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PRINTED: 03/14/2003

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: RED BLUFF MINE

ALTERNATE NAMES:
MS 4788

GILA COUNTY MILS NUMBER: 273

LOCATION: TOWNSHIP 5 N RANGE 14 E SECTION 31 QUARTER SE
LATITUDE: N 33DEG 43MIN 50SEC LONGITUDE: W 110DEG 57MIN 15SEC
TOPO MAP NAME: ROCKINSTRAW MTN - 15 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:
URANIUM

BIBLIOGRAPHY:

ADMMR RED BLUFF MINE FILE
BLM MINING DISTRICT SHEET 157
GRANGER H & R B RAUP GEOL U DEPTS DRIPPING
SPRINGS QUARTZITE USGS PP 595 1969 P 63
USGS CIRCULAR 137
USGS BULLETIN 1046, P 454.
RMO 679 AND 590
SEE: WYOMING MINERALS CORPORATION FILE

Property File Listing

Location	Project	
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 301-310
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 311-320
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 321-330
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 331-340
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 341-350
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 371-380
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 383-388
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 391-400
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 401-410
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 411-420
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 421-430
Arizona, Gila County	Dripping Springs Project, Workman Creek, 1977	DDH 431-440
Arizona, Gila County	Wyoming Mineral Corp. Dripping Spring Project Feasibiltiy Study for Uranium Mine and Mill M7585 by Dravo Engineering 1980	

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WYOMING MINERAL CORP. DATA - URANIUM



RED BLUFF MINE

GILA COUNTY

USGS Circular 137
USGS P.P. 595 p. 63
USGS Bull. 1046

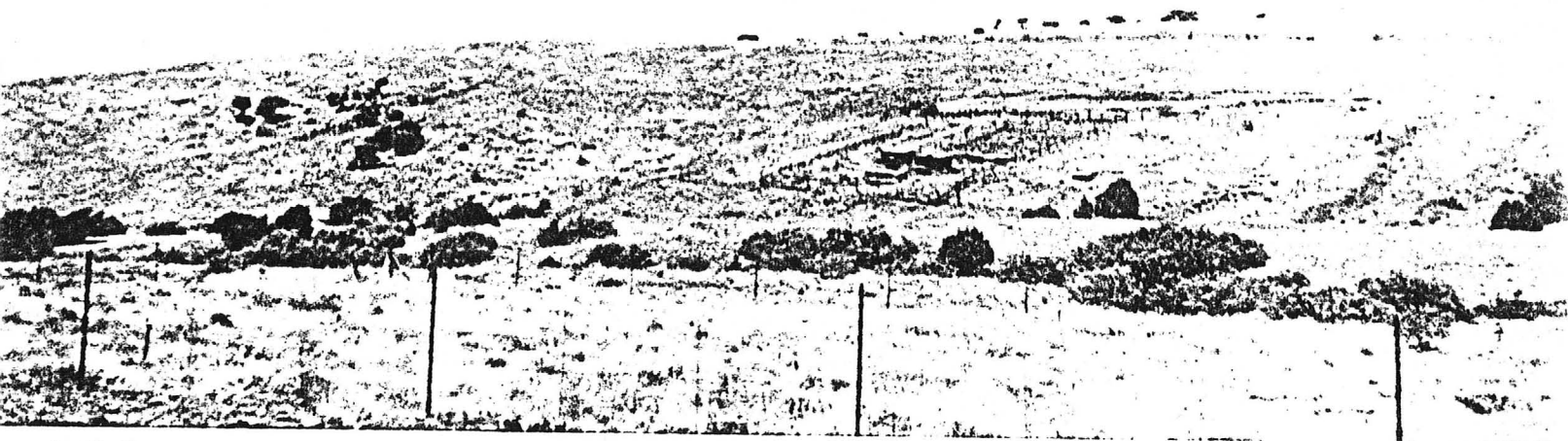
RMO-679 AEC files
RMO 590 AEC files

Supplement to

Open file report of P.P. 595
(Rainbow Claims 1 & 2 and Red Bluff
Deposit) in AEC files

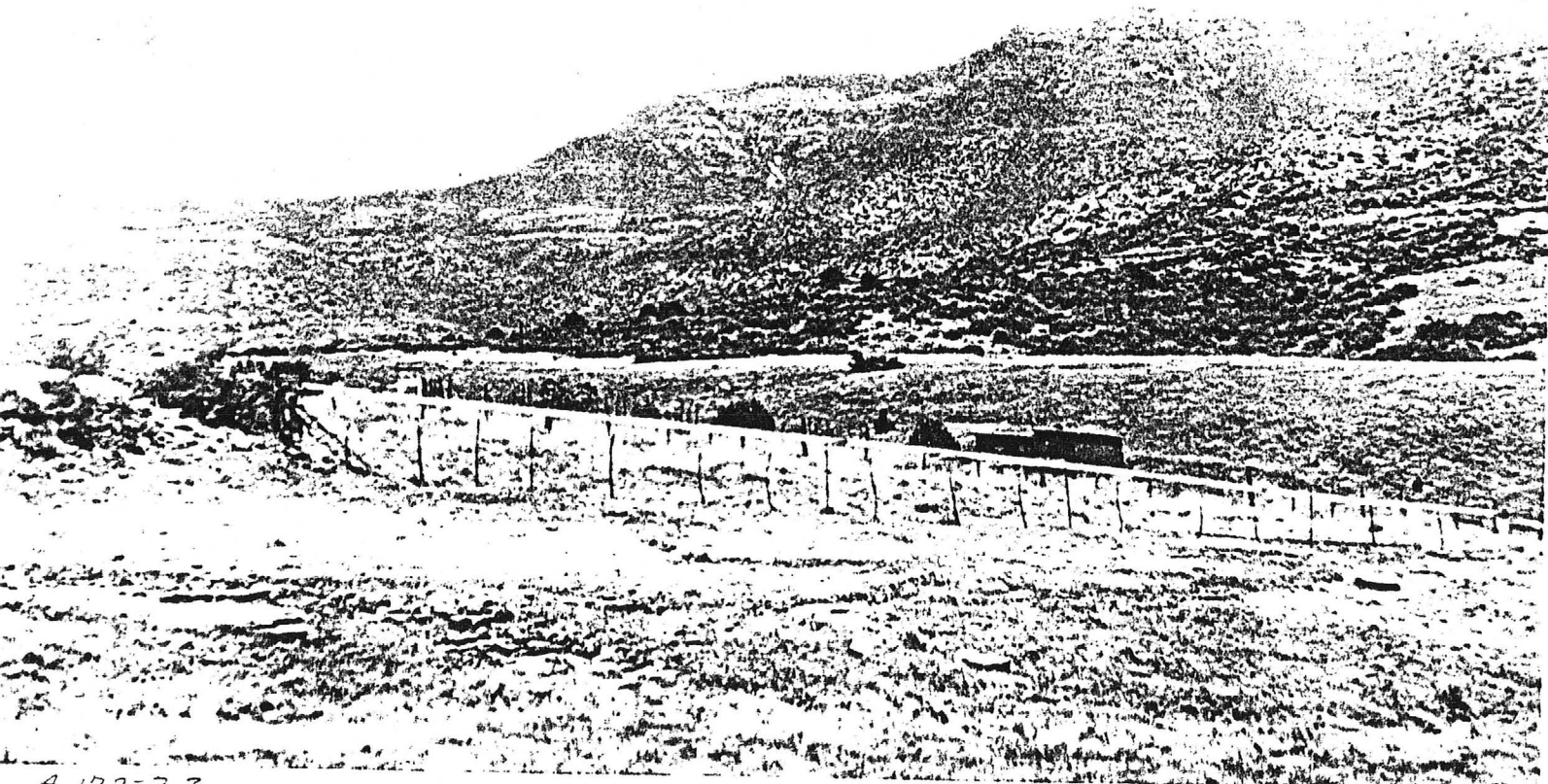
Wyoming Minerals Corp. (file)

