



CONTACT INFORMATION

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January 8, 1943

Mr. P. M. Rivera
Fortuna Mining Company
Box 39
Oracle, Arizona

Dear Mr. Rivera:

Enclosed is the application form on which you obtain a P-56 Serial Number. This Serial Number will allow you to obtain certain percentages of replacement parts, materials and supplies not granted under the P-100 Preference Rating Order which you are now using. After filling out this form, it should be mailed to Washington, D. C. to the address shown on the form.

We do not have any information on your property in our file. Very often the War Production Board will check with this Department before granting a Serial Number. We, therefore, suggest that you fill out the enclosed Mine Owner's Report form and return it to this office immediately.

If we may be of further assistance to you, do not hesitate to call on us.

Very truly yours,

Earl F. Hastings
Assistant Director
and Projects Engineer

EFH:kk
Encl--2

Manning Star

August 28, 1946

Mr. L. M. Forcey
114 West Fifth Street
Santa Ana, California

Dear Mr. Forcey:

As George Ballam resigned from this department, we are replying to your letter to him of August 23.

There is nothing new in the contract termination matter.

I reviewed the matter in the new annual report which has just gone to the printer. It will be out in a week or so and I will see that you get one.

I think it will eventually work out but no one can say when.

Yours very truly,

Chas. H. Dunning
Director

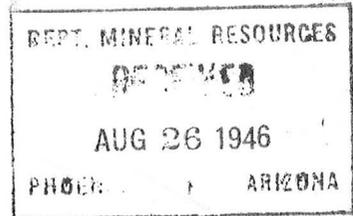
CHD:LP

Sketch - map cabinet Section 5

WALTER S. TUBACH
REAL ESTATE BROKER

SPECIALIZING IN ORANGE GROVES, BEAN AND ALFALFA RANCHES
OFFICE 114 W. 5TH ST.
SANTA ANA, CALIFORNIA

August 23rd. 1946.



Mr. George A. Ballam,
Department of Mineral Resources,
Phoenix, Arizona.

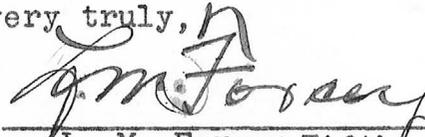
Dear George;

We are wondering if there have been any new developments in the matter we had with the government, over our venture in the mining business?

Also we are trying to dispose of our equipment at the mining location. If while on your journeys around the country you should run across some one who is interested we would be glad if you would refer them to us.

Things are very active here yet but no one knows how long it will continue. With kindest regards to all in Phoenix and Tucson, we beg to remain,

Yours very truly,



L. M. Forcey, Fifth
114 West ~~5th~~ Street,
Santa Ana, Calif.

Morning Star

May 28, 1945

Messrs. Fred J. Elliott
and Henderson Stockton
Security Building
Phoenix, Arizona

Gentlemen:

At the hearing on the Morning Star case the other day one point struck me as important, but which might be greatly misinterpreted by attorneys or judges whose knowledge of past facts and dates was not limited to our own horizon.

Mr. Forcey stated that the first he knew of the Contract Termination Act was in November, 1944 - although the Act became a law in July of that year. During that interim between July and November they (Morning Star) performed certain acts which, in retrospect, they would not have done, or should not have done, if they had known of the Act and had placed the confidence in it that they later did.

At the hearing I could not recall just when it was that this department first knew about the Act as regards its pertinence to the mining industry. After the hearing I reviewed our records and wish to state the following facts:

This office prides itself on obtaining first-hand and very prompt information on matters pertinent to mining. We maintain Washington contacts and we keep close contact with the Arizona Mining Journal and other news gathering organizations, and usually have advice regarding anything of importance to the mining industry before the best "accops" of the regular press.

However, in this particular case the first news we had of any hearing of "Contract Termination" on the mining industry was on October 24, 1944 when Mr. Willis, who had just returned from Washington, discussed the matter at a meeting of our engineers on that date. Following this I sent out word through our engineers to the various mine councils advising them of this possible method of recovering their losses caused by contract cutbacks. It was at such a meeting that Mr. Forcey says he first heard of the matter.

Following this we tried for several months to find a way to submit mining claims under this Act, but it was many months afterward before we received any definite procedure on which to work.

As to why our department, or in fact the whole mining industry, was so late in obtaining knowledge of this Act, it can only be assumed that

Messrs. Fred J. Elliott
and Henderson Stockton

-2-

May 28, 1945

that although the Act itself may have been public knowledge some months previous, its pertinence and possibilities to the mining industry were not realized until Mr. Willis' visit to Washington in October, 1944.

Therefore Mr. Forcey's statement that he had no knowledge of this method of recouping the losses he had sustained because of the termination of his tungsten contract seem founded on the historical facts as we know them.

Yours very truly,

Chas. H. Dunning
Director

CED:LP

CC: Mr. L. M. Forcey
Mr. W. C. Broadgate

Oracle, Arizona. May 18th, 1945.

Mr. Earl F. Hastings,
304 Home builders Bldg.
Phoenix, Arizona.

DEPT. MINERAL RESOURCES
RECEIVED
MAY 21 1945
PHOENIX ARIZONA

Dear Mr. Hastings:

The contents of your letter of 17th ins have been carefully noted, and in reply will state that it is entirely agreeable with us to have Mr Elliott as our representative upon the terms and conditions as outlined in your letter of the 17th.

These proceedings are entireky in your hands and we will be governed by what you think is best.

In your letter you did not inform me what portions of our records I should bring along when I come to Phoenix. It is my plan now to come to Phoenix next Friday morning and will bring along such records as I think will be necessary, and in the meantime should you have any suggestions you will have ample time in which inform me between now and next Friday as to what they are.

We hereby authorize you to turn our file over to Mr. Elliot and trust he will be successful in the presentation of our appeal.

Our suit against our neighbors has not been decided yet and the outcome hangs in the balance. Think it would be well for me at this time to give you some information on it. The suit was brought by Mrs. Wood and ourselves on account of them tresspassing on one of Mrs. Wood's claims. Our interest in it is secondary since we have a lease only and were the suit to be decided in our favor our recovery would not be much as the damages recovered would be split fifty-fifty and our attorneys are on a contingent basis whereby we would recover only 70% of one-half, and we would be fortunate if our share would cover our expenses. When I see you will go into the matter more fully, but when this is fully explained, dont think it should affect our claim much.

With best wishes to you, I beg to be,

Yours very truly,

Morning Star Mining Co.

By

L. M. Forcey
L. M. Forcey.

*you did not pay
but you rec'd the
large envelope which
I sent you other day.
It was from
Appeal Board
Forcey*

OFFICE OF CONTRACT SETTLEMENT

FEDERAL RESERVE BUILDING

WASHINGTON 25, D. C.

APR 30 1945

DIRECTOR

Dear Senator Hayden:

In the absence of Mr. Hinckley this will acknowledge your letter of April 26 enclosing the notice of appeal and other documents from the Morning Star Mining Company.

These papers are returned herewith. The Appeal Board of the Office of Contract Settlement has received the appeal of the Morning Star Mining Company. This Board has just been organized and its rules and procedures only recently published. The Chairman of the Board has assured me that this claim will receive earnest and sincere consideration. When the Board has reached its decision I shall see that you are notified promptly of the decision and the Board's reasons therefor.

Sincerely yours,

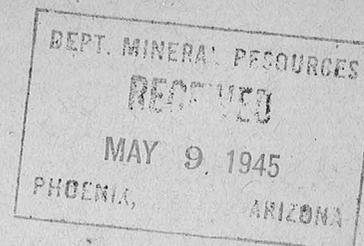
Roger L. Putnam
Acting Director

The Honorable
Carl Hayden
United States Senate
Washington, D.C.

Encl.

UNITED STATES SENATE,
Committee on Appropriations,

May 3, 1945,



Mr. L. M. Forcey,
Morning Star Mining Co.
Post Office Box 23,
Oracle, Ariz.

My dear Mr. Forcey:

Referring to my letter of April 26,
I am enclosing herewith an acknowledgement from Roger
L. Putnam, Acting Director of the Office of Contract
Settlement, with regard to the appeal of the Morning Star
Mining Co. You may be sure that I shall continue to keep
in touch with this Agency in your behalf and that I shall
let you know as soon as further word is received.

