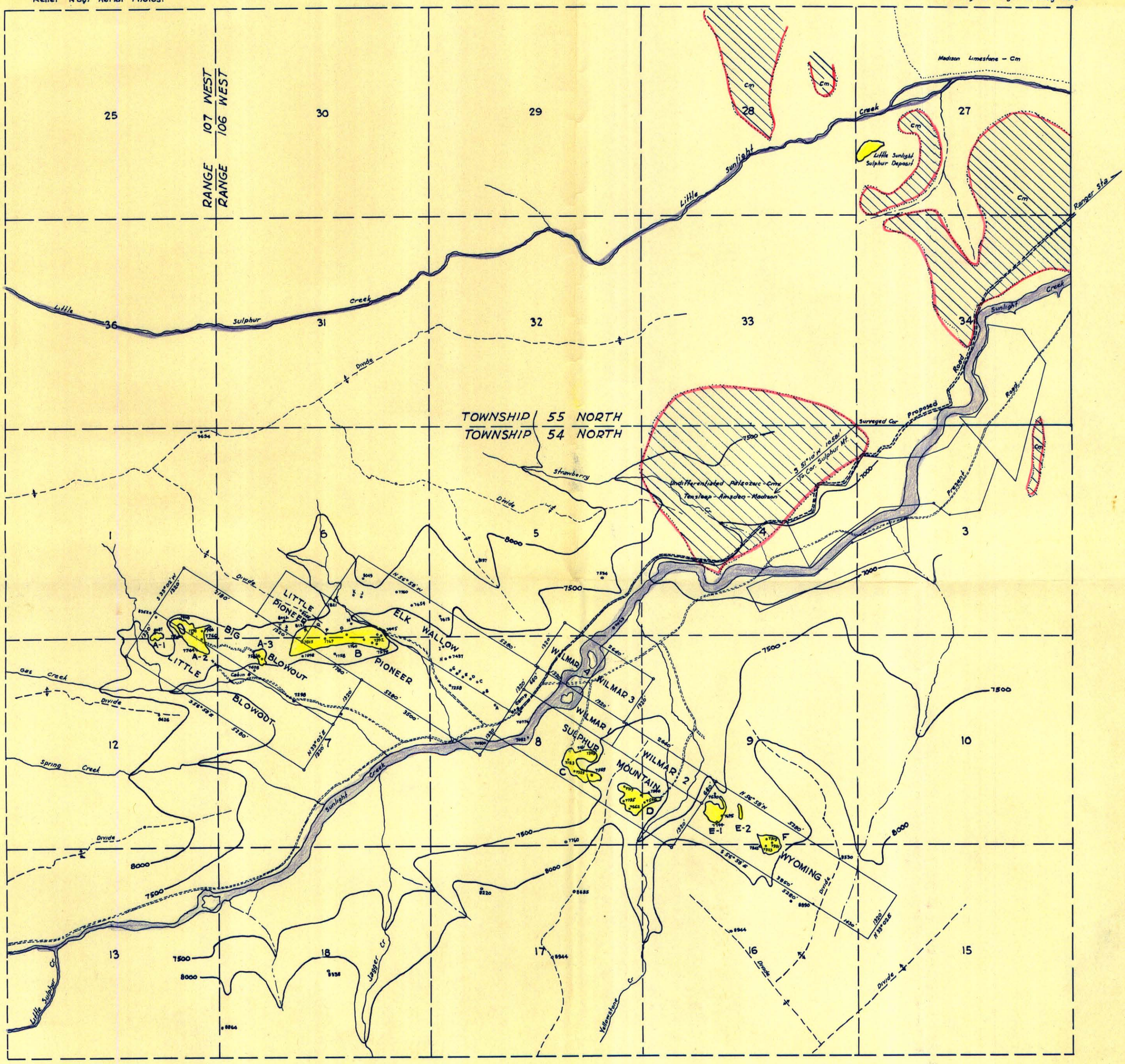
DMA/103

SUNLIGHT BASIN SULPHUR CLAIMS

PARK COUNTY, WYOMING.

From Office of Winfrey - Paine & Phillips. Dallas, Texas.
Control tied to Claim Boundry Surveys by Howard Bell. Cody, Wyoming.
Relief from Aerial Photos.

Scale - 1 inch = 1000 feet
Revised Date July 21, 1950.
M.E.Rogers. Reg. Prof. Eng #3310



Continental Sulphur and Phospate Corporation

Cross Sections to Accompany Plane Table Maps of
SULPHUR DEPOSITS "E" AND "A2"
Sunlight Basin, Park County
WYOMING

BY
H.W.C. PROMMEL
Consulting Geologist and Mining Engineer
DENVER COLORADO

September
1951

Horizontal and Vertical Scales
1 inch = 40 feet

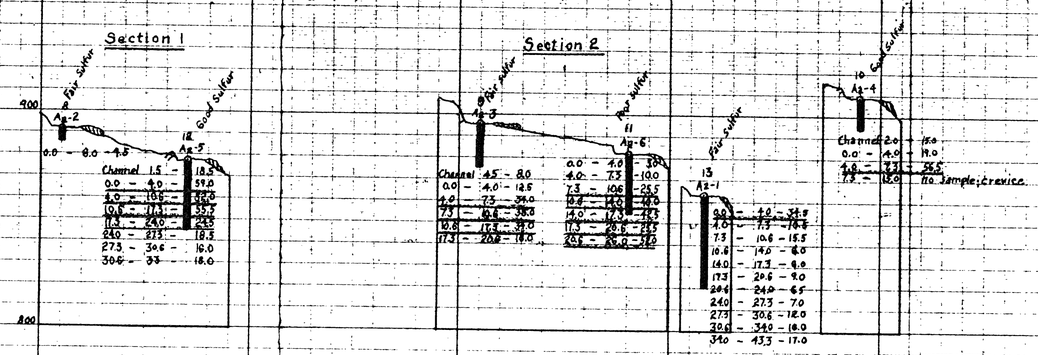
☐ = 10' x 10'