Prospector & Miner - Jan. & Feb. 1977



A-170-22

1954



A-170-23

1954



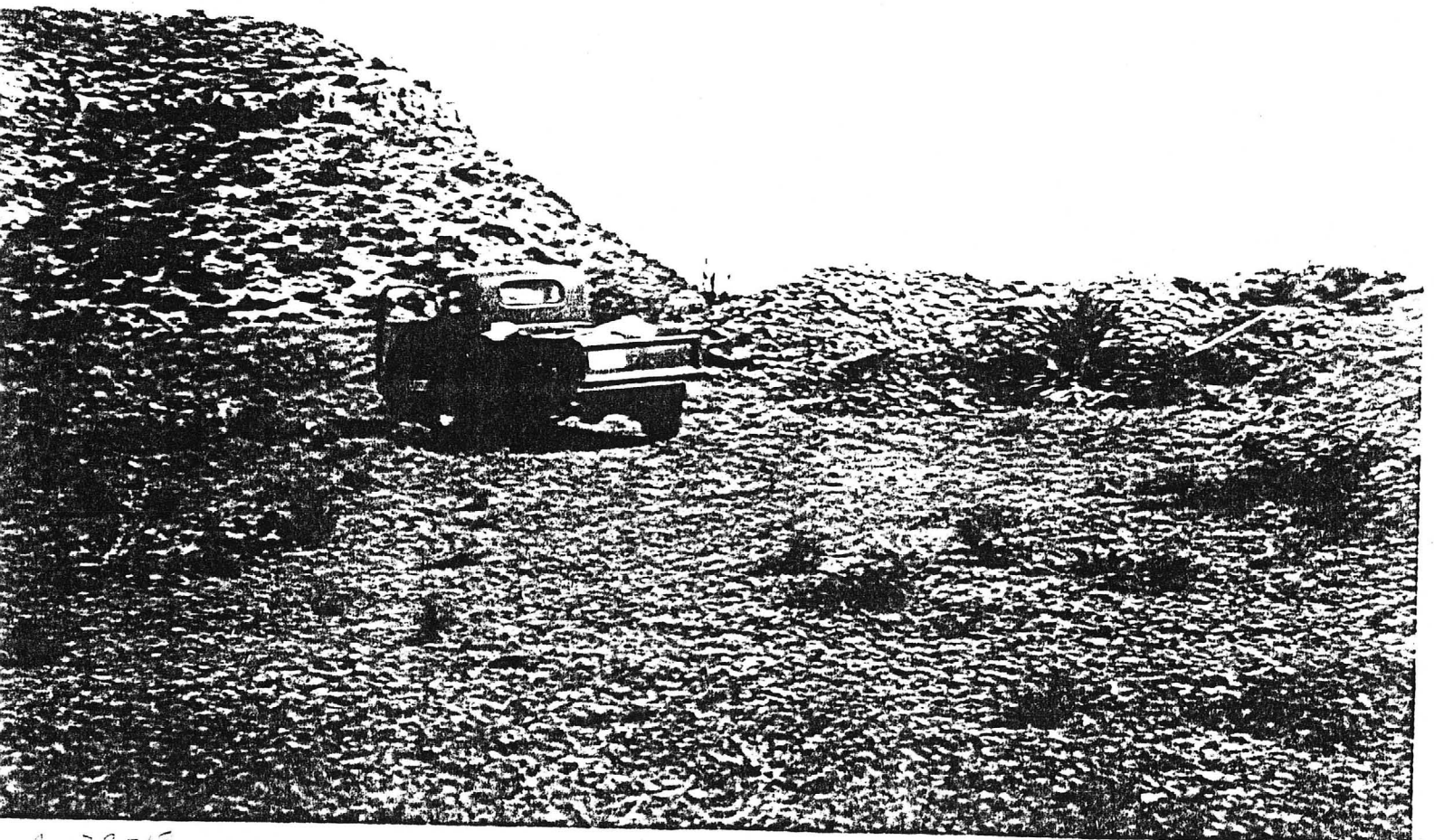
4-177-27

1954



A-170-17

C-1950

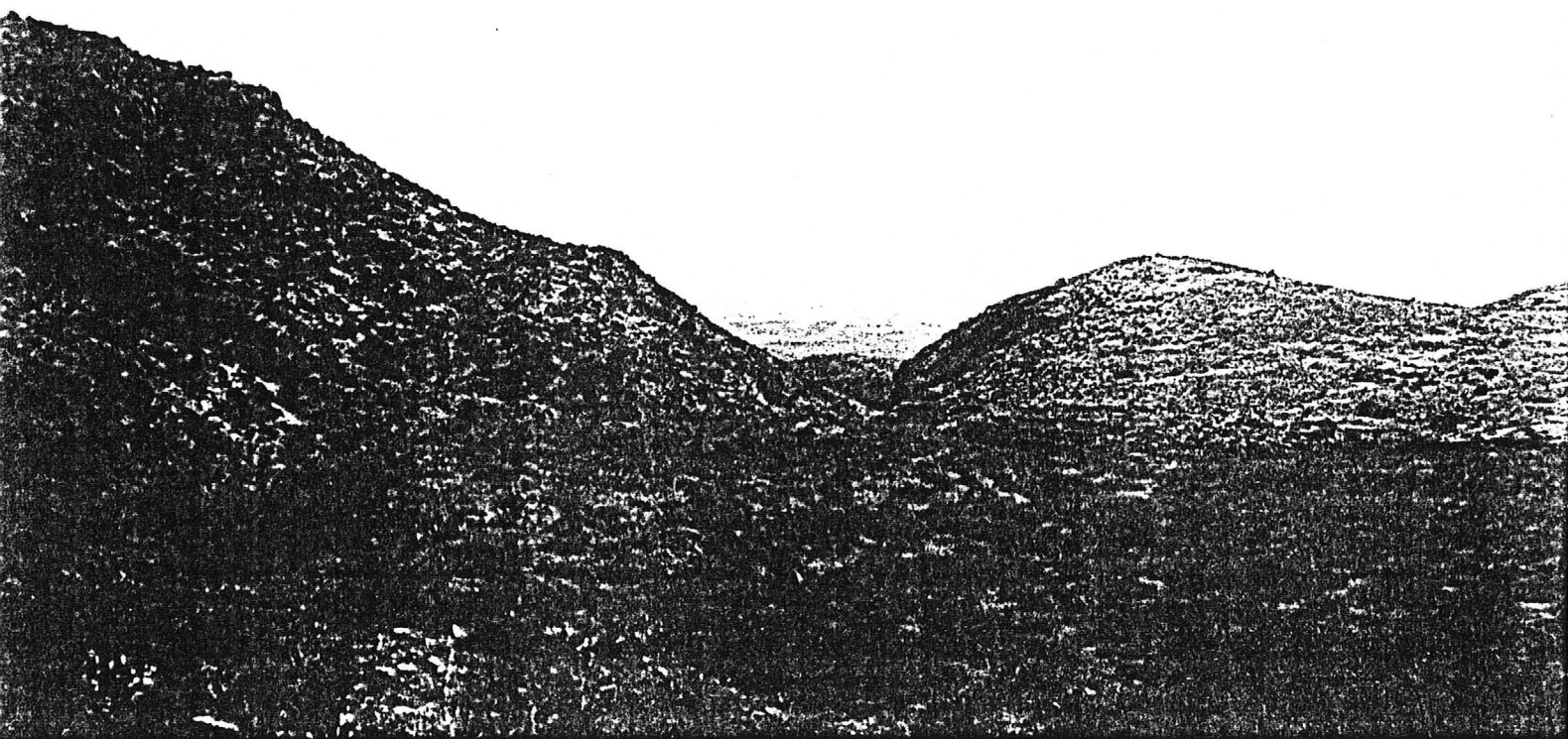


A-170-18

C-1950

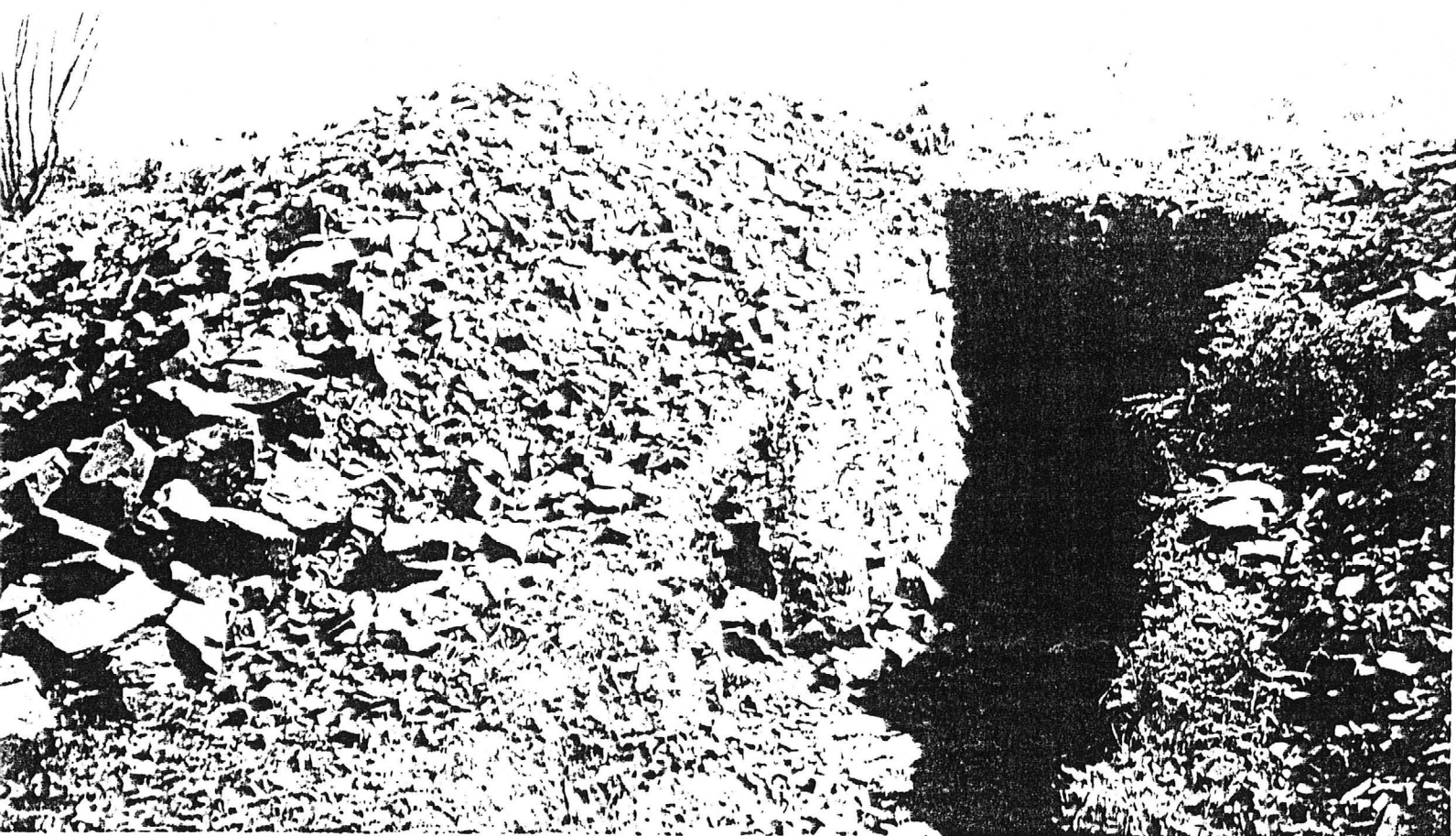
06 Diabase
Dike

06 Diabase
Dike



A-170-15

C-1750



A-170-16

C-1752

















ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES

INFORMATION FROM MINE CARDS IN MUSEUM

ARIZONA

MM-1027 Uraninite

GILA COUNTY

1523 Autunite-Uranophane

RED BLUFF CLAIMS MILS # 273

Red Bluff mine (file)

1-AKA's

CHARLES E. MARSHALL, P.C.

ATTORNEY AT LAW
SUITE 8, LUHRS ARCADE
11 WEST JEFFERSON
PHOENIX, ARIZONA 85003

(602) 258-8441

December 14, 1989

Dennis P. Roy, District Ranger
TONTON BASIN RANGER DISTRICT
P.O. Box 649
Roosevelt, Arizona 85545

Re: Reply to 2810 letter dated August 18, 1989
from Dennis P. Roy, District Ranger,
Roosevelt District, Tonto National
Forest to Charles E. Marshall re: Red Bluff
Mill sites 1 and 2 - - Plan

Dear Mr. Roy:

First of all I would like to say that it has been a pleasure working with you personally regarding the long standing procedural and administrative matters concerning the Red Bluff Mine. You seem to give out a ray of hope that these matters can be economically, practically and amicably resolved. I must say though that it is my concern that the ultimate resolution remains in the hands of the headquarters of the Tonto National Forest.

I will answer your concerns specifically but first I would like to put the matter into historical perspective.

On October 3, 1905, when President Theodore Roosevelt established the Tonto Forest Reserve of Arizona, the Red Bluff millsites were occupied by a man named Jewel. Jewel had been in occupancy of the millsites for some 18 years prior to that date - since July 6, 1887.

Work was done and roads and buildings were built on the millsites since that date. The present buildings, reservoirs and roads were completed about 1952 to 1955. No buildings, water storage or roads have been constructed since that date because these improvements were adequate. This was validly done under the mining law at that time. During that period ore was mined, shipped and sold from the adjoining mining claims.

Dennis P. Roy, District Ranger
December 14, 1989
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The core group of mining claims have been continuously occupied since 1887 with the major physical changes in the 1950's occurring on the millsites.

I came into ownership of the claims approximately 15 years ago. I have not constructed any new buildings, water storage facilities or roads.

The Forest Service has actively opposed the Red Bluff Mine since 1944, the main object being to eject the occupants from the millsites.

The Red Bluff Mine was in litigation with the Forest Service from 1958 to 1973 concerning the patent application. Since 1973 ten times more ore has been drilled out and presently exists, awaiting feasible economic conditions. In addition the geologists believe there is another 10 million lbs. U308.

Since the late 1970's the Forest Service has sought to eject the occupants of the millsites, notwithstanding the fact that their use and occupancy of the millsites is authorized by the mining law.

The most recent decision by the Tonto Forest was issued on February 25, 1988 following expensive litigation, was:

"Appellant has not demonstrated how he meets the requirements for maintaining the following on the Red Bluff Mill site claims:

- 1) 25' X 25' cabin
- 2) 18' X 50' shop building
- 3) Two 12' X 15' sheds
- 4) Various compressors, generators, vehicles, and miscellaneous barrels, pieces of steel, and so forth."

After an expensive appeal to the Southwestern District of the U.S. Forest Service, the above decision was reversed. Now we are back to the original problem.

We are now trying to resolve that problem. You have graciously travelled down to my office in Phoenix, which takes time and is expensive. I have travelled to

Dennis P. Roy, District Ranger
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Roosevelt and had a meeting with your people. I did not see you then because, I recall, you had a serious medical problem.

We have had extensive correspondence back and forth since February 1989, and I made a detailed and extensive proposal for a land trade to solve the problems. This proposal was made on March 8, 1989. You advised me that the proposal had been sent to Tonto Forest Headquarters.

On May 19, 1989 I forwarded to you a Notice of Intent to Operate regarding the Red Bluff Mine and millsites. You wrote me on June 22, 1989 requesting more time to review the matter.