With every good wish, I am,

Yours very sincerely,

Carl Hayden

Copy of letter received from Senator Hayden,

OFFICE OF CONTRACT SETTLEMENT

FEDERAL RESERVE BUILDING,

WASHINGTON 25, D. C.

April 30, 1945.

Dear Senator Hayden:

In the absence of Mr. Hinkley this will acknowledge your letter of Apl. 26 enclosing the notice of appeal and other documents from the Morning Star Mining Co.

These papers are returned herewith. The Appeal Board of the Office of Contract Settlement has received the appeal of the Morning Star Mining Co. This Board has just been organized and its rules and procedures only recently published. The Chairman of the Board has assured methat this claim will receive earnest and sincere consideration. When the Board has reached its decision I shall see that you are notified promptly of the decision and the Board's reasons therefor.

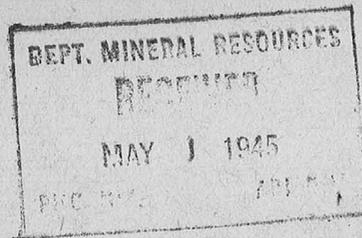
Sincerely yours,

Roger L. Putnam,
Acting Director

The Honorable
Carl Hayden
United States Senate,
Washington, D. C.

Oracle, Ariz. April 28th. 1945

Mr. Earl F. Hastings,
Department of Mineral Resources,
304 Home Builders Building,
Phoenix, Ariz.



Dear Mr. Hastings:

We are in receipt of an acknowledgment from the Office of Contract Settlement of the receipt of our claim and are informed that it has been assigned to Proceedings #5 They further state that this number should be placed on all future correspondence and on all papers hereafter filed in this proceedings. Further it was filed as of April 23, 1945.

Please excuse the quality of this paper since our original supply of better paper seems to be exhausted and we want to get this information to you promptly.

Yours truly,

Morning Star Mining Co.

by *L. M. Forcey*
L. M. Forcey.

*We would be glad to hear of
any information you may receive
from time to time.*

A handwritten signature or set of initials, possibly "L.M.F.", written in dark ink.

April 2, 1945

Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Dear Mr. Forcey:

All tungsten claims being submitted, through this and other channels, are being denied in an attempt by the M.R.C. to evade responsibility.

Do not be surprised, therefore, if you receive a negative reply. Please do not answer such denial, and send us a copy of it. We are asking the Assistant Attorney General, who has been a prominent mining attorney for years, to go over the law carefully and assist in the establishment of the validity of these claims which he is glad to do. Furthermore, Mr. Dunning is obtaining assistance in Washington, not in the consideration of any one claim but on behalf of the mining industry as a whole.

This letter is solely for the purpose of forewarning you that you will not be unduly disappointed if your claim is denied, and to let you know that such denial is by no means the end of the matter.

Very truly yours,

Earl F. Hastings
Projects Engineer

EFH:LP

METALS RESERVE COMPANY
WASHINGTON

CHARLES B. HENDERSON
PRESIDENT

MAR 28 1945

Honorable Carl Hayden,
Senate Office Building,
Washington, D. C.

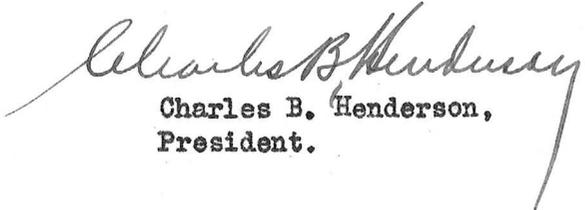
My dear Senator Hayden:

Receipt is acknowledged of your letter of March 23, 1945, enclosing copy of the claim submitted to Metals Reserve Company on behalf of the Morning Star Mining Company, Oracle, Arizona, covering the Morning Star Mine, under the Contract Settlement Act of 1944.

There is enclosed copy of this Company's letter, dated March 26, 1945, to this producer, informing it that its claim has been declined by Metals Reserve Company and stating that this Company is of the opinion that the cash settlement of \$1,832.02 heretofore made with this producer under the tungsten termination procedure represents the full amount which may legally be paid in connection with the termination of this tungsten contract.

As requested, we return herewith the enclosure forwarded with your letter.

Sincerely yours,


Charles B. Henderson,
President.

FOR DEFENSE



METALS RESERVE COMPANY

Washington 25, D. C.

March 26, 1945

Morning Star Mining Company
c/o Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

C O P Y

Gentlemen:

Receipt is acknowledged of the formal claim executed March 10, 1945, by Morning Star Mining Company and filed with Metals Reserve Company in the net amount of \$45,181.02 under the Contract Settlement Act of 1944, based upon termination of this Company's domestic tungsten program in February, 1944.

Your claim has been carefully reviewed and you are hereby advised that same has been declined by the Directors of this Company. Your claim shows that this mining property participated in the domestic tungsten program "as a 'qualified' producer, the original confirmation being in the name of the Fortuna Mining Company." Such original confirmation, as later extended to your partnership, made production from the mining property in question eligible to receive the premium price of \$30 per unit of WO₃ paid by this Company and established a written contract which set forth this Company's entire position under the program, including particularly the cancellation privilege reserved by it. It was clearly stated that qualified producers were guaranteed the \$30 price only through December 31, 1944, and that this Company might discontinue the program prior thereto upon settlement with qualified producers pursuant to the contract bail-out clause. The inducement of the \$30 price, together with the bail-out formula, must under the circumstances be considered to be the exclusive basis relied upon by producers in electing to participate in the program.

Our record discloses that pursuant to this Company's Notice of Termination dated February 29, 1944, which advised of this Company's election to make a cash settlement for your unfulfilled production, Affidavit No. 1, dated March 20, 1944, was duly submitted on your behalf over the signature of Mr. Guy G. Richards. In that affidavit you chose to be governed by Method 3 of the termination procedure (which procedure was more generous in its terms than the requirements of this Company's contract with qualified producers) and on May 31, 1944, you were tendered a check (the receipt of which was acknowledged) in the sum of \$256.98 as a preliminary payment on the cash settlement.

March 26, 1945

Subsequently, Affidavit No. 2 was filed and a final payment in the amount of \$1,575.04 was tendered with this Company's letter of August 23, 1944, making the total cash settlement for your unfulfilled production amount to \$1,832.02. Such settlement was based under the contract formula on a total production of 305.336 recoverable units of tungstic oxide produced during the months of January, February and March, 1944 (no production being reported prior to January, 1944). On September 12, 1944, you acknowledged receipt of the sum of \$1,832.02 and released Metals Reserve Company from any claims whatsoever arising out of the Circular of May 11, 1943, and the Notice of Termination of February 29, 1944.

This Company is of the opinion that the payment made to you as aforesaid evidences full compliance of its contractual obligations to you in connection with the domestic tungsten program, and further takes the position that the basis of settlement upon termination of such program, pursuant to War Production Board recommendation as provided in the Circular and the Notice of Termination, constituted an equitable basis of settlement, taking into account the nature of the program. As noted above, qualified producers who chose to participate therein knew at the time they made such decision exactly what would transpire in the event of termination, of the program prior to expiration of the effective period thereof. This Company has no authority to make any payments to you in connection with this matter in addition to those already disbursed, and finds no authority in the Contract Settlement Act of 1944, empowering it to reimburse qualified tungsten producers under contract with it for unrecovered losses sustained in furnishing or preparing to furnish tungsten for the war effort.

Very truly yours,

/s/ DeWitt C. Schieck
Vice President



METALS RESERVE COMPANY

WASHINGTON 25, D. C.

March 26, 1945

Morning Star Mining Company
c/o Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Gentlemen:

Receipt is acknowledged of the formal claim executed March 10, 1945, by Morning Star Mining Company and filed with Metals Reserve Company in the net amount of \$45,181.02 under the Contract Settlement Act of 1944, based upon termination of this Company's domestic tungsten program in February, 1944.

Your claim has been carefully reviewed and you are hereby advised that same has been declined by the Directors of this Company. Your claim shows that this mining property participated in the domestic tungsten program "as a 'qualified' producer, the original confirmation being in the name of the Fortuna Mining Company." Such original confirmation, as later extended to your partnership, made production from the mining property in question eligible to receive the premium price of \$30 per unit of WO₃ paid by this Company and established a written contract which set forth this Company's entire position under the program, including particularly the cancellation privilege reserved by it. It was clearly stated that qualified producers were guaranteed the \$30 price only through December 31, 1944, and that this Company might discontinue the program prior thereto upon settlement with qualified producers pursuant to the contract bail-out clause. The inducement of the \$30 price, together with the bail-out formula, must under the circumstances be considered to be the exclusive basis relied upon by producers in electing to participate in the program.