LEGEND
15 E-10 — Survey Number / Auger Drill Hole Number

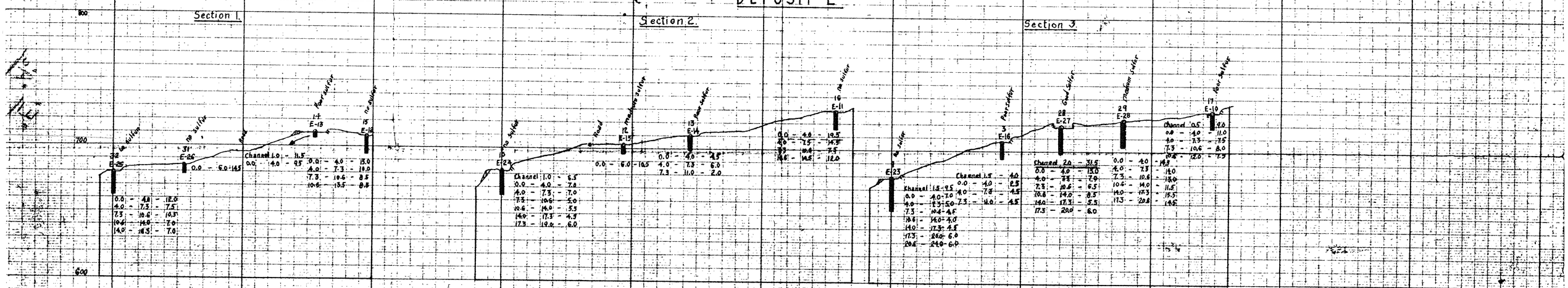
From ft	To ft	% S *
0.0 -	4.0	16.0

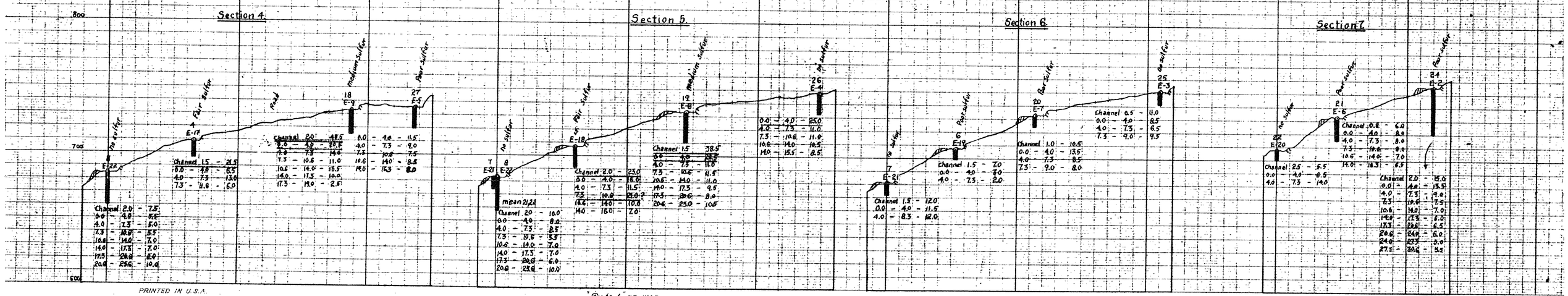
* ignition tests only

DEPOSIT "A2"



DEPOSIT "E"





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"Perfect" PROFILE
PLATE A
EUGENE DIETZGEN Co.

PRINTED IN U.S.A.
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"Perfect" PROFILE
PLATE A
EUGENE DIETZGEN