On August 18, 1989 I received your latest correspondence and I will answer that now.

First of all you state that it is your belief that significant disturbance to surface resources can occur on the millsites. I understand that this statement is required under 36 CFR 228.4(A) in order for you to require me to file a plan of operation for the millsites.

I would like to emphatically state that no charges of illegal surface disturbance have been made against me, nor was that issue ever mentioned during the lengthy appeal which we have just concluded. The situation was just the same then as it is now. In that regard I hereby incorporate by reference all of the record in the previous appeal including but not limited to testimony, transcript of record, affidavits, briefs, decisions and correspondence as part of this plan.

In reply to your letter the names are:

1. Charles E. Marshall
Jefferson, Ste. 8
Phoenix, Arizona 85003

Charlie Nichols Construction Co.
General Delivery
Globe, Arizona 85501

Dennis P. Roy, District Ranger
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Leslie Cox Drilling Co.
General Delivery
Miami, Arizona

Bill Mercer
c/o Rock House Grocer
Box 10, Young Route
Globe, Arizona 85501

Van Baker
c/o Rock House Grocer
Box 10, Young Route
Globe, Arizona 85501

Joseph P. Rocco
1144 E. Jefferson
Phoenix, Arizona 85034

Andrew F. Marshall
1144 E. Jefferson
Phoenix, Arizona 85034

Del Tierra Engineering & Mining Corp.
Harvey W. Smith, E.M., President
4310 N. Brown, Ste. 3
Scottsdale, Arizona 85251

Host Ventures Inc. aka Inter-Globe Resources Ltd.
650 W. Georgia St., Ste. 2120
Vancouver, B.C. V6B 4N9

David Kuck, Geologist
General Delivery
Oracle, Arizona

2. You have an official Mineral Survey of the millsites.

3. There are four improvements that, at this time, are essential to the continued existence of the Red Bluff Mine. Until now, the Forest Service has never required a specific site plan of operations for any of these improvements, which have been on the millsites for many years without significant change. These improvements are:

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a) The road that goes to the buildings on millsite #1 and #2. That road has been there for 40 to 50 years, and was constructed by Carl Larsen and his predecessors.

b) The two reservoirs and water system on millsites. They have been there 40 to 50 years, constructed by Carl Larsen.

c) The 18' X 50' shop repair building, which is approximately 40 to 50 years old and was constructed by Carl Larsen.

d) The 25' X 25' watchman cabin, which is approximately 60 to 80 years old (maybe older) and was constructed by Carl Larsen's predecessors and rehabilitated by Carl Larsen.

In your letter you say that you recognize my need to use the millsites as my base of operation for the development of the Red Bluff mining claims. That is exactly what the millsites are used for, and the mine as well as the claims will fail without it.

At the present time because of the economy of mining I am not mining any ore, but the whole thing is ready to go into production the minute the price of uranium increases. I could start mining next week if economic conditions were right.

This is how it works: You know I need the road to get in and out. Next what is the most important ingredient to mining? It's water, and I have to keep maintaining the improvements in order to have it. I have to use pipe, pipe fittings, pipe cutters, pipe threaders, wrenches, welders, torches, wire hacksaws, trucks, trailers, bulldozers, generators, and cable of all kinds, and this equipment is stored and maintained there. I showed these to your men when they were up there. Let me give you an example.

Last week there were some 50 head of cows on the millsite. They like it there because there is water, grass, and the cattleman drops off salt at the millsite. The cows had broken a main water pipe and water was squirting 20 feet up in the air and running all over. The break had to be fixed immediately, and it was: everything was there ready to go. In addition the reservoir prevents erosion by catching water.

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I have stored in the watchman cabin, which is a facility for him to protect the area, transits, maps, measuring chain, generators, vinyl bags for ore, tools, cable, batteries, canvas, tarps, a place to do the paper work, papers, map plans. Most of this plan of operation was done at Red Bluff millsites. This facility is essential to the maintenance and protection of the mine, buildings and equipment.

All of the operators above listed and more, including geologists and workmen, use this facility.