Our record discloses that pursuant to this Company's Notice of Termination dated February 29, 1944, which advised of this Company's election to make a cash settlement for your unfulfilled production, Affidavit No. 1, dated March 20, 1944, was duly submitted on your behalf over the signature of Mr. Guy G. Richards. In that affidavit you chose to be governed by Method 3 of the termination procedure (which procedure was more generous in its terms than the requirements of this Company's contract with qualified producers) and on May 31, 1944, you were tendered a check (the receipt of which was acknowledged) in the sum of \$256.98 as a preliminary payment on the cash settlement. Subsequently, Affidavit No. 2 was filed and a final payment in the amount of \$1,575.04 was tendered with this Company's letter of August 23, 1944, making the total cash settlement for your unfulfilled production amount to \$1,832.02. Such settlement was based under the contract formula on a total production of 305.336 recoverable units of tungstic oxide produced during the months of January, February and March, 1944 (no production being reported prior to January, 1944). On September 12, 1944, you acknowledged receipt of the sum of \$1,832.02 and released Metals Reserve Company from any claims whatsoever arising out of the Circular of May 11, 1943, and the Notice of Termination of February 29, 1944.

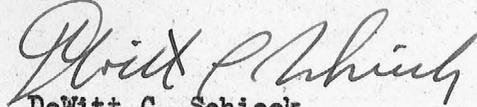
*11 copies
(legal paper)
disregard
pencil
underlines
& notes*

a

March 26, 1945

7-b
C This Company is of the opinion that the payment made to you as aforesaid evidences full compliance of its contractual obligations to you in connection with the domestic tungsten program, and further takes the position that the basis of settlement upon termination of such program, pursuant to War Production Board recommendation as provided in the Circular and the Notice of Termination, constituted an equitable basis of settlement, taking into account the nature of the program. As noted above, qualified producers who chose to participate therein knew at the time they made such decision exactly what would transpire in the event of termination of the program prior to expiration of the effective period thereof. This Company has no authority to make any payments to you in connection with this matter in addition to those already disbursed, and finds no authority in the Contract Settlement Act of 1944, empowering it to reimburse qualified tungsten producers under contract with it for unrecovered losses sustained in furnishing or preparing to furnish tungsten for the war effort.

d
Very truly yours,


DeWitt C. Schieck
Vice President

Dear Chuck,

March 19

I am watching these contract termination claims carefully. You will understand that MRC is going to handle them very slowly at first as the whole deal is new and they are setting policy. I do not want to rush them too much therefore at the beginning.

March 13, 1945

Bill

MEMORANDUM

TO: W. C. Broadgate

FROM: Chas. H. Dunning

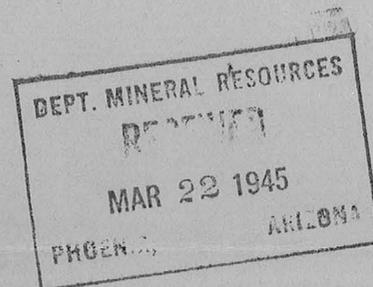
The Forcey claim as finally compiled by Hastings is now ready for forwarding.

You are of course quite familiar with this and we are especially anxious to get it through.

Please do everything you can to expedite it.

Chas H Dunning

CHD:LP



Murray Star

March 6, 1945

Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Dear Mr. Forcey:

Attached you will find the claim completed as well as the recommendation of the Department of Mineral Resources.

There are a few weak points, principally the salvage value of assets. As investments were made in the amount of \$6,131.39 for capital items other than the lease some explanation must be given. These investments were as follows:

Additional claim and mill	\$2,500.00
Equipment	3,078.12
Tools	553.27

These items must have salvage value of some kind. I have attempted to estimate this on the basis of limited data submitted and trust that the tabulation in paragraph 13 meets with your approval. If you think that the sales value is very much higher, your claim, which is under oath and subject to penalty, should be modified. If my estimate is too high the equipment should be itemized and evaluated in order that proof may be submitted. This salvage value is, I think, the only glaring flaw in your claim which might be subject to question and further correspondence.

Please keep me posted on any such correspondence as you receive from M.R.C. relative to the claim, prior to your reply.

The original should be sent to Metals Reserve Company, Washington, D. C. Please advise us when this is done and we will forward copies to Senators Murray and Hayden, as well as to William Broadgate, that the claim may be expedited in every way.

Yours very truly,

Earl F. Hastings
Projects Engineer

EFH:LP
Enc.

MORNING STAR MINING COMPANY

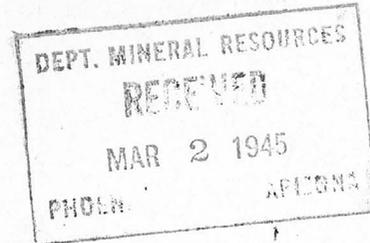
ORACLE, ARIZONA

GUY G. RICHARDS
MANAGER

P.O. BOX 23

Feb. 27th. 1945.

Mr. Earl F. Hastings,
Dept. of Mineral Resources,
304 Home Bldrs. Bldg.
Phoenix, Ariz.



Dear Mr. Hastings:

In reply to your letter of the 26th. inst will state that you are correct in that our actual loss as of Nov. 30th. 1944 was \$40,056.02. The item of \$400. in "other income" column is in reality a credit to myself on account of salary for the months of October and November for which I did not draw a check and should be deducted from the amount of cash on hands. You will note this amount has been charged to General Expense and since I had no available space in which to make the credit entry, simply inserted it in the "Other Income" column in order to make the sheet balance.

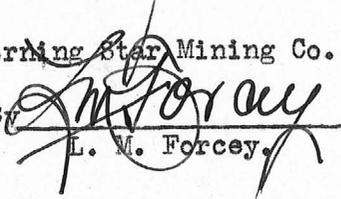
We paid \$2500. for a small mill which is located on an un-patented claim about a mile from the property which we have under lease. The salvage value of this mill is, I imagine, not very much since all of the equipment is quite old. Our equipment is all second hand with the exception of two stopers for which we paid \$265.00 each. We have two compressors, both old, and one so old that we were unable to get parts at all.

Referring to the date we were selected as a "Qualified Producer" It never did occur to me just how we became one untill the other day but it is all clear now, and as I explained in my last letter have written to Rivera Bros asking them for the information and have instructed them to sent it directly to you, and you should receive it within a day or so. In order to make sure you understand just how we became a "Qualified Producer" will say that the Morning Star Mine was one while being operated by Rivera Bros. under the trade name "Fortuna Mining Co." and when we purchased their lease they assigned the privilege to us. The letter I sent you yesterday makes reference to the assignment. If this is not entirely clear please advise.

Am glad that you feel we have a just claim, and trust you will be successful in getting it approved. Thanking you very much for everything, we beg to remain,

Yours very truly,

Morning Star Mining Co.

By 
L. M. Forcey.

CCH

February 26, 1945

Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Dear Mr. Forcey:

I note in your letter to Mr. Lane of December 8, 1944 your claim amounts to \$39,656.02. In my calculations your loss is \$40,056.02. This discrepancy in the amount of \$400.00 can be accounted for in your balance sheet. Under "Other Income" you deduct from credit side \$400.00 after totalling, but do not debit either General or Payroll account accordingly. Your cash on hand should, from my calculation, be \$1,943.98 instead of \$2,343.98 as your balance sheet indicates. Please advise concerning this.

The sum of \$2,500.00 was expended in the purchase of an additional claim and milling equipment thereon. If this was an outright purchase the sales value of the property and equipment will have to be estimated and deducted from your claim. If it was a conditional purchase, requiring further payment, then, of course, there was 100% loss. Please enlighten on this if it is not included in the correspondence which I previously requested. Any equipment still owned, which you purchased for \$3,078.12, will likewise have to be listed and a sales price estimated. This salvage will be deducted from the amount of your claim.

I am enclosing herewith your original balance sheets.

I feel you have a just claim and am making every effort to file a docket that will be complete in every detail.

Yours very truly,

Earl F. Hastings
Projects Engineer

EFH:LP
Enc.