MAP
7

MAP
8

MAP
9

MAP
10

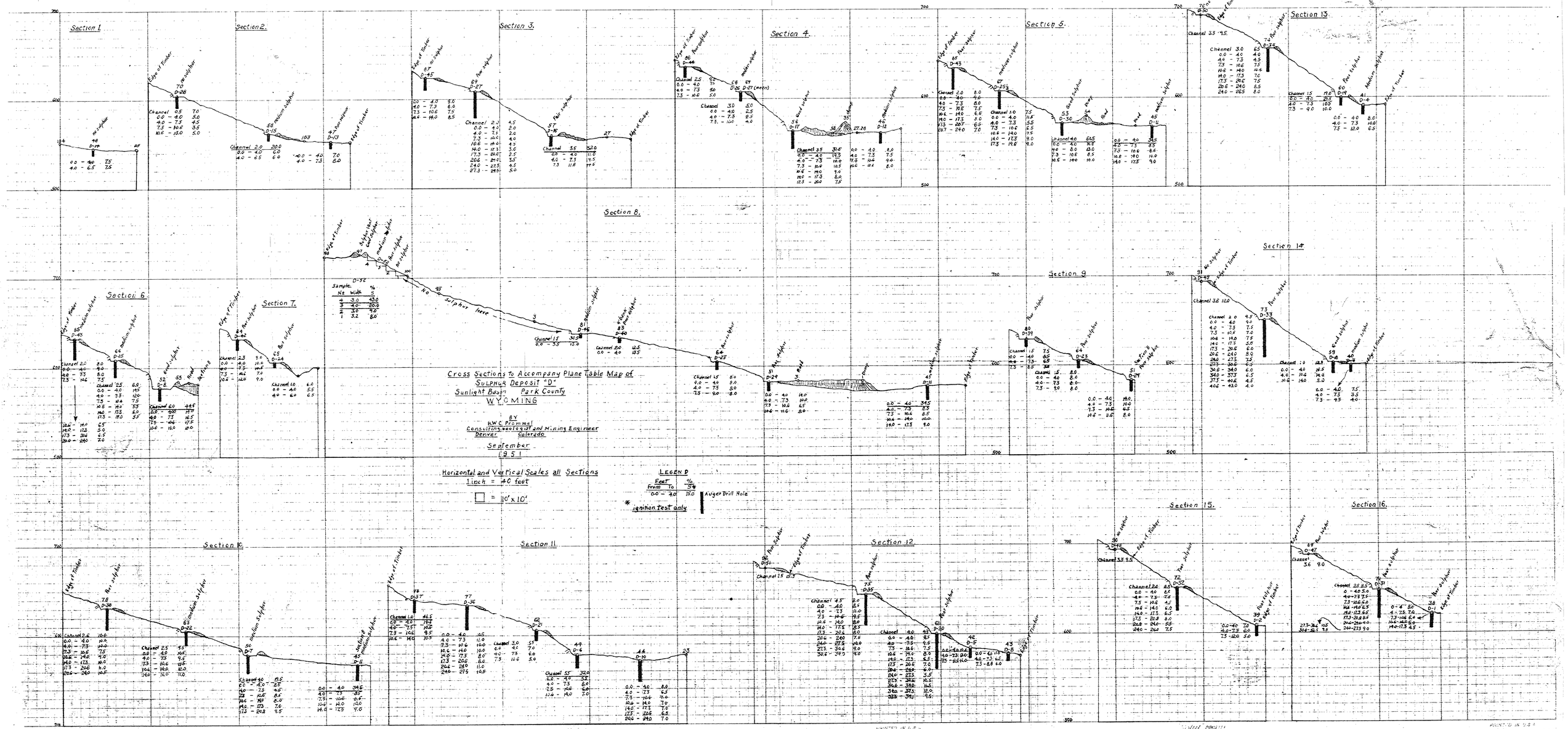
MAP
11

MAP
12

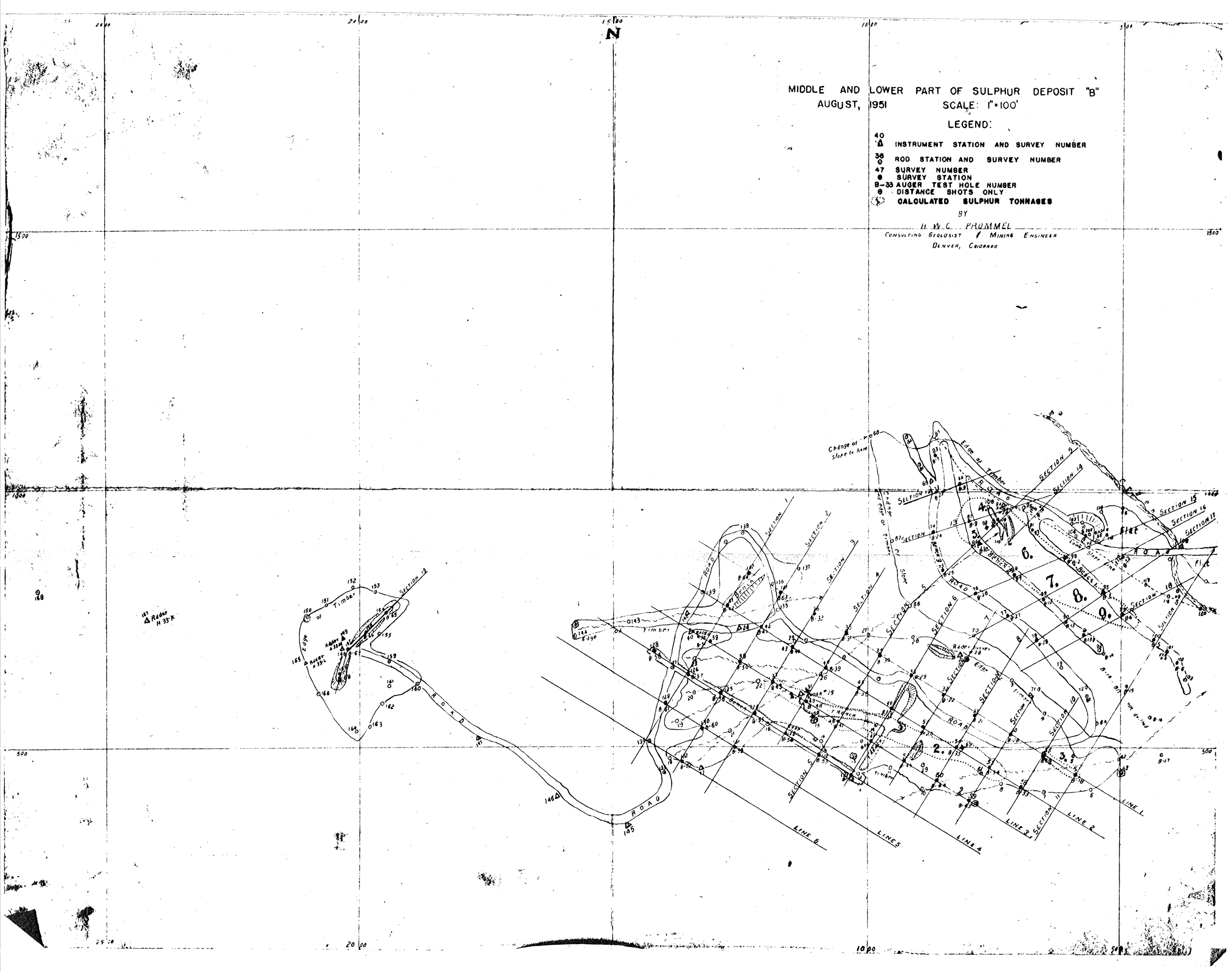
MAP
13

MAP
14

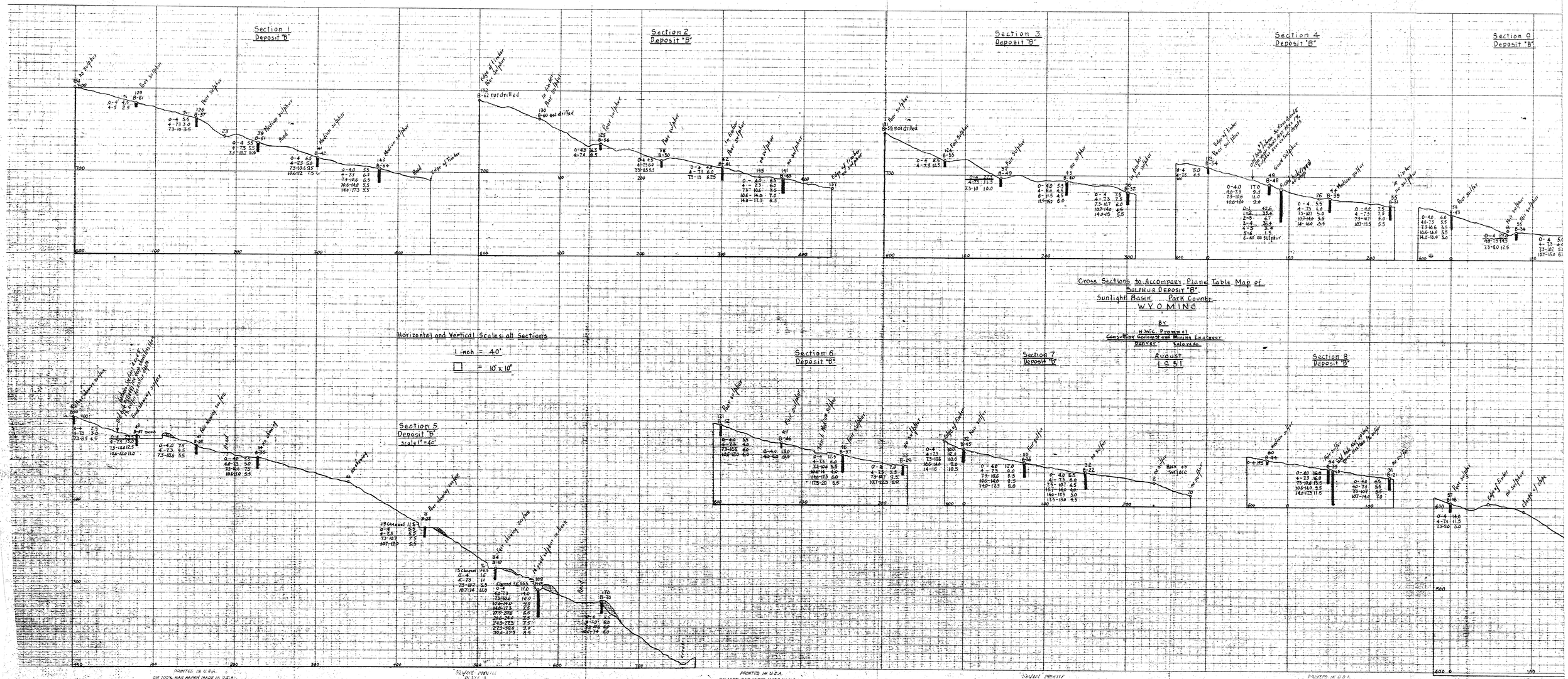
MAP
7


Section 1
Section 2
Section 3
Section 4
Section 5
Section 6
Section 7
Section 8
Section 9
Section 10
Section 11
Section 12
Section 13
Section 14
Section 15
Section 16
Cross Sections to Accompany Plane Table Map of
Sulphur Deposit "D"
Sunlight Basin Park County
WYOMING
BY
H.W.C. Prommel
Consulting Petroleum and Mining Engineer
Denver Colorado
September
1951
Horizontal and Vertical Scales all Sections
1 inch = 40 feet
= 10' x 10'
LEGEND
Feet From To
% S
Auger Drill Hole
* Ignition Test only

MAP
8


MIDDLE AND LOWER PART OF SULPHUR DEPOSIT "B"
AUGUST, 1951
SCALE: 1"=100'
LEGEND:
INSTRUMENT STATION AND SURVEY NUMBER
ROD STATION AND SURVEY NUMBER
SURVEY NUMBER
SURVEY STATION
AUGER TEST HOLE NUMBER
DISTANCE SHOTS ONLY
CALCULATED SULPHUR TONNAGES
BY
H. W. C. PRUMMEL
CONSULTING GEOLOGIST & MINING ENGINEER
DENVER, COLORADO
N
ROAD
Edge of Timber
Change of slope to here
Flat
Slope
Bench
LINE 1
LINE 2
LINE 3
LINE 4
LINE 5
LINE 6
SECTION 1
SECTION 2
SECTION 3
SECTION 4
SECTION 5
SECTION 6
SECTION 7
SECTION 8
SECTION 9
SECTION 10
SECTION 11
SECTION 12
SECTION 13
SECTION 14
SECTION 15
SECTION 16
SECTION 17
SECTION 18
1.
2.
3.
4.
5.
6.
7.
8.
9.