The repair depot is just what it says. Tools for repair of equipment and facilities are stored and used there. Here is a partial list:

- 1 D-7 bulldozer
- 1 D-5 bulldozer
- 1 12KW generator
- 3 trailers
- 1 compressor for jack hammers
- 4 small generators
- 2 pumps
- 3 jack hammers and air hoses
- jack hammer steel
- 1 caterpillar diesel engine
- 2 4-wheel drive vehicles
- pipes, joints, tools for pipes
- tools to repair mine equipment
- transits and surveying equipment
- fuel, oil, grease
- surveyed location points
- 1 arc welder
- 1 acetelyne welder
- work benches
- vises
- 4 buildings
- ore samples
- 1,000,000 gallons water in 2 reservoirs 110 ft. diameter, 11 ft. deep; 110 ft. diameter, 8 ft. deep
- concrete water catchment
- reservoirs for fire
- fire extinguishers
- canvasses and tarps
- mine stakes and lumber

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scintillators and other supplies and mining equipment to numerous to list, including papers, plat maps, surveys and files.

What is going on up there now?

1. The assessment work required by the U.S. mining law.
2. Occupancy of the millsites as required by the U.S. mining law.
3. Exploration and development by drilling inside the tunnel and outside the tunnel on established drill roads.
4. Extension of the ore body from approximately 1.5 million lbs. to 10 million lbs. additional ore.
5. Pumping water from the mine tunnel when it becomes a problem.
6. Trucks, trailers, bulldozers, drill rigs come and go and are stored, repaired or maintained at the millsites. The work is done continuously throughout the year as weather permits.
7. Protection from vandalism of tools, equipment etc.
8. Maps and maintaining survey reference points which are invaluable and very expensive to replace because an entire new survey is necessary.
9. Repair of roads that get washed out
10. Repair of damage caused by cattle, vandals and hunters
11. Maintenance of the water system.

In short, I am actively engaged in the continued exploration and development of the mining claims, and the maintenance of the property and improvements.

In the past 15 years over \$2,000,000 has been expended in development of the Red Bluff Mine, a 1600 foot tunnel has been developed in the ore body. My occupancy up there is absolutely necessary and is without question reasonably incident to the mining operations. The real question is do I abandon all of the claims and the millsites because the price of U308 is temporarily down and because the Forest Service continues to try to evict me by causing endless legal expense, administrative expense and time expense while turning down reasonable trade solutions to the problem.

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These are hard economic times. The largest bank in Arizona, Valley National Bank for the first time ever has just failed to pay a dividend. The same for Arizona Public Service aka Pinnacle West.

For example, in the order on the last appeal the Forest Service geologist and other Forest Service personnel's solution to the problem was to tear down all the buildings remove the equipment and rent a yard in Globe to store the equipment then bring it out when it is needed. Not only is this idea a ridiculous and expensive approach but by doing it I am precluded from occupying the millsites as required by the U.S. mining law.

All of these various appeals and flying experts over to Albuquerque cost me \$20,000 and we are still at the same place as we were before except now you are part of the new team that has come in to solve the same problem.

I have not, nor have the buildings or equipment on the millsites, caused anyone any trouble. There is absolutely no evidence of any failure to meet the many regulations that are imposed.

Just think for a moment how much time and money we have spent on this point since only February 1989 and the problem is still not resolved. Next year a different Forest Service Ranger will come in and want me to do something different and more expensive.

The bottom line is that if I cannot keep my mining equipment on the millsites under protection as I have for the past 15 years, then it is economically impossible to the assessment work, development work and exploration work necessary to hold the claims under the mining law.

I propose conditionally, because I am afraid this present situation is going to have to be appealed all the way back up again to Albuquerque and then to United States District court, that I be responsible for the four items mentioned above, namely,

1. The road on the millsites.
2. The 18' X 50' shop repair building.
3. The 25' X 25' watchman cabin.
4. The two reservoirs and water system on the millsites.

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I conditionally agree to take the following action and if the millsites are abandoned:

1. Take down the 25' X 25' building and cover it over with the bulldozer.
2. Take down the repair depot and cover it over with the bulldozer.
3. Leave the road on the millsites as is because the cattlemen need it and it serves a good purpose.
4. Leave the reservoirs as they are because they serve a good purpose and prevent erosion.

Please note I did not construct items 1, 2, 3 and 4. They were constructed validly under the mining law many years ago and have been used for purposes relating to mining throughout that period.

Of course all of this is of no significance if the Cherry Creek trade is made and I have not heard from you on that matter.

I have just received a letter dated October 17, 1989. Reply to 5430 from the Headquarters of the Tonto National Forest turning down the proposed land trade. This does not change the situation at the Red Bluff but it does change the situation at Cherry Creek.

I believe, and continue to believe, that the trade makes sense for everyone involved. I have always been willing to cooperate with the Forest Service and other users of the National Forest. I am aware of the general policy of the Forest Service to avoid the creation of "islands" of private land. However, thousands of islands exist, and the present situation is exceptional. I can only assume that the Forest Service is unwilling to work out an amicable solution to this problem.

You are hereby advised that the permission I gave to the Forest Service at their request some 10 years ago to cross my property at Cherry Creek is hereby WITHDRAWN. Please advise all of your personnel.

I have remeasured the millsites and can get by with approximately 7.9 acres instead of the 10 acres and I am willing to trade the 30 acres at Cherry Creek for that amount.

Dennis P. Roy, District Ranger
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In anticipation of possible litigation over this matter I am sending a copy to the United States Attorney.

Sincerely,



Charles E. Marshall

CEM/paf

cc: David F. Jolly, Deputy Regional Forester
Southwestern Region

David S. Steele
Assistant to Senator DeConcini

Lisa Jackson
Assistant to Congressman Stump

Pamela Barbey
Assistant to Congressman Kyl

Stephen M. McNamee
United States Attorney

Leroy Kissinger, Director
Dept. Mines and Mineral Resources

Adolph B. Trujillo
Gila County Board of Supervisors

Norman D. James
Attorney for Charles E. Marshall

Leo Corbet, Esq.

Harvey Smith, Engineer

Andrew F. Marshall, Esq.

Joseph P. Rocco, Esq.

Charlie Nichols Const. Co.



Red Bluff file

STATE OF ARIZONA
DEPARTMENT OF MINERAL RESOURCES

MINERAL BUILDING, FAIRGROUNDS
PHOENIX, ARIZONA 85007

602/271-3791

To: John H. Jett, Director
From: Ken A. Phillips
Subject: Claim staking and leasing activity in Sierra Ancha
Mountains, circa June, 1976
Date: December 9, 1976

The following notes were obtained from Brad Powell, Recreation and Lands Staffman for the Pleasant Valley Ranger District of the Tonto National Forest.

The following claims and/or claim groups within the Ranger District have been either leased, optioned or sold to Wyoming Minerals Corporation:

Bull Canyon	Wilma
Oak Creek	M&M
Griffith	Pine Ridge
C&F	Rhoda & Lucky Stop
Cox	Little Joe
Red Bluff	Big Joe
Falls Asbestos	Hope
Horsecamp	Workman
Pendleton	Lone Pine
Blevins/Windy/Buckaroo	Turner

In addition, Wyoming Minerals has staked claims in their own name.

Al Brown, apparently an agent for Rocky Mountain Energy, is actively buying claims as well as staking numerous new claims.

B&B Mining has been active along Cherry Creek.

Both the Red Bluff and the Armer Mountain properties are owned by Charles Marshall of Globe.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Red Bluff Mine

Date April 28, 1954

District Sierra Ancha District ----Gila Co.

Engineer Axel L. Johnson

Subject: Field Engineers Report.

Location 3 1/4 miles north of Globe. Take Highway # 88 north from Globe, and turn right on Young Highway. Go north on Young Highway, pass side road to left going to A-Cross ranch, and drive 2 miles further north. Mine is on right about 1/4 mile east of road.

Number of claims 21 unpatented claims. Some of the claims have been held by former owner, Carl Larsen, for a number of years. Some new claims is said to have been located by Mr. Larsen late in 1953, and early in 1954. No new claims located by present owners, who acquired the property in latter part of February. Map shows all claims to be outside of the Sierra Ancha Experimental Forest withdrawal.

Owners Pittston Company, New York City

Operators Same as above.

Officers J. Stinson Young, Vice-Pres. (brother of Robert Young ~~of~~ of New York Central)
L. J. Brewer, Mine Supt., Young Route, Globe, Arizona.

Principal Minerals Uranium ore, principally in the form of uraninite.

Number of Men Employed 12

Production Rate No definite production rate on account of exploration and development activities, with stockpiling of the ore removed. May run from 10 to 20 tons per day. Operators expect to produce approximately 2 tons of sorted ore per man employed after the production gets into full swing.

Topography Mountainous. Moderately steep slopes with deep canyons. Very little vegetation.

Geology The Uranium ore is found in the Dripping Springs Quartzite formation near a diabase dyke, which may be genetically related to the ore deposition. The quartzite beds are almost horizontal and contain narrow fissures and cracks almost vertical and striking at right angles to the diabase dyke. The Uranium ores are found principally in these vertical fissures and cracks in the quartzite, extending ~~for~~ for a few inches to a couple of feet on each side of the center of the fissure. Uranium ores are also found as a partial replacements in certain favorable horizons in the quartzite formation. (Note:- The above Geology determined from explanations by L. J. Brewer, Mine Supt., and by personal inspection with Mr. Brewer and a Geiger counter.