CC: George A. Ballam

MORNING STAR MINING COMPANY

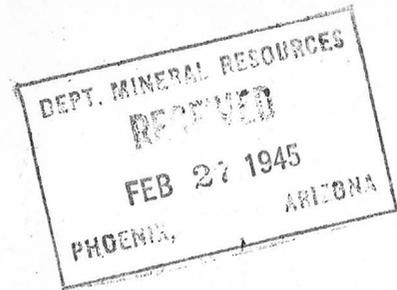
ORACLE, ARIZONA



GUY G. RICHARDS
MANAGER

P.O. BOX 23

February 24th. 1945.



Mr. Earl F. Hastings,
Department of Mineral Resources,
304 Home Builders Building,
Phoenix, Arizona.

Dear Mr. Hastings;-

Complying with your request of the 23rd. inst. I am enclosing copy of my letter of Nov. 14th. 1944 addressed to J. Reed Lane, War Production Board, Denver, Colo. also a copy of the statement which I gave him as of Nov. 27th. 1944. You did not ask for a copy of the statement but thought it well to include it.

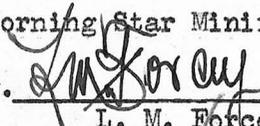
The writer was not here at the time we became a "Qualified Producer" and I have searched our records for some written authorization but failed to find any. According to the information ~~##~~ given me by the former partner in charge we were given permission, orally, to begin placing ore on the stock pile at Phoenix some time during the latter part of Feby. 1944 and continued to do so untill Apl. 1st. at which time they created a stock pile at Tucson. From that time on untill the termination we transported ore to the latter point.

Am very sorry not to be able to give you the definite date, and am in hopes that the above information will suffice.

Again thanking you for your interest in this matter, I beg to remain,

Yours very truly,

Morning Star Mining Co.

By. 

L. M. Forcey.

This property was formerly operated by Rivera Bros. under the trade name of Fortuna Mining Co. operators of the Morning Star Mine and we became a "Qualified producer" through assignment by them to us when we purchased their lease. This has just occurred to me and I expect to see Rivera the first of the week and will then get the information and advise you. Will enclose for your inspection letter from Metals Reserve Co. You may be able to get some information from it.

L.M.F.

MORNING STAR MINING COMPANY

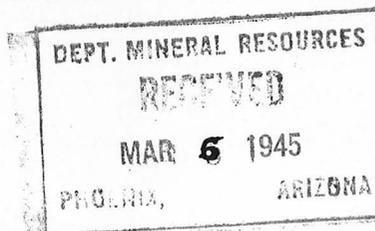
ORACLE, ARIZONA



GUY G. RICHARDS
MANAGER

P.O. BOX 23

Feb. 24th. 1945.



Mr. Earl Hastings, Project Engineer,
Department of Mineral Resources,
304 Home Builders Building,
Phoenix, Arizona.

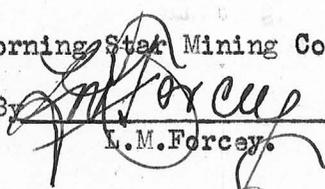
Dear Mr. Hastings:-

Referring to my letter of the 24th inst.
beg to advise you that on MAY 8 1943
the Fortuna Mining Co, operators of the Morning Star Mine,
was selected as a "Qualified Producer" and later, we, as
purchaser of the lease on the Morning Star Mine, received
an assignment of the above authorization. With this additi-
onal information we trust you will be able to proceed.

Yours very truly,

Morning Star Mining Co.

By


E.M. Forcay.

February 23, 1945

Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Dear Mr. Forcey:

When I asked Mr. Ballam to procure a copy of your letter of November 27 to Mr. James R. Lane, I was of the opinion that it was your original application. In that letter you refer to a letter from Mr. Lane to you of November 21st. I therefore assume that it was a reply of a previous letter of yours.

When Mr. Lane returned your claim to the Department of Mineral Resources he did not include any of the correspondence from you to him. He returned only the exhibits which you had sent him. Since there appears to have been correspondence prior to November 21, I would like to have a copy of it. In this manner I can dictate the claim without any possible conflict with material filed, even though such bureau files are not likely to be checked.

I would also like to know the date you were originally qualified as a "Qualified Producer" by the Metals Reserve Company.

This delay is unfortunate, I know, and I regret having to call on you for additional data. I do feel, however, that slight delay now will be more than compensated later as I will be in a position to make a full and complete claim for early consideration.

I am returning herewith your Partnership Agreement and Mining Lease. Copies have been made for attachment to the claim.

Very truly yours,

Earl F. Hastings
Projects Engineer

EFH:LP
Enc. 2

CC: George A. Ballam

MORNING STAR MINING COMPANY

ORACLE, ARIZONA

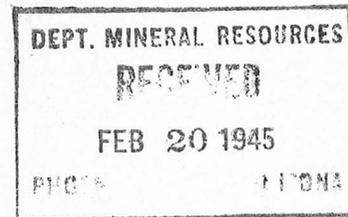


GUY G. RICHARDS
MANAGER

P.O. BOX 23

Feb. 19th. 1945.

Mr. Earl Hastings,
Department of Mineral Resources,
304 Home Building,
Phoenix, Ariz.



Dear Sir;-

As has been suggested by Mr. Ballam, we are enclosing herewith the following papers;

- ✓ 1. Copy of a mining lease, Elizabeth L. Wood, "Lessor" to W. S. Tubach, et. al. "Lessees"
2. Copy of "Partnership Agreement" under which we have been operating.
3. Copy of letter of November 27th. 1944 addressed to Mr. James R. Lane, Deputy Director of Minerals and Metals of Denver, Colorado.

Photostat copies of our ledger will be sent you from Tucson, Ariz. tomorrow.

The original lease was made to W. S. Tubach, Guy G. Richards, and L. M. Forcey, but since that time other partners have been brought into the organization, and for that reason thought it advisable to send a copy of the "Partnership Agreement" as it now exists.

In my letter to MR. Lane I note that I stated we had paid \$25,000. for the property, which is not strictly according to the facts of the case, since we paid the above amount for a lease only.

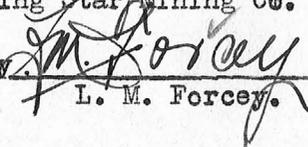
If there is any additional information that you think you should have, please advise me and I will endeavor to dig it up.

Thanking you for your consideration, we beg to remain,

Yours truly,

Morning Star Mining Co.

By


L. M. Forcey.

C-O-P-Y-

November 27, 1944.

Mr. James R. Lane,
Deputy Director for Metals & Minerals,
Continental Oil Building,
Denver 2, Colorado.

Dear Mr. Lane;-

Was very glad to receive your letter of Nov. 21st. and am enclosing herewith a statement of our operations. If this is not complete enough for your present needs please advise and I will endeavor to comply.

As you probably know this is a partnership and none of the partners have received any compensation of any kind except the one who devotes his entire time at the operation. The one in charge from Sept. 1943 to June 1st. 1944 received \$300. per month, and since that time \$200. per month.

Of the amount received from the sale of ore, all but \$2913.47 was received through the Metals Reserve Co. for ore placed on the stock pile at Phoenix and Tucson, Arizona.

The item of "other income \$1575.04" was a bonus received from the government for ore produced up to and including March 31st. 1944 and was put in a separate account since we were not sure we should pay a royalty on it or not.

We paid \$25,000. cash for the mining property and \$2500. for a mining claim upon which there is a small mill.

I trust you will find the enclosed information sufficient for immediate needs, but as I have said before if more is desired it will be forthcoming.

We wish to thank you for the interest you have taken on our behalf, and beg to remain,

Yours very truly,

Morning Star Mining Co.

By _____
L. M. Forcey, a partner.

*Covered in
Part. agree.*

*Covered in
claim*

*Covered in
claim*

*Covered in claim
and lease agreement*

February 13, 1945

MEMORANDUM

TO: George A. Ballam
FROM: Earl F. Hastings
Subject: L. M. Forcey Contract Settlement

Most of the information and data on this case is at hand, having been returned by James R. Lane. There is not, however, a copy of Forcey's original letter, November 27th - only the copy of subsequent letter prepared in this office of December 8th.

In order to incorporate all the data in one document I should have a copy of his original letter of application.

Copy of lease would also help to establish initial payment for same and validity of royalty payments.

We have only one copy of the photostatic balance sheet. If we are going to file six copies we should have additional photos.

EFH:LP

P.S. Will you find out from Dr. Chapman any developments on perlite?



METALS RESERVE COMPANY

WASHINGTON 25, D. C.