MAP
9



Cross Sections to Accompany Plane Table Map of
SULPHUR DEPOSIT "B"
Sunlight Basin Park County
WYOMING

BY
H.W.C. Prommel
Consulting Geologist and Mining Engineer
Denver, Colorado

August
1951

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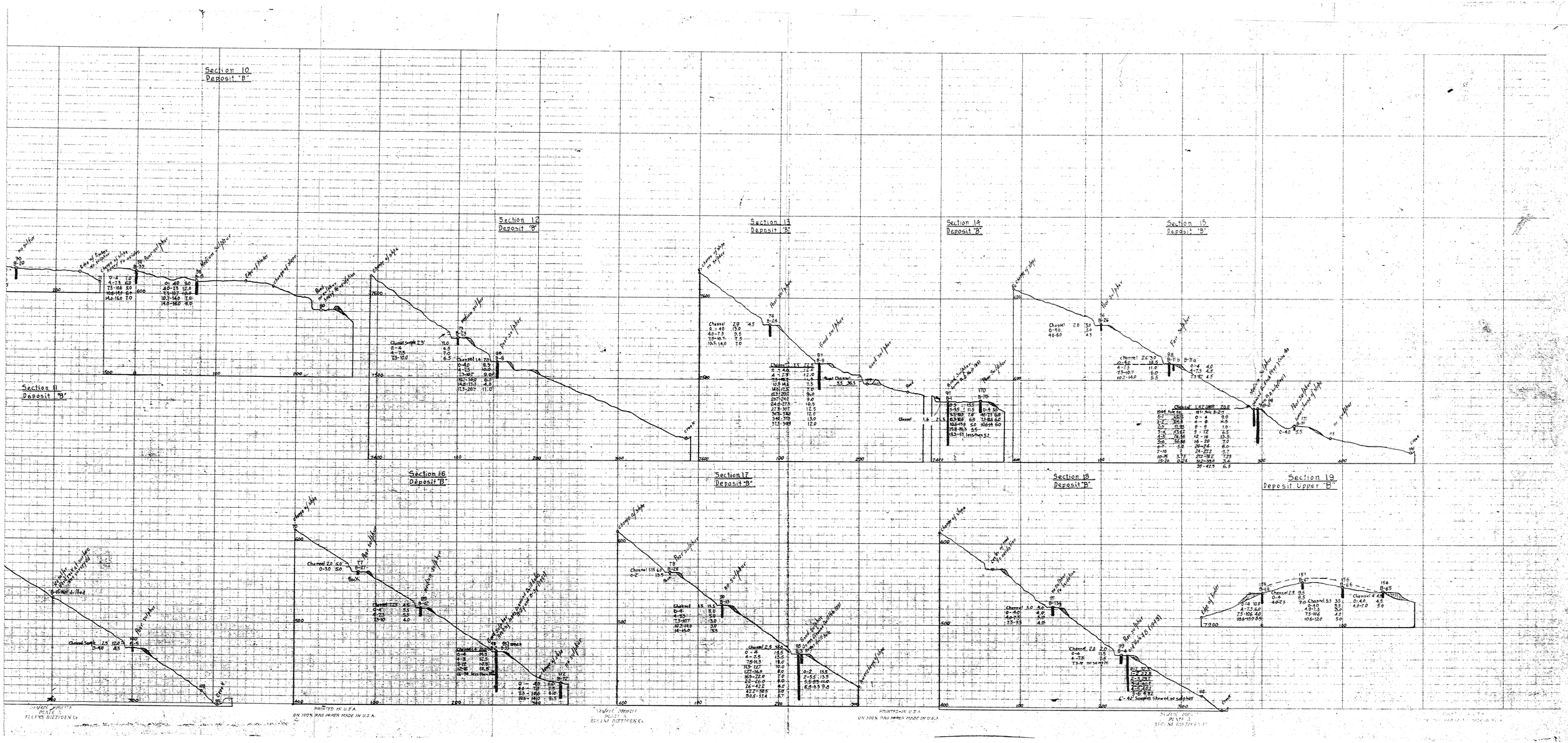
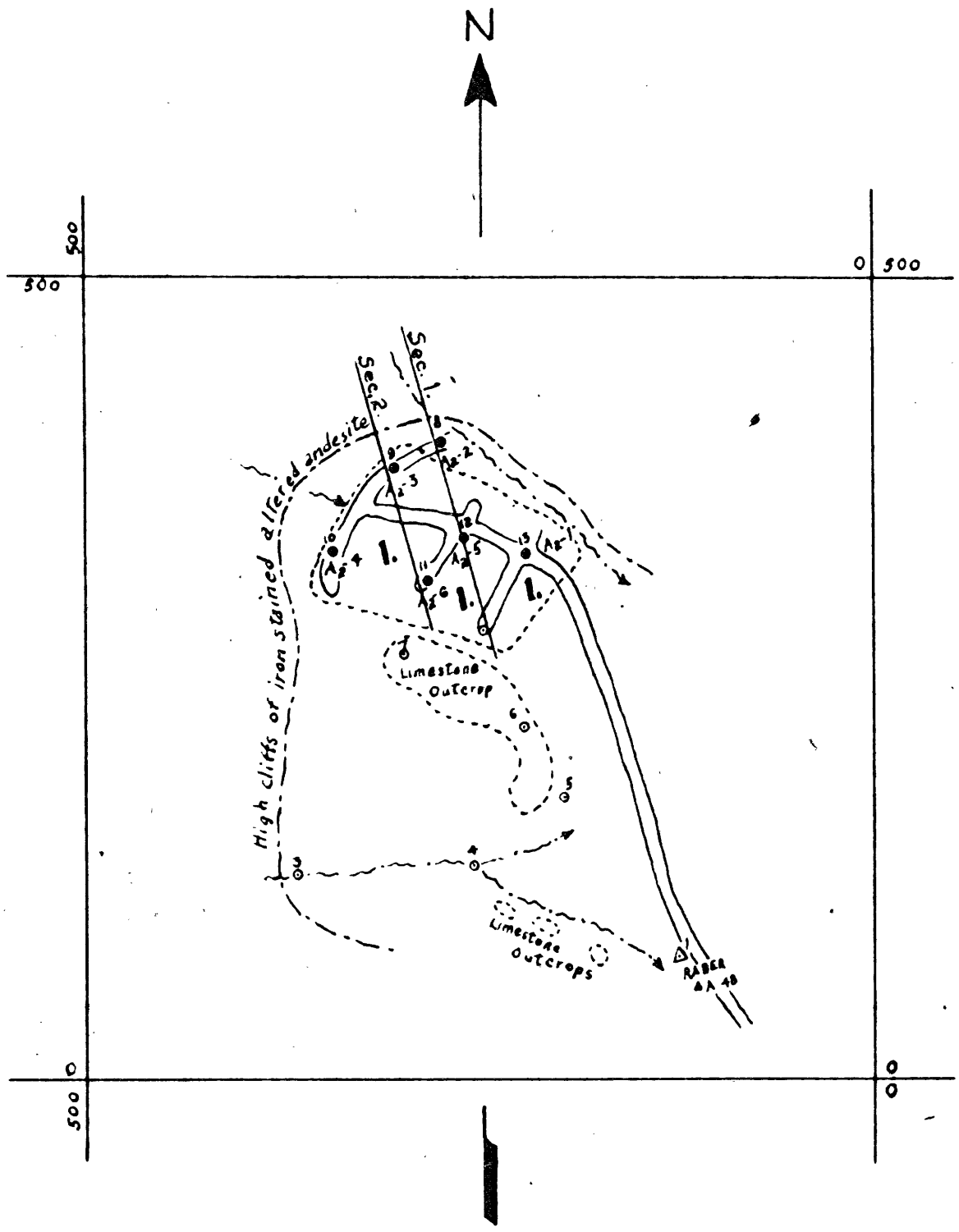
SELECT PROFILE
PLATE
EUGENE DIETZGEN Co.