Ore Values The ore is found principally in the form of uraninite, with a large number of additional associated uranium minerals. The ore is hand sorted with the help of a Geiger Counter (Detectron). The approximate average of the hand sorted ore is about 0.22 U₃O₈ according to estimate by L. J. Brewer, Mine Supt.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine Red Bluff No.1, Red Bluff No.2

Date March 13 and 14, 1950

Ethel Schell Larsen, Young Route, Globe.

District Sec.31, T 5 N, R 14 E, in Tonto Nat. Forest. Engineer J.E. Busch, A.L. Flagg

Subject: Validity of mining claims.

Adverse charges have been filed by Forest Service against Red Bluff No.2, under date of December 14th, 1949 claiming

- (1) That no discovery of valuable mineral in rock in place has been made on claim, and
- (2) That said mining claim was taken and is being held for residence and recreational purposes and not for bona fide mining or milling purposes.

Phoenix Office contest No. 9868

Charges have been denied and hearing asked. No date set

Records in office of Clark & Coker, Attorneys, Bank of Douglas Bldg., Phoenix.

Claim was located in 1927.

Living witnesses can testify that the claims (1 and 2) have been occupied continuously since 1891. Development of water on No.1 dates from 1891.

Mineralization occurs in a fault breccia just under the face of a Troy quartzite bluff on a contact between diabase and quartzite. The strike of the contact is S 70 East, dip southwest 68 degrees.

A series of shallow holes have been made along the strike from Griffin Creek to Warm Canyon. The most extensive working is an adit level from Warm Canyon which is closed by a cave at the portal. Copper carbonates show here and native copper is reported to have been found. A short adit on the opposite side of Warm Canyon was not visited.

Testing with Geiger counter along the outcrop and in the shallow openings showed low radioactivity.

Sample of the water from the spring in Griffin Creek was submitted to the U.S. Bureau of Mines Station at Tucson. Report: "Shows an appreciable trace of uranium."

Sample from material in place, 50-ft east of location on No.1 claim; across 18 inches of breccia 0.03 oz gold, 0.68 oz silver.

Sample from material in place, shallow hole 30-ft east of above sample: 0.02 oz gold; 0.88 oz silver. Across 8 inches of soft yellow material next to foot-wall.

Sample No.3, shallow hole about 12-ft east of No.2; 8 inches of red breccia next to sample No.2: 0.03 oz gold; 1.16 oz silver. (Same sample re-run for others showed appreciable amounts of lead and zinc.

Red Bluff No.1, Red Bluff No.2: Continu

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine

Date

District

Engineer

Subject:

On mesa above bluff Troy quartzite shows readings on Geiger counter from 3 to 10 times back-ground count.

Sample from sides, face of open cut (location) of Red Bluff No.5 submitted to U.S.Bureau of Mines, Tucson. Report "0.19 % U_3O_8)"

Sample from quartzite in bottom of Warm Canyon, by location monument of Red Bluff No.3 submitted to U.S.Bureau of Mines, Tucson. Report: "0.73% U_3O_8 "

A.L.F and Chas H.Dunning visited property later with Dr.Wright, geologist for Atomic Energy Commission, to show him where the property lies and introduce him to Larsens.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine · RED BLUFF Date 9-25-62
District SIERRA ANCHA DIST., GILA CO. Engineer Lewis A. Smith
Subject: Mine Visit and Conference with Carl Larsen, P. O. Box 248, Globe (9-25-62).

Location: NE $\frac{1}{4}$ Sec 6, T4N, R14E
E $\frac{1}{2}$ Sec 31, T5N, R14E

Property: 11 claims (3 surveyed for patent.)

Owner: Carl Larsen, P. O. Box 248, Globe, Arizona

Minerals: Uranium and Iron.

Operations: Wm. Cline of Globe and Larsen are shipping small lots of iron ore to Western Rolling Mills and small foundries. The assay reports indicate that the ore runs close to 60 percent iron and under 3 percent silica. This ore comes from a 15 to 20 foot bed of magnetite which apparently replaces Mescal limestone. The reserve is good. The hand specimens show some altered epidote or olivine. The ore bed is situated a little above a thick diabase sill in the NE part of the claims. It circles a high mountain (C) in picture.

The Uranium mine is idle.

19 diamond drill holes were drilled on the uranium deposits. (These were inclined at 45 degrees). The total footage was 1119 feet (including 3 wagon drill holes on a seventy degree incline). The diamond drill footage totaled 1045 feet. An adit (4x7 feet) was driven 200 feet on a bearing of S70°E. At 105 feet from the portal a 73-foot crosscut was driven on a bearing of S20°W. Two vertical raises were driven, one to 16 feet near the E end of the adit, and in the crosscut, up to 28 feet.

\$43,000 were expended in all for development, \$14,599 in drilling.

History-Shipments: Uranium Corp. of America did some exploratory drilling in about 1955. This was done on the Redbird No's 3 and 4 claims. A discovery shaft 6 x 6 x 30 feet sunk on No. 6 claim. This shaft bears N82°W. Shipments were made to Anaconda, at Bluewater, M.M. and these totaled 977,012 lbs. @ 0.371 percent of U₃O₈ and were valued @ \$16,157.

Sierra Ancha Mining Co. shipped 1682 tons @ 018 percent and 892 tons @ 017 percent of U₃O₈. They also shipped 872 tons @ 0.09 to Cutter.

Geology: The uranium is found in the Dripping Spring Quartzite on both sides of a reverse fault that strikes N20 degrees E and dips 60 degrees W. The east block was down-dropped about 250 feet. A diabase dike separates the high mine workings in the W block from lowest E workings. The uranium minerals in the W block occur in vertically tabular ^{bodies} and ^{are} generally coincident with the fractures trending N70°W. The host rock is bleached iron stained

silt-stone and fine grained quartzite. Drill results in the east block indicate that the uranium mineralization may be longitudinally along the footwall of the dike, in 3 stratigraphic intervals, but locally crosses the bedding planes of the quartzite. The ore zones range from 6 - 75 feet in the lower 2 zones and 2 feet in the upper zone .

The iron deposit is a bed of magnetite replacing ^Mmesal limestone. It varies from a few feet to 20 or more feet. The iron mineral is magnetite and this contains variable small amounts of epidote (?) or olivine (?). The grade is said to run between 57 and 61 percent iron with low silica.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Page 2

Mine Red Bluff Mine

Date April 28, 1954

District Sierra Ancha District ---Gila Co.

Engineer Axel L. Johnson

Subject: Field Engineers Report ----continued from page 1.

Ore in Sight and Probable The company is now exploring the different fissures and ore horizons on the property, but no definite figures of "ore in sight" can, as yet, be determined. 350 tons of ore has been stockpiled, awaiting a contract from the AEC. Exploration work is being conducted on four different fissures and ore horizons, and the ~~probabilities~~ probabilities seem to indicate that several other fissures and ore horizons will be found, and that a considerable tonnage of ore will be developed. The ore fissures are from 1 ft. to 4 ft. in width, but the length and depth of these fissures have, as yet, not been determined. In addition to this, a few favorable horizons, not of the fissure type, have been found in the quartzite. (See description under "Geology").

Milling and Marketing Facilities The ore will be hauled by truck to a spur at Radium, a distance of 28 miles. It will then be shipped to Blue Water, N. Mex. (Anaconda plant).

Present Mine Workings The company is now doing exploration and development work, and stockpiling the ore from same. Shipments of ore to Blue Water, N. Mex. is expected to start in a few days. Several open cuts, about 4 ft. wide and from 6 ft. to 20 ft. deep, have been cut into the bank, following the ore fissures. In the longest one of these cuts, where operations are now concentrated, the ore is shoveled by hand into an ore car, then trammed out and dumped on a platform, where it is hand sorted with a Geiger counter. Following this, the ore is loaded on a truck and hauled to the stock pile, where it is presently stockpiled for future shipment. This is rather an expensive operation. Mr. Brewer, Mine Supt., estimates the present mining cost at about \$20 per ton. Mr. Brewer also estimates the break-even point on the Uranium ore is now about 0.20 % U_3O_8 with the government bonus payments for the first 10,000 pounds, and would be about 0.34 % U_3O_8 , without these bonus payments. Present estim. aver. of the ore is 0.22 % U_3O_8 (See "Ore Values"). The company will receive the government bonus for the first 10,000 pounds of ore shipped. However, part of this has already been shipped by the former owner, Mr. Larsen.

Past History This property was owned by Carl Larsen, 808 1/2 Anderson St., Globe, Ariz. for a number of years. Mr. Larsen located the claims, and did work on same for a number of years. Mr. Larsen first discovered the presence of Uranium, and did some exploration work and drilling on the property. He also shipped about 500 tons of Uranium ore to the AEC, receiving the customary bonus for same. Analysis of the ore shipments apparently confidential. Property purchased by present owners from Mr. Larsen in latter part of Feb. 5 mining operations being started by present company on March 26, 1954. Exploration and development to date. 350 tons stockpiled. No shipments.