MAY 25 1944

Fortuna Mining Company
(Guy G. Richards and Associates)
Oracle, Arizona

Re: Domestic Tungsten Program
Morning Star Mine
Oracle, Arizona
Confirmed February 18, 1943

Gentlemen:

Reference is made to your letter of March 29, 1944, and to your duly executed Affidavit No. 1. In this connection, we acknowledge receipt of the confirmation copy of our letter of March 23, 1944 signed by Mr. P. M. Rivera.

It is noted that you have designated Method 3 as the method to be followed in effecting a cash settlement for your "total unfilled production".

In filling in the Table of Production of your Affidavit No. 1, it appears that your lot of 1167 pounds of concentrates should have been shown under the month of January, 1944, inasmuch as the date of settlement for its purchase is February 1, 1944. No doubt you have confused sales with production in this instance, therefore, in our records we are showing the above lot as your January, 1944, production.

There are enclosed herewith three copies of Affidavit No. 2, two of which should be executed and returned to this office, but only after you have final figures as to weight and analysis for production up to and including March 31, 1944, for which you did not give such data in your Affidavit No. 1.

Very truly yours,

Dewitt C. Schieck
Dewitt C. Schieck
Vice President

Enclosure

45 Mch 31 - loads 141 to 171

#####

November 14th. 1944.

Mr. J. Reed Lane, Dpty. Director,
War Production Board, Regional Office,
Continental Oil Building,
Denver, 2, Colorado.

Dear Sir:-

It has been suggested that I write you, concerning our experience in the Tungsten business. A little over a year ago six associates and myself came to Arizona and purchased a Tungsten property. At that time the government was encouraging the production of certain strategic metals of which the above mentioned was one and in the beginning was paying \$30. per unit. This price was cut to \$24. per unit and a short time later the purchase was discontinued.

We placed considerable tonnage on the stockpile at Tucson, Ariz. and our production for the month of June, which was the last month we were permitted to place ore there, was by far our best month, and had we been permitted to continue for a few months longer would have been able to get our original investment back, but as it stands at the present time we are holding the sack for about \$40,000. We feel this should be brought to the attention of the persons who are in charge of the Contract Termination Administration, and request that you please advise us just what our procedure should be.

The writer was in the office of Arizona Small Mine Operators Assco. Phoenix, on the 13th. inst. just a few hours after you had left and Mr. Willis the secretary suggested that I say to you that this is the case he brought to your attention when you were there.

Anything you may see fit to assist us in this matter will be greatly appreciated.

Yours very truly,

Morningstar Mining Company.
a Partnership.

By _____
L. M. Forsey, a partner.

MORNING STAR MINING COMPANY

ORACLE, ARIZONA



GUY G. RICHARDS
MANAGER

P.O. BOX 23

Statement of the Morning Star Mining Co. A Partnership,
As of November 27th, 1944.

Cash Investment,	\$42,000.00
Ore Sales	52,281.67
Other Income,	1,575.04
✓ L. M. Forsey, Credit,	<u>100.00</u>
	<u>\$95,856.71</u>

Debits.

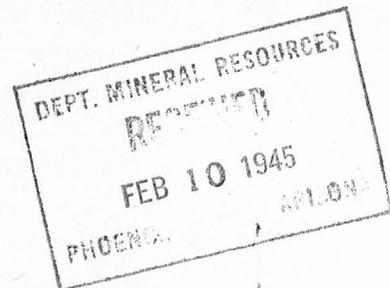
So. Ariz. Bank & Trust Co. General Acct.	\$1,792.60
Pay Roll "	<u>521.18</u>
Cash on hands	2,345.98
✓ Labor costs to date	25,221.68
Maintenance,	1,375.08
Supplies,	6,857.94
Tools,	553.27
General Expense,	4,414.13
Gas & Oil,	1,816.50
Exploration activities,	1,169.96
Insurance,	2,352.47
Legal & accounting,	1,385.09
Trucking,	10,813.64
Taxes,	894.90
Royalty paid,	5,212.15
Property purchase,	27,000.00
Equipment purchased,	<u>3,078.12</u>
	<u>\$95,856.71</u>

WAR PRODUCTION BOARD

REGIONAL OFFICE (9)
CONTINENTAL OIL BUILDING
DENVER 2, COLORADO

OFFICE OF REGIONAL DIRECTOR

February 7, 1945



Mr. Charles H. Dunning, Director,
Department of Mineral Resources,
304 Home Builders Bldg.,
Phoenix, Arizona.

Dear Mr. Dunning:

This will acknowledge receipt of your letter of January 25th regarding the papers forwarded by Mr. L. M. Forcey of Oracle, Arizona.

In December the writer, as per my advice to Mr. Forcey, presented certain papers to the proper officers of the War Production Board in Washington regarding the quasi-contract situation. It so happened that Mr. Willis had written Mr. Krug, Chairman of the War Production Board on November 15th inquiring as to the situation on quasi-contracts. This letter was answered on December 8th by Mr. Robert A. Irwin, Procurement Policy Division, copy of which I am enclosing to you. In the face of this letter and of similar letters addressed to parties occupying similar positions with respect to the mining fraternity, the writer could do nothing at that time but follow the procedure as outlined.

As you know about that same time a great change took place in the war program and, of course, we have had very little to do with quasi-contracts or contract renegotiations since that date, having been directing all of our attention to the securing increased production of most critical metals such as copper and lead. However, at our conferences in Washington we were hopeful of outlining a little different procedure than that which was contemplated in the letter of Mr. Irwin and we, therefore, held up returning the papers in the hope that possibly some additional information would be forthcoming.

At this time we have received no further information than that originally outlined in Mr. Irwin's letter and are therefore enclosing as per your request all of the original data and papers forwarded to this office by Mr. Forcey. We are very sorry that we have been unable to be of more aid to Mr. Forcey at the present time. In the event we are successful in securing additional information regarding this situation, we will be pleased to immediately call it to your attention. We are hopeful that this delay has not in any way embarrassed Mr. Forcey.

With kindest personal regards, I am

Yours very truly,

James R. Lane
James R. Lane

Deputy Director for Metals and Minerals.



Encl.

M. Dunning Star

January 25, 1945

Mr. J. Reed Lane
War Production Board
Denver, Colorado

Dear Mr. Lane:

It was somewhat over a month ago that we prepared a contract settlement claim for Mr. L. M. Forcey of Oracle, Arizona and forwarded same to you for presentation at a meeting to be held in Washington.

Since then neither Mr. Forcey nor ourselves have had any advice as to what was done.

Shortly after submitting this claim to you we received the RFC's contract settlement Regulation No. 1 and it would appear from same that the claim should be presented to the MRC as a subsidiary of the RFC. At the same time we would not want to file a new claim with that department without withdrawing what you might have already done in some other way.

Will you therefore, if you think advisable, return to us or to Mr. Forcey the claim and supporting data that we sent you, so we may rewrite same to conform to the RFC regulations and submit it to the Metals Reserve Company?

Yours very truly,

Chas. H. Dunning
Director

CHD:LP

P. O. Box 23
Oracle, Arizona
December 8, 1944

Mr. James R. Lane
Deputy Director for Metals & Minerals
War Production Board
Denver, Colorado

Dear Sir:

In accordance with instructions contained in your letter of December 2 we are submitting the following information in support of our claim for losses suffered by the Morning Star Mining Company in operation of our tungsten mine.

1. The Morning Star Mining Company is a partnership comprising the following partners:

✓ H. G. and L. A. Wilson	✓ G. H. and F. M. Veeht
✓ L. M. Forsey	✓ F. P. and M. F. Berchard
✓ W. S. Tubach	✓ H. G. Henderson,
✓ Wm. Iverson	Consulting engineer
✓ L. H. Murman	

During our operation of this lease, work was carried on under the supervision of H. G. Henderson, mining engineer, with Guy Richards, Wm. Ward, and Philip and Manuel Rivera, all experienced miners in this district, engaged as manager, superintendent and shift bosses, respectively. All have had considerable tungsten mining experience - Mr. Ward in the Mammoth area and the Rivera brothers as operators of the Morning Star property for a number of years.

2. The Rivera brothers had operated this lease for a number of years and had reached the point where additional capital was necessary to develop the property to increase production. Our partnership investigated the property with a view to acquiring the lease. We were informed by the Reconstruction Finance Corporation that if we were in need of financing, the Morning Star would be eligible for an R.F.C. loan. In fact, a loan of \$25,000 had then been made on the Maudina, an adjoining tungsten mine very similar in character.