Section 10
Deposit "B"
Section 11
Deposit "B"
Section 12
Deposit "B"
Section 13
Deposit "B"
Section 14
Deposit "B"
Section 15
Deposit "B"
Section 16
Deposit "B"
Section 17
Deposit "B"
Section 18
Deposit "B"
Section 19
Deposit Upper "B"

MAP
10



Continental Sulphur and Phosphate Corporation
Sunlight Basin, Park County, Wyoming
SULPHUR DEPOSIT "A2"

BY

H.W.C. Prommel
Consulting Geologist and Mining Engineer
Denver Colorado

SEPTEMBER
1951

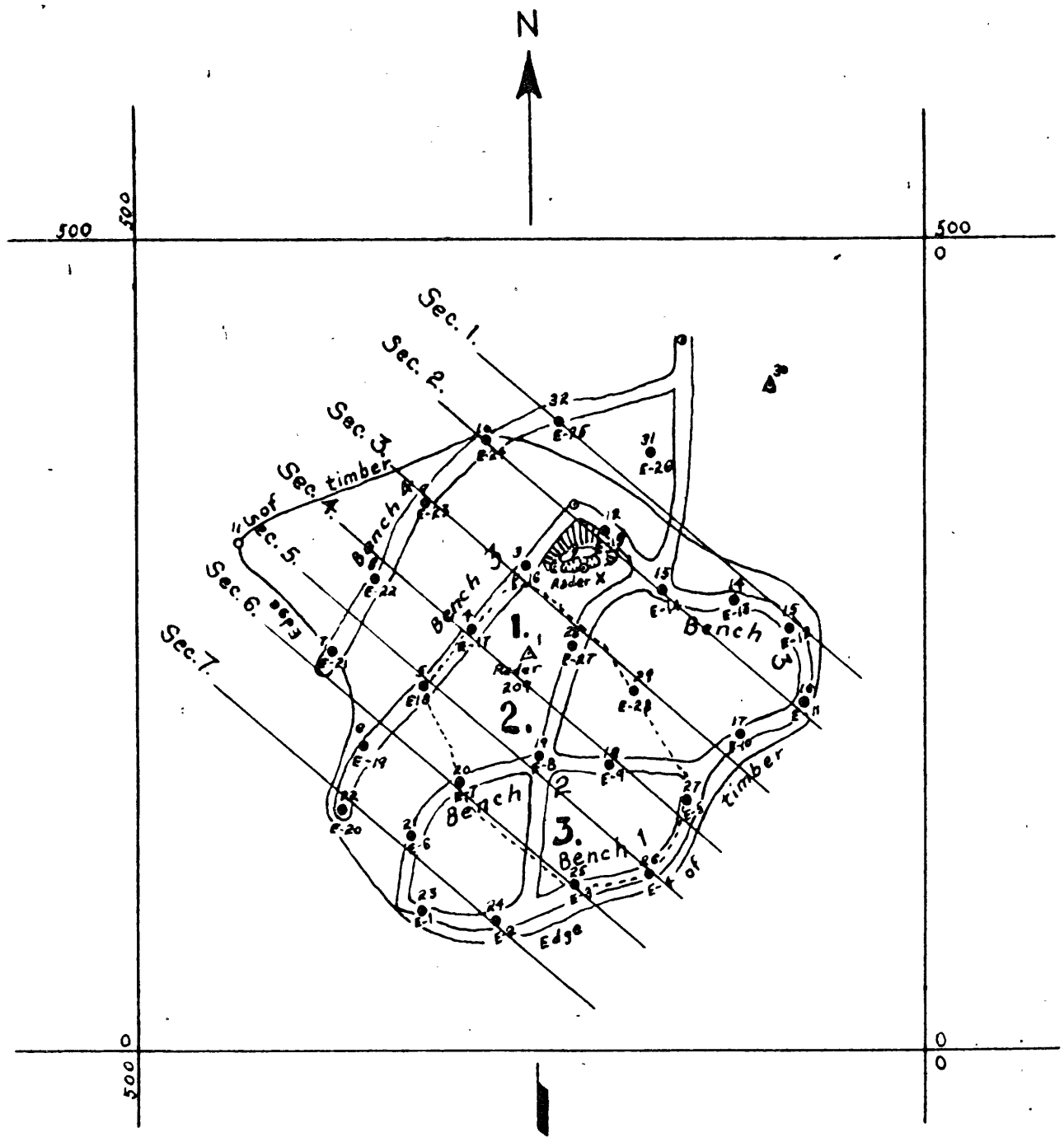
Scale
1 Inch = 100 feet
0 50 100 50 200

LEGEND

10	Survey Numbers
▲ ○	Instrument and Rod Stations
●	Auger Test Hole
A2 3	Numbers

(1) Block of Calculated Sulphur Tonnage

MAP
11



Continental Sulphur and Phosphate Corporation

Sunlight Basin, Park County, Wyoming

SULPHUR DEPOSIT "E"