Proposed Plans Company plans to put on more men as the work progresses. They expect to start a second shift next week, and to work about 30 men after a few months.

General Remarks Operations, at present, while exploration and ~~development~~ development work is in progress, may be called marginal, as indicated by the estimated average of 0.22 % U_3O_8 , despite the government bonus on the ore. After the first 10,000 pounds of U_3O_8 has been shipped, in order for the company to make a profit on the operations, they must (a) reduce their mining costs per ton of ore substantially, and (b) produce ore of a higher U_3O_8 content. Requirement (a) is possible to some extent, and requirement (b) is probable.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA FIELD ENGINEERS REPORT

Mine RED BLUFF Date 9-25-62
District SIERRA ANCHA DIST., GILA CO. Engineer Lewis A. Smith
Subject: Mine Visit and Conference with Carl Larsen, P. O. Box 248, Globe (9-25-62).

Location: NE $\frac{1}{4}$ Sec 6, T4N, R14E
E $\frac{1}{2}$ Sec 31, T5N, R14E

Property: 11 claims (3 surveyed for patent.)

Owner: Carl Larsen, P. O. Box 248, Globe, Arizona

Minerals: Uranium and Iron.

Operations: Wm. Cline of Globe and Larsen are shipping small lots of iron ore to Western Rolling Mills and small foundries. The assay reports indicate that the ore runs close to 60 percent iron and under 3 percent silica. This ore comes from a 15 to 20 foot bed of magnetite which apparently replaces Mescal limestone. The reserve is good. The hand specimens show some altered epidote or olivine. The ore bed is situated a little above a thick diabase sill in the NE part of the claims. It circles a high mountain (C) in picture.

The Uranium mine is idle.

19 diamond drill holes were drilled on the uranium deposits. (These were inclined at 45 degrees). The total footage was 1119 feet (including 3 wagon drill holes on a seventy degree incline). The diamond drill footage totaled 1045 feet. An adit (4x7 feet) was driven 200 feet on a bearing of S70°E. At 105 feet from the portal a 73-foot crosscut was driven on a bearing of S20°W. Two vertical raises were driven, one to 16 feet near the E end of the adit, and in the crosscut, up to 28 feet.

\$43,000 were expended in all for development, \$14,599 in drilling.

History-Shipments: Uranium Corp. of America did some exploratory drilling in about 1955. This was done on the Redbird No's 3 and 4 claims. A discovery shaft 6 x 6 x 30 feet sunk on No. 6 claim. This shaft bears N82°W. Shipments were made to Anaconda, at Bluewater, N.M. and those totaled 977,012 lbs. @ 0.371 percent of U₃O₈ and were valued @ \$16,157.

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Geology: The uranium is found in the Dripping Spring Quartzite on both sides of a reverse fault that strikes N20 degrees E and dips 60 degrees W. The east block was down-dropped about 250 feet. A diabase dike separates the high mine workings in the W block from lowest E workings. The uranium minerals in the W block occur in vertically tabular ^{beds} and ^{are} generally coincident with the fractures trending N70°W. The host rock is bleached iron stained

silt-stone and fine grained quartzite. Drill results in the east block indicate that the uranium mineralization may be longitudinally along the footwall of the dike, in 3 stratigraphic intervals, but locally crosses the bedding planes of the quartzite. The ore zones range from 6 - 75 feet in the lower 2 zones and 2 feet in the upper zone .

The iron deposit is a bed of magnetite replacing ^Mmesoal limestone. It varies from a few feet to 20 or more feet. The iron mineral is magnetite and this contains variable small amounts of epidote (?) or olivine (?). The grade is said to run between 57 and 61 percent iron with low silica.

RED BLUFF MINE

GILA COUNTY

Phillips Petroleum were exploring for Uranium on the Red Bluff Claims in the Sierra Ancha District.

FTJ Quarterly Report 7/1/68

RED BLUFF MINE

GILA

JHJ 3/19/76 - Optioned by Wyoming Minerals Corp. (Westinghouse Electric Co. subsidiary). Mr. Howard Urban will be resident engineer. Will set up drill to core between surface showings (veins) also took several State leases and optioned about 15 other properties.

Howard T. Urban of Wyoming Minerals is establishing an Arizona uranium operations office in Miami. They will be doing some drilling on the Red Bluff property. Frank Ludeman is presently assisting in the office set-up, but soon will be returning to their Wyoming operation. KAPWR 3/19/76



Field interview with Dave Kuck, a consulting mining engineer and geologist with Wyoming Minerals, in regard to the work that they are doing. Mine visit with Ken Phillips at the Red Bluff property of Wyoming Minerals (Westinghouse). The property is being drilled with an Aardvark drill. GWI WR 6/23/76

**THE
ARIZONA
REPUBLIC**

**Section D (Page 1)
Thurs., Feb. 10, '77**

RED BLUFF MINE

GILA COUNTY

At Red Bluff Mine, Gila Co., Wyoming Minerals have completed their underground bulk sampling program which has left some 5,000 ton of uranium bearing rock stockpiled on a pad. 11/27/78 a.p., KP/WR 6/27/78

KP/WR 2/23/79 - Charles Marshall owner reported that the property was leased to Wyoming Minerals and that the firm has mined around 25,000 tons of ore which is stockpiled near the mine. Mr. Marshall has reinitiated patent application on the claim. The previous application was finally denied at a time when uranium prices were very low. 4/18/79 a.p.

NJN WR 2/21/86: Fred Hohne called seeking information regarding what qualified as assessment work. He reported that he is still with the Westinghouse subsidiary Wyoming Mineral Corp. (f) and manages their Gila county uranium properties. They have had problems with people entering their mine workings and are planning to put lockable entries on the portals for safety reasons. This activity will probably take place at the Lucky Stop Group (f) and Red Bluff Mine (f).

NJN WR 9/25/87: Fred Hohne(card) reported that he is no longer working for Wyoming Minerals Corp (file) but now works for Malapai Minerals, a subsidiary of Pinnacle West (APS). Most of what was Wyoming Minerals Corp has been sold to Energy Fuels maintains their uranium properties in the Sierra Anchas and have hired a Globe person to look after them. The properties include the Red Bluff (file) and the Lucky Stop (file) Gila County. The address for Westinghouse is 3900 S. Wadsworth Blvd., Denver, Colorado. Hilde Tomooka is the company contact.

Rocky Mountain Geochemical Corporation

P. O. BOX 2217
SALT LAKE CITY, UTAH 84110

Phone 322-2396
Area Code 801

CERTIFICATE OF ANALYSES

Date April 26, 1968

Page 1 of 1

Client

Report on: 12 drill cutting samples

Submitted by:

Date Received: April 22, 1968

Analysis: U_3O_8

Remarks: Analyses determined colorimetrically.
Job No. 68-9-6 SL

cc: Enc.
file

LRR:ktg

Sample No.	% U_3O_8	Sample No.	% U_3O_8
150-185 1	0.163	210-215 7	0.150
185-190 2	0.079	215-220 8	0.205
190-195 3	0.150	220-225 9	0.378
195-200 4	0.064	225-230 10	0.615
200-205 5	0.016	230-235 11	0.183
205-210 6	0.024	235-240 12	0.123

By

Lawrence R. Reid

All values are reported in parts per million unless specified otherwise. A minus sign (-) is to be read "less than" and a plus sign (+) "greater than." Values in parenthesis are estimates. This analytical report is the confidential property of the above mentioned client and for the protection of this client and ourselves we reserve the right to forbid publication or reproduction of this report or any part thereof without written permission.

ND = None Detected

1 ppm = 0.0001%

1 Troy oz./ton = 34.28 ppm

% Mo x 1.6033 = % MoS_2

Rocky Mountain Geochemical Corporation

P. O. BOX 2217
SALT LAKE CITY, UTAH 84110

Phone 322-2396
Area Code: 801

CERTIFICATE OF ANALYSES

Date June 4, 1968

Page 1 of 2

Client

Report on: 20 rock chip samples

Submitted by:

Date Received: May 27, 1968

Analysis: U308

Remarks: U308 determined by Colorimetrically.
Job No. 68-13-5 SL

cc: Enc. ✓
File (2)

LRR:dc

All values are reported in parts per million unless specified otherwise. A minus sign (—) is to be read "less than" and a plus sign (+) "greater than." Values in parenthesis are estimates. This analytical report is the confidential property of the above mentioned client and for the protection of this client and ourselves we reserve the right to forbid publication or reproduction of this report or any part thereof without written permission.