In addition, the U. S. Bureau of Mines had examined the property and the U. S. Geological Survey was also actively exploring for tungsten. The Arizona Department of Mineral Resources and the Tungsten Division of the War Production Board were urging production of tungsten. The Morning Star had a record as a producer and had been reported on by the Arizona Bureau of Mines in their Bulletin 148.

Taking all these factors into consideration, our company, acting on the advice of competent engineers, proceeded to buy the lease then held by Rivera brothers, for \$25,000, together with an adjoining claim on which was located a small mill, for an additional \$2500, which later was improved at a cost of approximately \$1,000.

We started production in February 1944, following development necessary to put the mine in shape to comply with the Arizona mining code. We also drove tunnels and crosscuts to enable us to carry on a comprehensive mining operation at minimum operating costs. Our first shipments were made to the Phoenix stockpile at M.R.C. request. Early in March we were notified to ship to the newly created Tucson stockpile. Production was increased until June during which month we showed an operating profit of \$15,000. Had we been allowed to continue production at this rate, an operation possible with development then accomplished, we could have recovered our investment within a few months.

3. Owing to the fact that we purchased a lease only, a continuing royalty of 10% of net shipping returns was made to the owner, Mrs. Elizabeth Wood of Oracle, Arizona, in the sum of \$5,212.15.

4. No contract of purchase exists; it is an ordinary lease.

5. The Morning Star claims were listed in Metals Reserve Company records as a "qualified producer" and no further application was necessary according to letter received from Metals Reserve Company, January 12, 1944, attached.

6. Formal notice of cancellation of contract was given by Metals Reserve Company, attached.

7. The lease has no sale value under present tungsten market situation. We could not continue to produce except by beneficiation of our ore which would involve further capital investment to provide suitable milling facilities and development of water. Such expansion would not be justified under present market facilities. We took this property over with the expectation that the price then existing under M.R.C. schedule would be maintained for the duration of the war.

8. Trucking was done by a contract hauler, Ramsey Bros. of Oracle, who were operating under a franchise granted by the Arizona Corporation Commission at rates established by that body, which rates were reasonable and common to this type of ore hauling where unfavorable road conditions are encountered.

A total of 169 tons shipped to the Phoenix stockpile during the month of February was transported at a rate of \$6.00 per ton. The distance involved was 260 miles round trip. Under instructions from Mr. Merritt of Reconstruction Finance Corporation we then shipped 3,047 tons

Metals Reserve Company

Mr. James R. Lane

-3-

December 8, 1944

to the Tucson stockpile at a rate of \$3.00 per ton, a round trip of 90 miles.

Trucking costs were \$10,155, the difference between this figure and \$10,807.64 indicated in the recapitulation pages of the ledger representing back haul for supplies, etc.

9. A total of 3,216.5 tons of ore were shipped to Metals Reserve Company stockpiles. Additional shipments of 1,385 pounds of concentrates milled by us since June 30, 1944 were made to Fernstrom and Company of Tucson at prices of \$27.50 and \$27.00 per unit, and 2,385 pounds to Smith Emery and Company of Los Angeles at \$21.50 per unit f.o.b. Los Angeles. See attached returns.

We therefore, in the light of the foregoing facts, are entering our claim for \$39,656.02, which amount represents our investment less the balance of cash on hand as shown by the photostatic copies of recapitulation sheets of our ledger.

Yours very truly,

MORNING STAR MINING COMPANY

L. M. Forcey, a partner

Enc.

December 5, 1944

Mr. L. M. Forcey
P. O. Box 23
Oracle, Arizona

Dear Leonard:

Mr. Willis went over your application for claim on the Morning Star and in his opinion it should be presented in greater detail. It appears that the chief objective is to demonstrate the fact that you could have bailed out if given more time and this was not plainly shown. This should be brought out clearly and to do so I suggest that we indicate your tonnage and operating profit during the five months you shipped to the M.R.C. stockpile.

The claim will not require much further preparation and I hope you will be able to call, say, next Saturday afternoon. I expect to be back by that time.

With kindest regards, I am

Yours very truly,

George A. Ballam
Assistant to the Director

GAB:LP

WAR PRODUCTION BOARD
Regional Office (9)
Continental Oil Building
Denver 2, Colorado

December 2, 1944

Mr. L. M. Forcey
Morning Star Mining Company
P. O. Box 23
Oracle, Arizona

Dear Mr. Forcey:

Your letter of November 27th enclosing data with relation to investment and expense of your operation on tungsten for the period from September, 1943, to June, 1944, is acknowledged. Will you please give me the following information:

1. The experiences of the partner in charge of the production and the operation of the mine after the same was opened up;
2. What prompted the investment of \$42,000 by the partnership and upon whose statement or remarks was the venture instigated;
3. Was the royalty payment of \$5,212.15 during the period of operation a continuing royalty or was it a further payment on the contract to purchase;
4. If the royalty was a further equity payment on the contract of purchase, please furnish copy of this contract;
5. Was there a contract between the Morning Star Mining Company and Metals Reserve Company as the agency of government in the purchase of tungsten, and, if so, please furnish us copy of this contract;
6. If there was a written contract, please give us copy of the formal notice to your company of cancellation of such contract;
7. What in your opinion could the property presently owned by the partnership be sold for today;
8. Under trucking, as set forth in your statement of expense, the items seem very large for the amount of the gross receipts. Did this include the purchase of a truck or is this all rental;
9. How many tons of ore were actually shipped to Metals Reserve Company, and to whom was the balance of ore shipped and at what price.

If you have any clippings that you kept about the time that the partnership determined to go into the production of tungsten showing any meetings that you attended or the partner attended before the partnership was formed to purchase the property, please enclose any of these clippings. You may rest assured that all of this information will be returned to you in the event any of the copies are the only ones you have.

Yours very truly,

/s/ James R. Lane
Deputy Director for Metals
and Minerals

COPY
TELEGRAM

MAY 10, 1945

MR. L.M. FORCEY
MORNING STAR MINING COMPANY
ORACLE, ARIZONA

ARRANGMENT MADE TO HEAR YOUR APPEAL PROCEEDING NUMBER
FIVE AT 9:00 A.M. MAY 26 IN GRAND JURY ROOM 212, UNITED
STATES COURT HOUSE, PHOENIX Stop CONTRACTING AGENCY'S
RESPONSE DUE MAY 14 MAY BE FILED SOONER Stop WILL MAIL
TO YOU UPON RECEIPT TOGETHER WITH FORMAL NOTICE OF
HEARING AS ABOVE

ROBERT S. STEVENS
CHAIRMAN, APPEAL BOARD

COPY

Re Appeal of Morning Star Mining Company
PROCEEDING NO. 5

You are hereby notified that the above proceeding has been set for hearing, as indicated below, before a panel of three members of the Appeal Board of the Office of Contract Settlement.

The hearing will be held on Saturday, the 26th day of May, 1945, at 9:00 A.M. in 212 Grand Jury Room, United States Courthouse, Phoenix, Arizona, at which time and place you will be given an opportunity to be heard and introduce evidence.

No adjournment will be granted except for good cause shown. Your unexcused absence from the hearing at the time and place above set forth may not be the occasion for delay, but the hearing may proceed and the case may be regarded as submitted by you. In all respects you are expected to be familiar with the Rules of Practice and Procedure of the Appeal Board, as contained in Regulation No. 15 of the Office of Contract Settlement.

Dated this 12th day of May, 1945.

By order of the Appeal Board,
Office of Contract Settlement

(Signed) Florence M. Nichols
Clerk, Appeal Board

To: Mr. L.M. Forcey
Morning Star Mining Company
P.O. Box 23
Oracle, Arizona

Mining Star

October 9, 1945

Mr. Leonard Forcey
114 West Fifth Street
Santa Ana, California

Dear Leonard:

I am sorry that I have been unable to get any information concerning the party in Tucson. He has a telephone but apparently is out as much as I am. No one seems to know him. I asked Mr. Willis about him and although Charlie knows most of the mining people, I drew a blank here.

The amendment, implementing Contract Termination Act, is about ready and should do a lot toward clarifying the mining situation.

With best regards, I am

Very truly yours,

George A. Ballam
Assistant to the Director

GAB:LP

WALTER S. TUBACH

REAL ESTATE BROKER

SPECIALIZING IN ORANGE GROVES, BEAN AND ALFALFA RANCHES

OFFICE 114 W. 5TH ST.