By

H. W. C. Prommel

Consulting Geologist and Mining Engineer

Denver Colorado

Scale

1 Inch = 100 feet

0 50 100 50 200

LEGEND

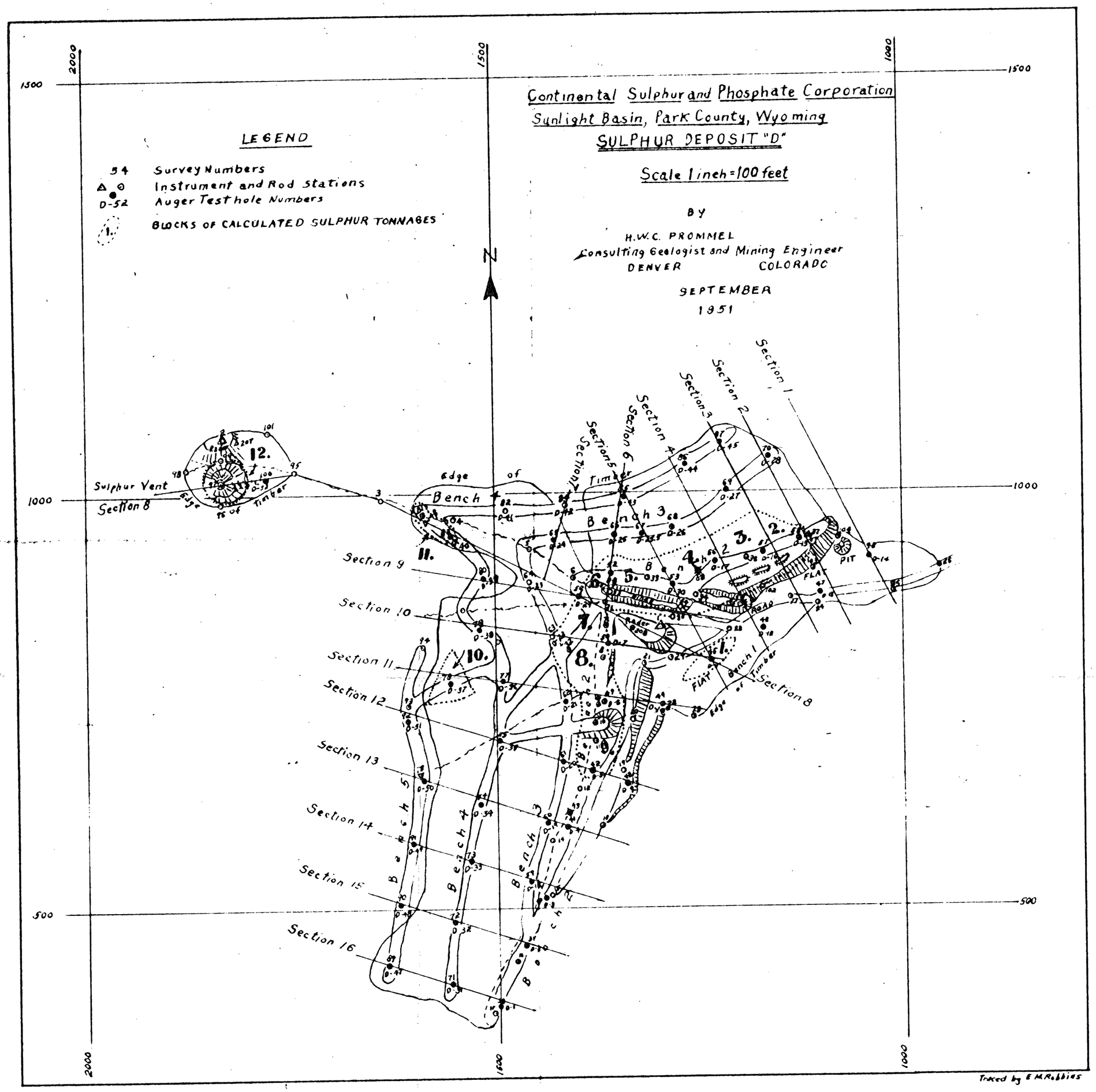
10 Survey Numbers

Instrument and Rod Stations

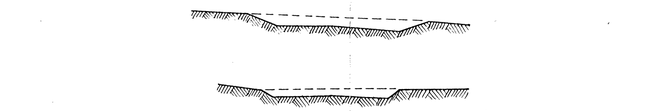
E 15 Auger Test Hole Numbers

2 Blocks of Calculated Sulphur Tonnages

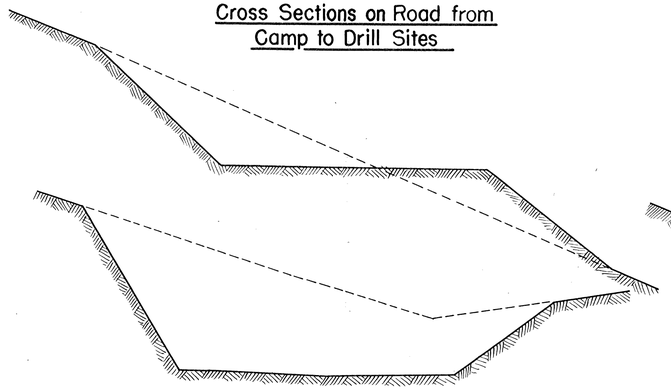
MAP
12


Continental Sulphur and Phosphate Corporation
Sunlight Basin, Park County, Wyoming
SULPHUR DEPOSIT "D"
Scale 1 inch = 100 feet
BY
H.W.C. PROMMEL
Consulting Geologist and Mining Engineer
DENVER COLORADO
SEPTEMBER
1951
LEGEND
54 Survey Numbers
Instrument and Rod Stations
D-52 Auger Test hole Numbers
BLOCKS OF CALCULATED SULPHUR TONNAGES
N
Sulphur Vent
Section 8
Edge of Timber
Edge of Bench 4
Bench 3
Bench 2
Bench 1
Bench 5
Bench 4
Bench 3
Section 1
Section 2
Section 3
Section 4
Section 5
Section 6
Section 7
Section 8
Section 9
Section 10
Section 11
Section 12
Section 13
Section 14
Section 15
Section 16
PIT
FLAT
Road
Traced by E.M.Robbins