— None Detected

1 ppm = 0.0001%

1 Troy oz./ton = 34.28 ppm

% Mo x 1.6633 = % MoS₂

<u>Sample No.</u>	<u>% U308</u>	<u>Sample No.</u>	<u>% U308</u>
24 190-195	.064	27 240-245	.093
24 195-200	.133	27 245-250	.059
27 200-205	.012	27 250-255	.215
27 205-210	.052	27 255-260	.135
27 210-215	.013	27 260-265	.064
27 215-220	.038	27 265-270	.016
27 220-225	.078	27 270-275	.018
27 225-230	.113	28 225-230	.051
27 230-235	.062	28 250-255	.014
27 235-240	.052	28 255-260	.079

Rocky Mountain Geochemical Corporation
Salt Lake City, Utah June 4, 1968

By

Lawrence R. Reid
Lawrence R. Reid



UNITED STATES
ATOMIC ENERGY COMMISSION

GRAND JUNCTION OFFICE

GRAND JUNCTION, COLORADO 81501

August 14, 1974

Mr. Charles E. Marshall
603 Luna Tower
Phoenix, Arizona 85003

Dear Mr. Marshall:

Attached in response to your letter dated August 2, 1974, are the following items you requested from our file on the Red Bluff property:

1. Certificate of assay dated 9-29-60
2. Plate 8 R.M.E. 2062
3. Plate 9 R.M.E. 2062
4. Pages 64, 65 and part of page 66, R.M.E. 2062

A minimum charge of \$3.00 is outlined on the attached sales/invoice. I hope this information will help you.

Sincerely,

Maurice V. Hansen
Staff Geological Engineer
District Resource Evaluation Branch
Resource Division

Enclosures:
(As stated above)

*I received this from AEC on
also state - pertains to 33,000 tons*

Red Bluff claims

The Red Bluff claims are in Sec. 31, T. 5 N., R. 14 E., on the southern flanks of the Sierra Ancha Mountains. This is the site of the original uranium discovery in Gila County in 1950. Between 1950 and 1954 Carl Larson worked the property and shipped nearly 500 tons of ore reported to contain an average of 0.38 percent U_3O_8 .

The Red Bluff ore bodies are present on both sides of a N. 20° E. steeply dipping reverse fault intruded by a 150-foot thick diabase dike. Vertical displacement is about 250 feet with the east block down.

In the west block (pl. 8) ore bodies are vertically tabular and are generally coincident with N. 70° W. fractures. The host rock consists of bleached and iron-stained siltstone and very fine-grained quartzite.

In the east block (pl. 9) results from drilling indicate that the ore may be horizontally tabular and elongate along the dike. The ore appears to be localized in three favorable stratigraphic intervals but locally crosses bedding. Drilling results indicate a strike length of over 275 feet and widths in excess of 50 feet. Thicknesses range from 6 to 25 feet in the lower two ore bodies and average about two feet in the upper zone. The thickness and tenor of the ore appear to decrease away from the dike. Ore present below drift level throughout the 200-foot length of adit #12 may represent extensions or fingers of the main ore bodies following east-southeasterly fractures.

A 100-foot drift about 150 feet southerly from adit No. 12 exposed abnormal radioactive material but ore was not developed. An 81-foot hole, W-11, at a point 310 feet northerly from adit No. 12 penetrated barren rock and no exploration was undertaken beyond this point.

Ore reserve calculations

Indicated ore

West block (pl. 7)

Adit 4:	36x6x4	=	72 tons at 0.25%
Adit 5:	30x6x5	=	75 tons at 0.25%
Adit 6:	64x5x5	=	133 tons at 0.30%
	64x6x4	=	128 tons at 0.30%
Adit 7:	64x6x3	=	96 tons at 0.25%
Adit 8:	105x6x4	=	210 tons at 0.25%
<hr/> Total west block			714 tons at 0.27%

East block (pl. 8)

Upper ore body	90x12x2½	=	225 tons at 0.17%
Middle ore body	90x36x9	=	2,430 tons at 0.14%
	82x24x10	=	1,640 tons at 0.15%
	100x18x10	=	1,500 tons at 0.20%
	84x12x8	=	672 tons at 0.21%
	96x15x3	=	360 tons at 0.22%
Lower ore body	90x64x15	=	7,200 tons at 0.20%
	210x52x8	=	7,280 tons at 0.22%
	100x42x8	=	2,800 tons at 0.32%
	95x35x9	=	2,494 tons at 0.23%
<hr/> Total east block			26,601 tons at 0.21%

Total indicated

ore 27,315 tons at 0.21%

Inferred ore

West block (pl. 7)

Adit 4:	12x12x2	=	24 tons at 0.15%
Adit 5:	12x12x4	=	48 tons at 0.20%
Mineralized fracture zone between Nos. 5 and 6 adits			
	75x12x4	=	300 tons at 0.15%
<hr/> Total west block			372 tons at 0.16%

Inferred ore (continued)

East block (pl.)

Extension of upper ore body

30 ft. to north: 30x12x2½ = 75 tons at 0.15%

12 ft. to east: 90x12x2 = 180 tons at 0.12%

Extension of middle ore body

30 ft. to north in drift: 30x18x4 = 180 tons at 0.18%

12 ft. to east: 172x12x5 = 860 tons at 0.12%

Extension of lower ore body

30 ft. to north: 30x40x10 = 1,000 tons at 0.17%

30 ft. to south: 30x40x3 = 800 tons at 0.25%

below drift and

east of x-cut: 75x12x3 = 225 tons at 0.21%

12 ft. to east, north of drift: 250x12x5 = 1,250 tons at 0.18%

triangle south of

drift: 72x18x9 = 972 tons at 0.20%

Total east block 5,542 tons at 0.18%

Total inferred ore 5,914 tons at 0.18%

Our research department has recently completed some metallurgical tests on the bulk samples which we took from your stockpile last with the following results:

Head Assays:

	<u>% U3O8</u>	<u>% V2O5</u>	<u>% S</u>	<u>% SO4S</u>	<u>% CaO</u>	<u>% Insol</u>
Lot 23212 (Low grade broken ore near main cut.)	.054 ^(1.1 lbs)	nil	1.2	nil	.15	85.7
Lot 23213 (Highgrade stockpile)	.846 ^(17.0 lbs)	nil	2.7	nil	.05	84.1

Test for amenability to treatment by the caustic leach process to be used in the Bluewater plant near Grants, New Mexico:

% U3O8 Extracted from Ore

Lowgrade Lot 23212	-----	48.1 %
Highgrade Lot 23213	-----	40.8 %

Test for amenability to treatment by the acid leach method:

% U3O8 Extracted from Ore

Lowgrade Lot 23212	-----	<u>86.1 %</u>
Highgrade Lot 23213	-----	<u>94.6 %</u>

Acid leach tests

LET 300000
CHARLES E. MARSHALL, P.C.
ATTORNEY AT LAW
SUITE 8, LUHR'S ARCADE
11 WEST JEFFERSON
PHOENIX, ARIZONA 85003

(602) 258-8441
September 8, 1988

RECEIVED

SEP 12 1988

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Phoenix, Arizona 85003

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Asst. to Congressman Kyl
4250 E. Camelback, #140K
Phoenix, Arizona 85018

Re: Tonto National Forest
Appeal by Charles E. Marshall

Dear Sirs and Madams:

You will find enclosed a copy of the decision of the Forest Service on Appeal.

WE WON!

I personally believe this is the best possible decision we could have received from the Forest Service itself. I want to thank each and every one of you for your assistance.

What I am hoping is that the Forest Service will see its way clear to solve the problem completely by approving a trade of the property in Cherry Creek for the Red Bluff mill sites as suggested in the decision. This matter is not closed now and I will keep each one of you informed as the matters proceed.

THANKS AGAIN.

Sincerely,



Charles E. Marshall

CEM/pah
Enclosure



United States
Department of
Agriculture

Forest
Service

Southwestern
Region

51, Green Avenue S.E.
Albuquerque, NM 87102-0084
(505) 842-3275

Reply To: 1570 (LM)

Date: August 31, 1988

RECEIVED
SEP 12 1988

Mr. Norman D. James
Ryley, Carlock & Applewhite
2600 Arizona Bank Building
101 North First Avenue
Phoenix, AZ 85003-1973

CERTIFIED MAIL--RRR

RE: Tonto NF--Charles Marshall Appeal Under 36 CFR 228

Dear Mr. James:

This is in response to your March 24, 1988, appeal, on behalf of Charles Marshall, of an initial decision by District Ranger Delbert Griego, dated July 13, 1987, and a subsequent affirmation of that decision by Forest Supervisor James Kimball, dated February 25, 1988. The decision in question required Mr. Marshall to "remove all structures, miscellaneous materials, equipment (not actively engaged in mining activity) from National Forest land and rehabilitate the site by January 31, 1988." A stay of the subject decision has been in effect since August 31, 1987, through the present. The subject decision was issued specifically with respect to Ethel Schell Larsen's Red Bluff Mill Site Nos. 1 and 2 millsites (AMC 43827 & 43828), located in T. 5 N., R. 14 E., G&SRM, Sec. 31, and T. 4 N., R. 14 E., G&SRM, Sec. 6.

Background

The history and background, as outlined in Forest Supervisor Kimball's Decision of February 25, 1988, fully describes events to that date (except that Ranger Griego's Responsive Statement was dated October 1, 1987, not December 1, 1987). Since that time, Forest Supervisor Kimball filed a Responsive Statement on April 5, 1988. In addition, you were granted an oral presentation on June 1, 1988, and you submitted, on June 21, 1988, a transcript of that presentation which is part of the record.

Analysis of Issues Related to the Decision

Many of the issues raised by the appellant are not directly related to the Decision. Here, I will address only those issues which relate directly to the Decision. Analysis of other issues raised by the appellant is appended to this decision.