SANTA ANA, CALIFORNIA

Mr. George Ballam,
4213 Oracle Road,
Tucson, Arizona.

Dear George;

Believe I wrote you a letter some time ago enquiring as to what you knew about Henry A. Boeckeler, 1735 E. Water St. Tucson, Arizona who has written us about the property we are operating near Oracle, Arizona, but up to the present time have not had a reply from you.

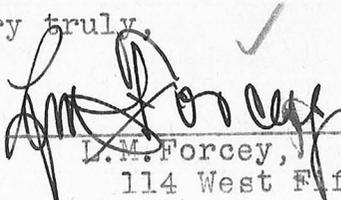
If you know this party or are in a position to learn anything about him please let us hear from you and as I said before any information you may see fit to give us will be appreciated and held in the strictest confidence.

We have had no decision on our suit and have had no news from Washington.

It has been pretty warm here for the last few days but before long it will be getting cooler. We are having what we call desert winds and they come in the fall.

Best wishes to you and your family,

Yours very truly,


L.M. Forcey,
114 West Fifth St.
Santa Ana, Calif.

C
O
P
Y

December 8, 1944

Mr. Charles F. Willis
State Secretary, A.S.M.O.A.
528 Title and Trust Building
Phoenix, Arizona

Dear Mr. Willis:

On November 24, in acknowledging your letter of November 15 to Mr. Krug, I wrote you that I would reply to it fully in the near future.

We have considered that the only type of cases in which the War Production Board is a contracting agency within the terms of the Contract Settlement Act is the type where it is authorized to make contracts and for which it has received appropriations. This covers only the narrow field of contracts entered into through our Office of Production Research and Development, for which funds were appropriated to the War Production Board by Congress and does not include the production or purchase of minerals or other materials nor the procurement of products for the Armed Services.

Accordingly, we do not believe that we have the authority nor do we have any appropriation which would enable us to assume responsibility for or to pay claims of the type you have described.

You refer in your letter to claims relating to cancellation of Government contracts. It would appear that any person who had a claim arising under any such contract would take it up with the agency with which the contract was in force.

We have had this matter up with the Office of Contract Settlement and that Office advises us that it is arranging a meeting shortly with other government agencies for setting up procedures for the handling of claims and for appeals in general. We shall be glad to advise you further just as soon as these procedures are worked out.

Very truly yours,

/S/ Robert A. Irwin

Robert A. Irwin
Director, Procurement Policy Division

6 copies

METALS RESERVE COMPANY

Washington, D. C.

January 12, 1944.

Fortuna Mining Company
c/o P. M. Rivera
Oracle, Arizona

Re: Tungsten Producer Application

Dear Sirs:-

We return herewith two copies of your answers to our questionnaire and also your Tungsten Application Form "C" - "Qualified Producer" for the Morning Star Mine located at Oracle, Arizona.

Inasmuch as your property is already listed in our records as a "Qualified Producer", you are not required to renew your application.

Very truly yours,

(Sgd) John E. Norton
(Tpd) John E. Norton
Consulting Engineer

Enclosures

METALS RESERVE COMPANY

WASHINGTON, D. C.

February 29, 1944

NOTICE OF

- (1) TERMINATION OF DOMESTIC TUNGSTEN PROGRAM
AND
(2) ELECTION TO MAKE CASH SETTLEMENT

Dear Sir:

Pursuant to recommendation of the War Production Board, Metals Reserve Company is terminating, effective as of midnight March 31, 1944, the domestic tungsten program described in its Circular dated May 11, 1943, entitled "Information Concerning Purchase of Domestic Tungsten Ores and Concentrates".

As required by paragraph 2 of the Circular, notice of such termination is hereby given to you, and you are hereby advised that Metals Reserve Company has elected to make cash settlement with you under subparagraph B of paragraph 2 of the Circular.

It has been deemed advisable to offer to all "qualified" producers two alternative methods of settlement in addition to that specifically provided in subparagraph B of paragraph 2 of the Circular. All three methods are set forth in Affidavit No. 1 enclosed herewith and are listed next below, and you are asked to designate in Affidavit No. 1 which of these methods you wish to be followed in your case:

Method 1. Cash settlement upon the specific terms stated in subparagraph B of paragraph 2 of the Circular, i.e., covering your "total unfilled production" for the period April 1, 1944 to December 31, 1944, inclusive.

Method 2. Acceptance by Metals Reserve Company at the \$30 base price and upon the terms of the Circular of "eligible" tungsten-bearing materials produced by you during the period April 1, to April 30, 1944, inclusive, and cash settlement computed as provided in the Circular but covering your "total unfilled production" for the period from May 1, to December 31, 1944, inclusive, only.

Method 3. Acceptance by Metals Reserve Company at the \$30 base price and upon the terms of the Circular of "eligible" tungsten-bearing materials produced by you during the period April 1, to April 30, 1944, inclusive; and acceptance by Metals Reserve Company at the base price of \$24 per unit WO_3 , instead of \$30 per unit WO_3 , of "eligible" tungsten-bearing materials produced by you during the period May 1, to June 30, 1944, inclusive; and cash settlement computed as provided in the Circular but covering your "total unfilled production" for the period from July 1, to December 31, 1944, inclusive, only.



Thus, the last production which Metals Reserve Company will accept from you will be "eligible" tungsten-bearing materials which you produce in March, 1944, if you choose Method 1 above; or in April, 1944, if you choose Method 2 above; or in June, 1944, if you choose Method 3 above. Under each method you will be allowed until the 20th day of the next succeeding month to deliver your last month's "eligible" production. Such deliveries may be made to Metals Reserve Company, c/o United States Vanadium Corporation at Salt Lake City, Utah, or c/o National Reconditioning Company, Glen Cove, New York, or to dealers or custom mills having contracts with Metals Reserve Company, or at Purchase Depots established by Metals Reserve Company, as in the past.

Your "total unfilled production" will, in accordance with paragraph 2 of the Circular, be computed upon the basis of your average monthly production during the six calendar months ending March 31, 1944, i.e., October, 1943, through March, 1944. If your actual production began after October, 1943, your average monthly production will be your total production during the period October 1, 1943, to March 31, 1944, inclusive, divided by the total number of months from and including the month in which production actually began until March 31, 1944. In no case will tungsten-bearing materials produced by you after March 31, 1944, be taken into account in computing your "total unfilled production".

In order to evidence your choice of which of the above three methods of settlement you wish to be followed in your case, it will be necessary for you to fill out and duly execute two copies of the enclosed Affidavit No. 1, and to return the same as promptly as possible to this office, for examination and approval by Metals Reserve Company. Unless two executed copies of your Affidavit No. 1 are received at this office postmarked not later than March 20, 1944, you will be deemed to have chosen Method 1 above as the method of settlement to be followed in your case.

Following examination and approval of your Affidavit No. 1, Metals Reserve Company will forward to you, at the earliest possible date, its check covering a preliminary pro rata portion of the cash settlement to which you are entitled, based upon the number of months for which you have given final production data in your Affidavit No. 1 and upon the method of settlement which you have chosen. In order to obtain your final production data for the remaining portion of the six months ending March 31, 1944, Metals Reserve Company will, promptly after receipt of your Affidavit No. 1, forward to you Affidavit No. 2 with full instructions for filling out the same after such final data are available. Payment of the balance of your cash settlement will be made to you only after receipt from you at this office of your Affidavit No. 2, and examination and approval thereof by Metals Reserve Company. Two separate affidavits are being used solely for the purpose of enabling us to make immediate payment to you of part of your cash settlement. However, you will not be entitled to a cash settlement if you will not have produced any "eligible" tungsten-bearing materials during the six months' period ending March 31, 1944.



There is also enclosed herewith an instruction sheet entitled "Instructions for Completing Affidavit No. 1". Our administrative work will be made easier, and you will receive your preliminary pro rata payment sooner, if you will carefully read these instructions before filling out two copies of Affidavit No. 1, and make every effort to follow the instructions closely. You are asked to fill out and return Affidavit No. 1 even if you will not have produced any "eligible" tungsten-bearing materials during the six months' period ending March 31, 1944, and to state in the affidavit that such is the case.

It is emphasized once again that unless your two duly executed copies of Affidavit No. 1 are received at this office postmarked not later than March 20, 1944, you will be deemed to have chosen Method 1 above as the method of settlement to be followed in your case. In any event, receipt of your Affidavit No. 1 and examination and approval thereof by Metals Reserve Company will be necessary before any payment can be made to you under the above program.