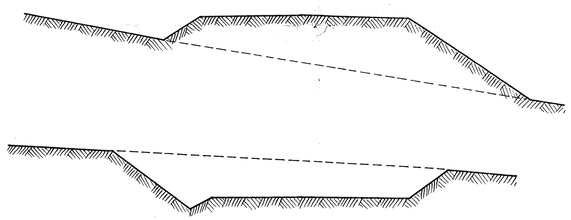
MAP
13

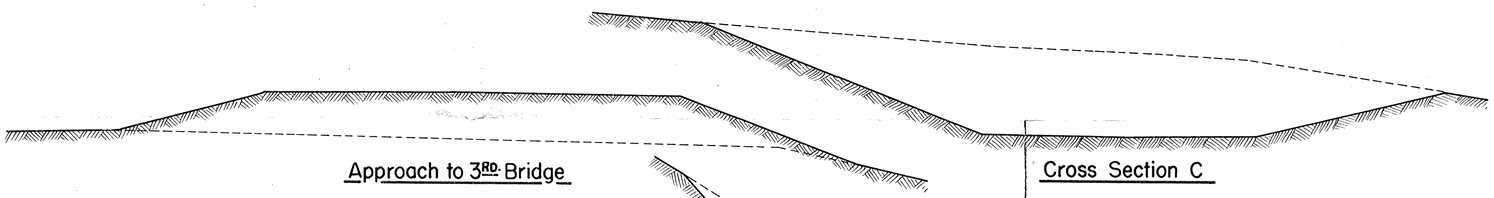


Cross Sections on Road from Camp to Drill Sites

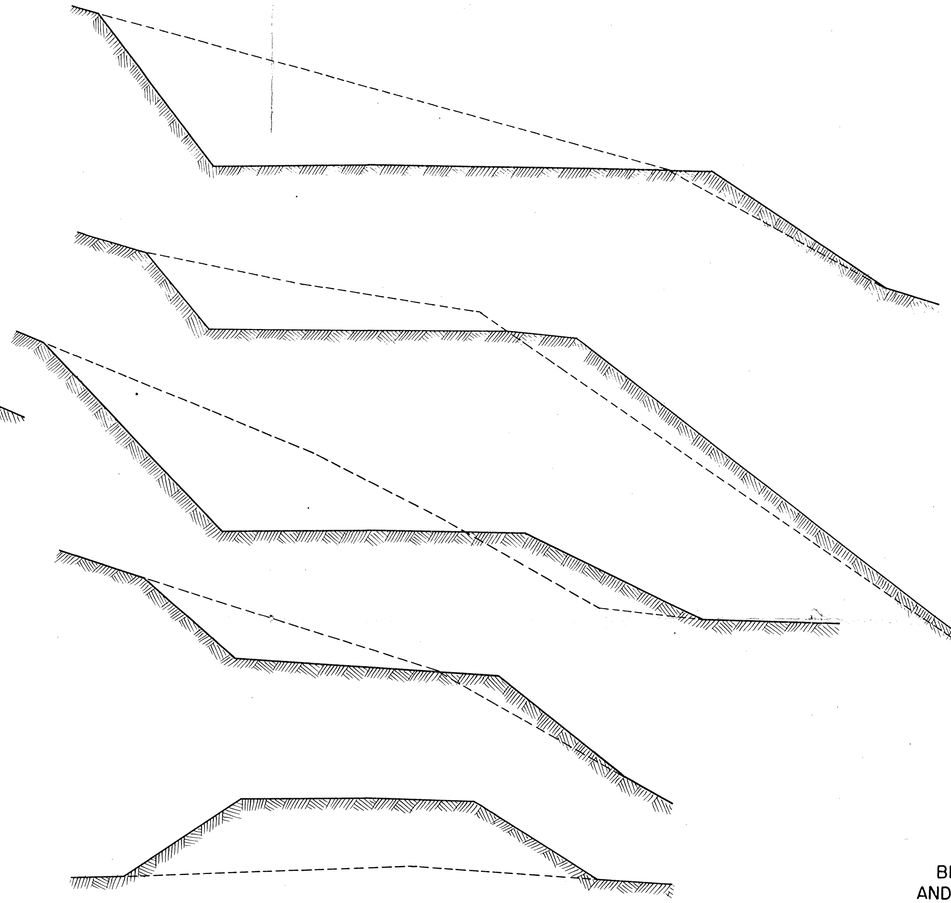


Cross Section A

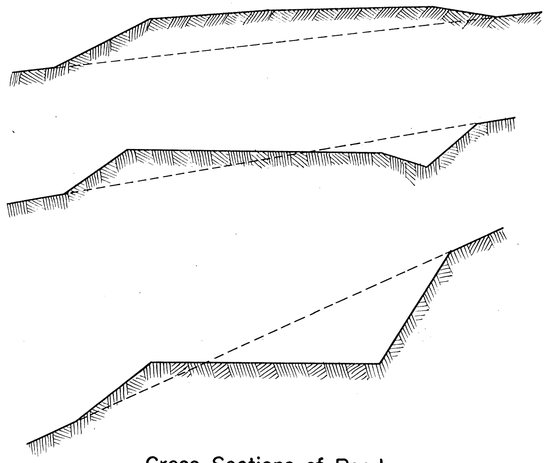




Approach to 3RD Bridge



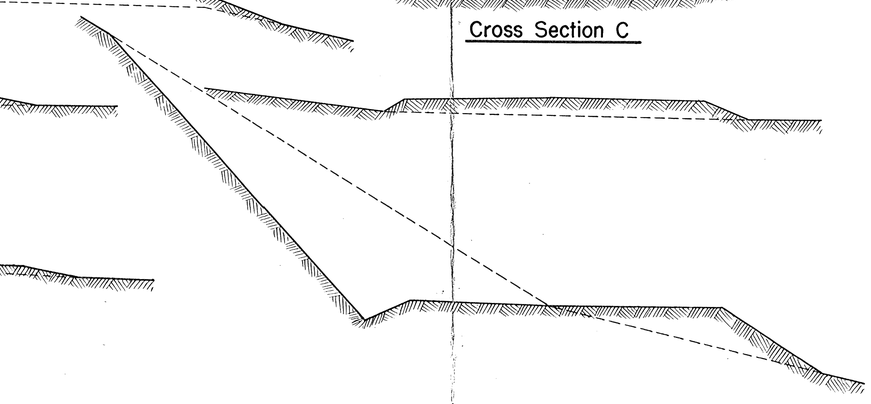
Cross Section C



Cross Sections of Road over Dead Indian Hill

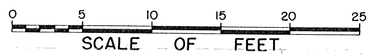
Cross Section B

Cross Section D



NOTE

BROKEN LINES INDICATE CUT OR FILL ONLY AND DO NOT ILLUSTRATE ORIGINAL GROUND LINE.

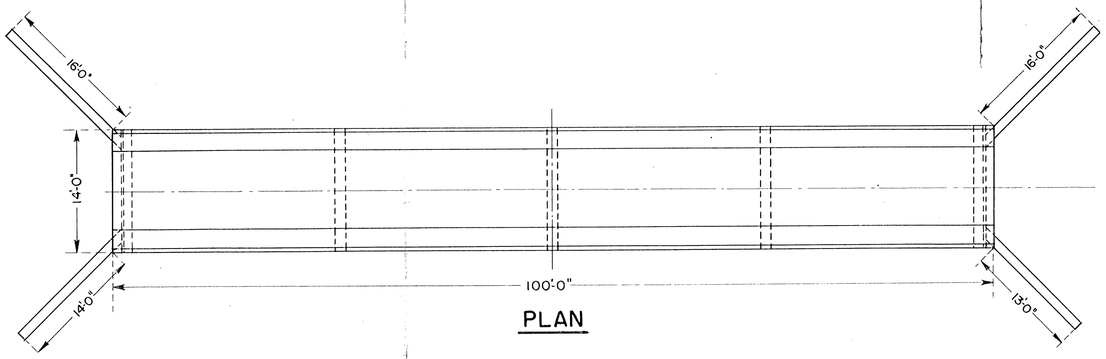


U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

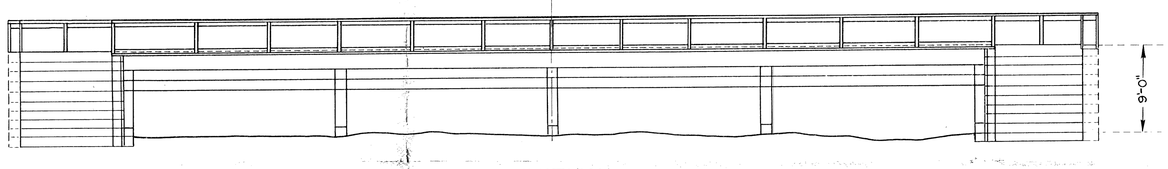
Fig. 2 Docket 103 Contract I-DMA-E 28
Typical Cross Sections
Access Road to Camp Site
CONTINENTAL SULPHUR AND PHOSPHATE CORP.
SUNLIGHT BASIN, PARK COUNTY, WYOMING

ENGINEER: *F. L. WIDEMAN*	DATE: DEC. 14, 1951
DRAWN: DEC., 1951, BY: A. P. T. S.	2900 - 9 - B
CHECKED:	

MAP
14



PLAN



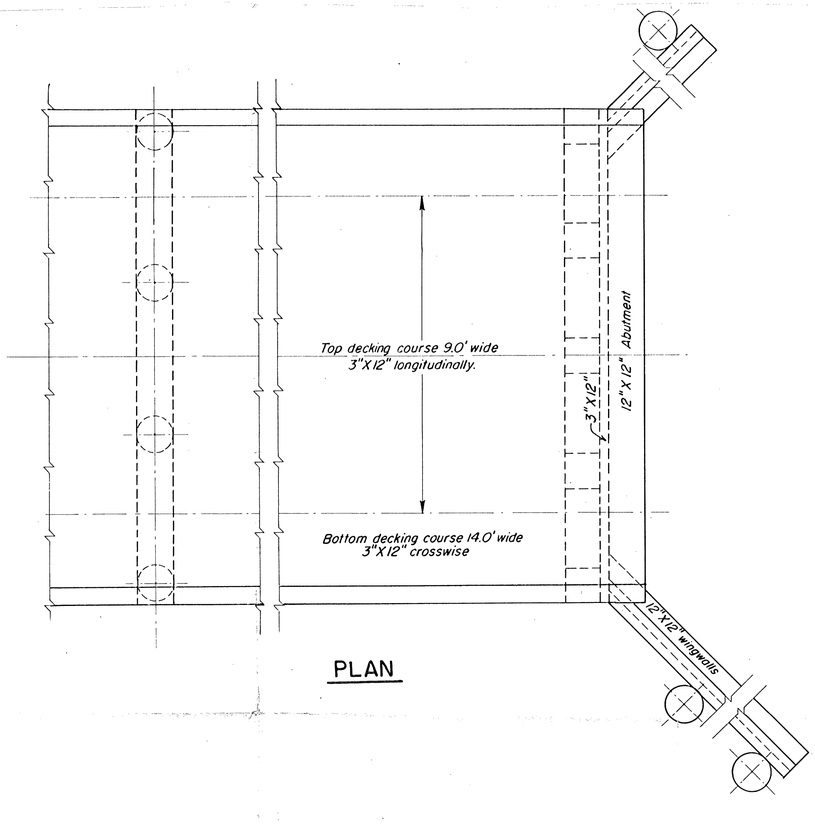
ELEVATION

BRIDGE ACROSS SUNLIGHT CREEK

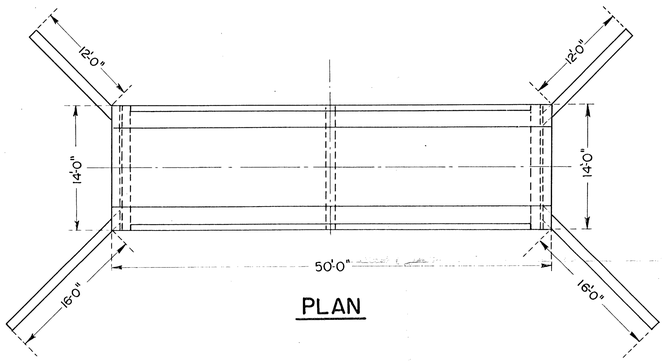
NEAR BEGINNING OF ROAD

0 8 16 24 32 40

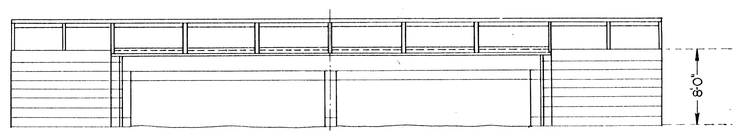
SCALE OF FEET



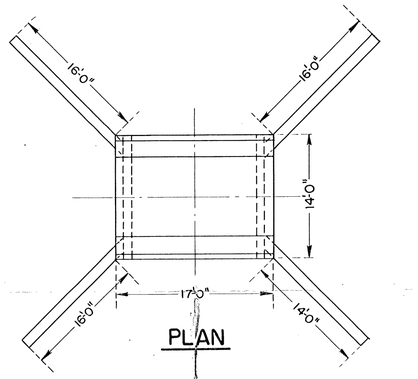
PLAN



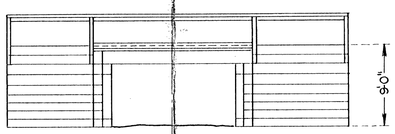
PLAN



ELEVATION



PLAN



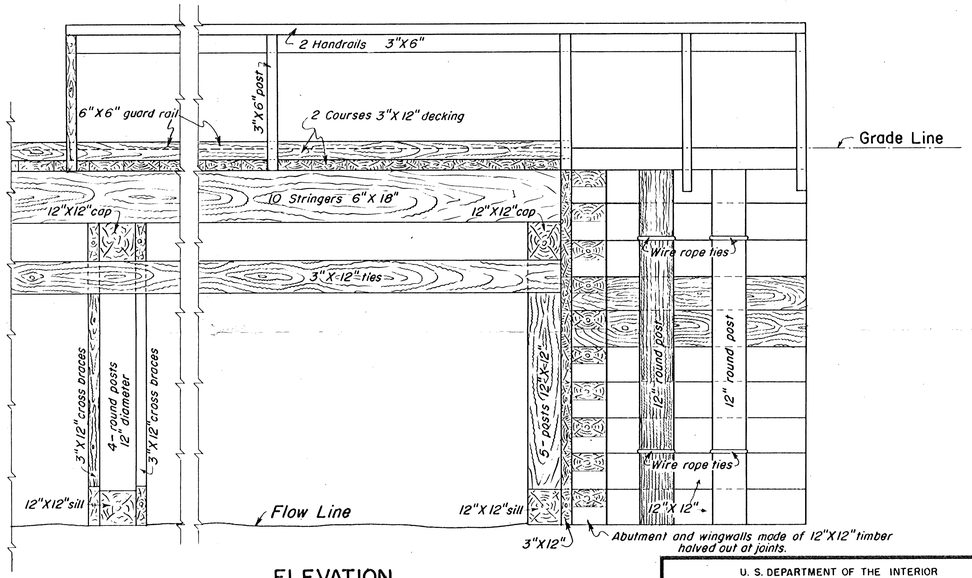
ELEVATION

BRIDGES ACROSS STREAMS

FLOWING INTO SUNLIGHT CREEK

0 8 16 24 32 40

SCALE OF FEET



ELEVATION

TYPICAL CONSTRUCTION OF BRIDGES

0 2 4 6 8 10

SCALE OF FEET

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 3 Docket 103 Contract: I-DMA-E 28

Access Road Bridges

CONTINENTAL SULPHUR AND PHOSPHATE CORP.

SUNLIGHT BASIN, PARK COUNTY, WYOMING

ENGINEER: F. L. WIDEMAN	DATE: DEC. 18, 1951
TRACED: DEC., 1951, BY: A. P. T. S.	2900 - 10 - B
CHECKED:	