Very truly yours,

METALS RESERVE COMPANY

By _____

DeWitt C. Schieck
Vice President

E. FERNSTROM

INDEPENDENT DEALER IN TUNGSTEN ORE AND CONCENTRATES

REPRESENTING METAL RESERVES

GENERAL OFFICE AND SAMPLING PLANT AT
164 SOUTH MAIN STREET
TUCSON, ARIZONA

CONCENTRATOR
MILL AND MINE
ARIVACA, ARIZONA

2/1/1944

Recd from the Morningstar Mining Co, 1167 lbs net of Sheelite concentrates
1167 lbs assayed 60.6 , , , , , , , 35.036 units @ \$ 27.50 per unit.. ~~972.40~~

Paid for by E. Fernstrom.

E. Fernstrom

E. Fernstrom.

972.40
238.14

1210.54
1702.93

2913.47

Received from Morning Star Mining Co.
\$ 97.24 10% of the above amount.

Check # 103,

Ernest Lundberg

179260 4200.
51738 234398

134398 39656.02

1167 -
218

2385
1385

E. FERNSTROM

INDEPENDENT DEALER IN TUNGSTEN ORE AND CONCENTRATES

REPRESENTING METAL RESERVES

GENERAL OFFICE AND SAMPLING PLANT AT
164 SOUTH MAIN STREET
TUCSON, ARIZONA

CONCENTRATOR
MILL AND MINE
ARIVACA, ARIZONA

3/3/1944

Recd from the Morningstar Mining CO, 218 lbs concentrates assayed 71.1	
218 lbs assayed 71.1 -----	8.82 Units
8.82 Units @ \$ 27.00	\$ 238.14

E. Fernstrom
E. Fernstrom

Received from Morning Star Mining Co.
\$ 23.81 - 10% of the above amount.

Egbert Wood

139

COPY

SMITH-EMERY COMPANY

CHEMICAL ENGINEERS AND CHEMISTS

METALLURGICAL AND TESTING ENGINEERS

920 SANTEE STREET

LOS ANGELES 15

LABORATORY

No. 250227

Date November 14, 1944

Sample Tungsten Concentrates

Received 11-6-44

Marked

✓ Morningstar Mining Company
Tucson, Arizona.Submitted by Clifford L. Ach,
1855 Industrial Street,
Los Angeles, 15, California.REPORT OF CONTROL DETERMINATIONS

Sample dried at 105°C.

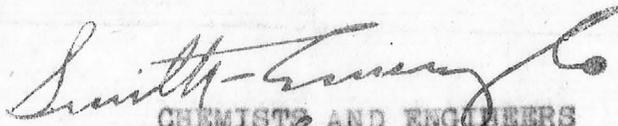
Tungsten Trioxide (WO₃) ----- 68.65%

Moisture ----- 0.02%

WEIGHTS (8 cans)

Gross Weight -----	2433.5, lbs.
Tare for cans -----	48.0 lbs.
Moisture -----	0.5 "
Net Dry Weight -----	<u>2385.0 lbs.</u>

Respectfully submitted,



CHEMISTS AND ENGINEERS
E O S

Copy made for A.C. Nebeker

September 4, 1943

War Production Board
Office of Defense Transportation
Security Building
Phoenix, Arizona

Gentlemen:

The Morning Star Mining Company, Guy Richards, manager, and H. G. Henderson, engineer, of Oracle, Arizona have taken the Morning Star Mine Claims located in the Old Hat Mining District under lease.

This property has shipped some \$50,000 worth of Tungsten ore from surface workings and from a 50 foot shaft. The present plans are to sink this shaft and further develop the property, and, at the same time, continue with production of Tungsten ore. For the new operations they plan to employ about 8 men. The company requires or needs a 1 ton Ford Pickup Truck for hauling supplies and equipment and other transportation connected with the mining operations.

I am familiar with the property and know that it can make a substantial production of Tungsten which is essential to the War Effort and can certify to the need of the truck in order to further our war efforts on production of essential minerals.

Very truly yours,

J. S. Coupal
Director

JSC:JE

February 8, 1943

Mr. P. M. Riveria
Fortuna Mining Company
Box 39
Oracle, Arizona

Dear Mr. Riveria:

I am returning herewith your PD-1A application for preference rating. This should be sent to the War Production Board, Temporary E Building, Mining Division, Washington, D. C. to the attention of Mr. James Douglas.

In addition to the information you have filed on these forms, I believe it is advisable for you to insert the names of the parties or company from whom you are ordering the screen and also obtain from them the preference rating they require for this screen. With this information available, I believe you will get quick action from Washington; otherwise it may call for an exchange of correspondence which will cause additional delay. I would also change the date under the heading "required delivery" from February 12 to a date about ten days from the time you mail this application. In mailing it, I would suggest that you send it airmail for prompt action.

Very truly yours,

J. S. Coupal, Director

JSC:kk
Enclosure

Charge to the account of

Dept. Mineral Resources

\$

CLASS OF SERVICE/DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
NIGHT LETTER	NIGHT LETTER
Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.	

WESTERN UNION

1206

A. N. WILLIAMS
PRESIDENT

CHECK

ACCOUNTING INFORMATION

TIME FILED

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

NIGHT LETTER

Phoenix, Arizona, March 8, 1945

FOR VICTORY
BUY
WAR BONDS
TODAY

L. M. Forcey
114 West Fifth Street
Santa Ana, California

In error original page one of claim sent. On return will substitute new page with 45 plus instead of 39 plus thousand claimed. Sign as is and exchange will be made here as per paragraph 16 before forwarding.

Earl F. Hastings

INVOICE
SMITH-EMERY COMPANY

FORM 6 10M 7-44

CHEMICAL, PHYSICAL, AND
METALLURGICAL LABORATORIES

Chemists - Engineers

TELEPHONE TRINITY 4791

920 SANTEE STREET
LOS ANGELES 15, CALIFORNIA

November 14, 1944

In Account with Clifford L. Ach,
1855 Industrial Street,
Los Angeles, 15, California.

TERMS: Net. This is a professional labor bill and is due upon presentation.

E. & O. E.

TO PROFESSIONAL SERVICES

Lab.No. 250227 - Control Determinations for Tungsten Trioxide	
in sample of Concentrates -----	\$6.00
Sampling 1.19 tons at \$6.00 per ton -----	7.14
	<u>\$13.14</u>

Three Copies of report, one copy of invoice mailed to Tucson.

Morningstar Mining Co., Lot

Invoice Morning Star Lot #250227.

2385 lbs ----- 68.65% W03- 81.865/unit

@ - 21.60 Lg.

21.30
 40932550
 818651
 1637302

 \$1760.099650
 \$1760.10
 \$39.97

Assay ----- \$13.14
 Freight ----- 26.83
\$39.97

Handling chg. ----- 17.20
\$1702.93
 Check Balance

Oracle, Arizona.,

February 2, 1943

Mr. J. S. Coupal, Director,
Dept. of Mineral Resources,
413 Home Builders Bldg.,
Phoenix, Arizona

Dear Mr. Coupal;

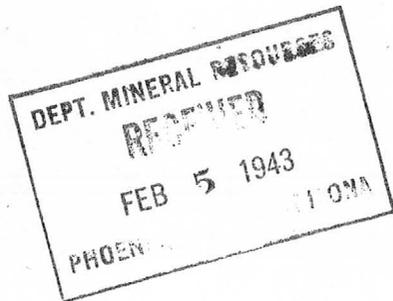
We are forwarding the original and duplicate of PD -1A Preference Rating Certificate with the request that you check it for us before forwarding to Washington, D.C. The duplicate has been signed.
Thanking you in advance.

Very truly yours,

Fortuna Mining Company,

P.M. Rivera

P.M. Rivera.



✓ FORTUNA MINING COMPANY
Box 39,
ORACLE, ARIZONA

H.

January 6, 1943.

Mr. J. S. Coupal,
Arizona Dept. of Mineral Resources,
Phoenix, Arizona.

DEPT. MINERAL RESOURCES
RECEIVED
JAN 8 1942
PHOENIX, ARIZONA

Dear Mr. Coupal;

Can you assist us in getting a higher priority rating than the P-100 Preference Rating Order which we now use and which is too low to enable us to purchase replacements for the operation of plant? If you cannot help us will you please let us know to whom we should apply.

Very truly yours,

P. M. Rivera
P. M. Rivera

PMM;EB