Some of the original Points of Appeal, as outlined in the District Ranger's Responsive Statement and Forest Supervisor's Decision, were adequately addressed and I will not add additional discussion. However, some require further analysis which follows. Points E, G, H and J require no additional comment. Points C, D, F, L and M are addressed in the attachment to the Decision.

- A. "Millsite claims have been and continue to be, used and occupied solely in conjunction with ongoing mining operations and activities."

We are only concerned with current occupancy and use of the millsites [note that, although the millsites (prior locations) were apparently occupied in the 1970's, they were declared null and void (9 IBLA 247) on February 2, 1973]. However, a thorough review of the record fails to show documentation that the current millsites are not "used and occupied solely in conjunction with ongoing mining operations and activities". The record contains numerous affirmative statements by Mr. Marshall and other affiants that the current millsites are used and occupied solely for mining purposes.

The record also contains numerous subjective opinions by Forest Service personnel such as: (1) "I personally believe that actual use of the millsite facilities for mining and milling purposes has been extremely limited" (emphasis added); (2) "The use and occupancy do not appear to be necessarily incidental to mining, milling or processing" (emphasis added).

The Forest Supervisor's decision of February 25, 1988, includes the following statement:

"Appellant has not demonstrated how he meets the requirements for maintaining the following on the Red Bluff Mill site claims:

- 1) 25' X 25' cabin
- 2) 18' by 50' shop building
- 3) Two 12' x 15' sheds
- 4) Various compressors, generators, vehicles, and miscellaneous barrels, pieces of steel, and so forth."

The record does not support this statement. As early as January 16, 1980, (item D, District Ranger's Responsive Statement) Mr. W. T. Elsing supplied a statement to then District Ranger Buckner documenting need and use of the subject facilities and equipment.

Finally, the District Ranger stated in his Responsive Statement, "My decision, dated July 13, 1987, was not made on any documented evidence that the use and occupancy of the millsite claims were non-mining related such as for residential or recreational purposes."

I find, based solely on the Record, that Mr. Marshall's use and occupancy of the subject millsites is solely in connection on-going mining operations and activities.

- B. "It is not only convenient but necessary to use the millsite claims for equipment and machinery storage, maintenance and repair and as a base of operations generally."





In the case of this issue, the Record does not contain objective statements on the part of the appellant or the Forest Service. The appellant and affiants on his behalf state that costs would "skyrocket" and "it would not be economically feasible to relocate the base of operations for the Red Bluff Mine to Globe, Arizona, or similar location." The Forest Service simply states "operating expenses would not have 'skyrocketed' as claimed" (District Ranger's responsive statement, item B), and "commuting should not present any undue hardship" (Forest Service Mineral Report, June 19, 1985, pg. 4).

Although I agree with appellants assertion that the Forest Service should comply with 36 CFR 228.5(a) ". . . analyze the proposal, considering the economics of the operation. . ." I cannot do so absent factual economic analysis of the subject issue--which was provided by neither the appellant or the deciding officers.

- I. "In excess of \$100,000 has been invested in the improvement of the millsite claims."

The District Ranger's Responsive Statement adequately addresses this statement. In addition, as explained by the appellant, expenditures are not required on a millsite claim, only use and occupancy. Any reputed expenditures made on the subject millsites were made at the discretion of the appellant and are irrelevant to whether or not the subject millsites are being used for mining and milling purposes.

- K. "A Plan of Operations is not required under the surface use regulations for the use of the millsite claims."

The very nature of the regulations (i.e., "surface use") would seem to make this assertion irrelevant; however, in his Responsive Statement the District Ranger correctly quotes from *U.S. v. Langely*, 587 F. Supp. 1258 (1984). The appellant, in his appeal to me, quotes from *U.S. v. Swanson*, 93 IBLA 1 (1986): ". . . The essence of the millsite appropriation is use or occupancy." It is our practice to read legal decisions in harmony, whenever possible. In this case, the use necessary to comply with mining law simply needs to be authorized by an approved operating plan.

In addition to the original points of appeal filed with the District Ranger, you have listed items A through D in your appeal of the Forest Supervisor's Decision. I will now discuss those items.

- A. "The District Ranger's action is based solely upon his subjective determination that the millsites are not necessary for Marshall's maintenance and development of the 228 unpatented lode mining claims with which the millsites are located."

Based solely on the record, I agree with this statement and have already so stated under item A of Analysis of Original Issues.

- B. "Marshall's use and occupancy of the millsites are expressly authorized by the mining laws of the United States."

I agree, in principle. It is the type or kind of use and/or occupancy that is at issue. Water-related improvements on the subject millsites may well qualify as occupancy (to borrow a quote from your appeal, U.S. v.





Swanson, 93 IBLA 1, 36)" It has long been noted that land may be 'occupied' under the statute even in the absence of present 'use' of the land for mining or milling purposes"). In addition, your quotes from Charles Lennig, U.S. v. Skidmore, and American Law of Mining all lend credence to the supposition that water-related improvements on the subject millsite claims would qualify as occupancy.

- C. "The District Ranger's action conflicts with the purpose and provisions of the Surface Use Regulations."

I disagree with this statement in terms of purpose. As you stated in your appeal, "... he must work with miners to minimize (not entirely eliminate) damage to surface resources." Removal of unnecessary improvements, if any are present, would minimize impacts to surface resources. The District Ranger is not trying to "summarily eject" Mr. Marshall from his claim. As discussed previously, the action in question is not intended to relate to claim validity and Mr. Marshall would be free to use his claim for mining and milling purposes at any time he chose.

I do agree that the District Ranger's action conflicts with the provisions of the current Surface Use Regulations. Specifically, he did not follow 36 CFR 228.5(a)(1-5) or (b). 36 CFR 228.5(b) is particularly applicable to allow for timely compliance with the U.S. Mining Laws. In practice, the Forest Service has often approved such work under 36 CFR 228.5(a)(1) while reserving a decision on questionable items such as permanent structures or residential occupancy. This enables the miner to comply with the U.S. Mining Laws and it enables the agency to be certain that mining claims are not used "for any purposes other than prospecting, mining operations or processing operations and uses reasonably incident thereto" 30 USCA 612(a).

- D. "The decisions of the District Ranger and the Forest Supervisor are not authorized by the surface use regulations and constitute an impermissible attempt to manage mineral resources."

As I discussed under item C, immediately preceding, I agree that the District Ranger and Forest Supervisor are not authorized by the current surface use regulations to refuse to approve an operating plan in total. However, I disagree that the District Ranger and Forest Supervisor are attempting to manage mineral resources. The methods of exploring, developing and maintaining Mr. Marshall's 228 unpatented lode claims are not at issue. In fact, the Record documents approval of extensive drilling, road work, etc.

Summary Decision

Based solely on the record, I am hereby vacating the subject decisions of the District Ranger and the Forest Supervisor and the attendant stay; however, the Record does indicate that there may be unauthorized uses of the subject millsites.

Pursuant to U.S. Forest Service authority related to the 1872 Mining Law, I am hereby instructing the District Ranger to accept and evaluate a proposed Plan of Operations pursuant to 36 CFR 228.5(a) and (b). In






evaluating subject Plan of Operations, particular attention should be given to the requirements of 36 CFR 228.5(b). If, in the analysis of the proposal, unnecessary or unreasonable uses are documented, the District Ranger should institute the necessary steps to terminate or mitigate such uses (appeal of Forest Supervisor's Decision, pg. 30-31, "Preliminarily, it must be emphasized that Marshall agrees that the Forest Service should exercise its authority under the Organic Administration Act of 1897 to prohibit unauthorized or unreasonably destructive uses of Forest Service lands."). By mitigate, I refer to Mr. Marshall's offer of a land exchange for offered lands in Cherry Creek (item 4, page 7, Summary of Oral Presentation, June 1, 1988). Although the Forest Service does not normally utilize land exchange as a means of resolving trespass (if one exists, in the instant case), land exchange proposals should be evaluated on their individual merits.

The key to the vacated decision is the phrase "not actively engaged in mining", since the appellant and affiants assert that everything is actively engaged in mining. I expect the appellant to meet on-site with the District Ranger to describe specifically what activities will take place, when they will take place, and where they will take place. At this time the appellant and District Ranger should also attempt to reach a consensus on what is and is not "actively engaged in mining". Endless chains of correspondence requesting additional information without specifying what is required and generic operating plans which are not site specific are both counterproductive and will not resolve the current conflict.

In evaluating the subject proposed Plan of Operations, the District Ranger and appellant are to develop mitigation measures in compliance with 36 CFR 228.8 and evaluate the economics of the operation with respect to mitigation measures in compliance with 36 CFR 228.5(a). In addition, prior to approval of any Plan of Operations, appellant may be required to post an appropriate bond in compliance with 36 CFR 228.13.

Sincerely,


DAVID F. JOLLY
Deputy Regional Forester

cc:
AZ Zone
Tonto NF
Tonto Basin RD





Analysis of Other Issues Raised by the Appellant

- C. "Regarding the District Ranger's letter dated December 1979--'The District Ranger referred to a Forest Service policy which is not contained in the surface use regulations and has never been adopted as a rule or regulation'".

In principle, I agree with the District Ranger's Responsive Statement; however, in line with my response to item A, I am unable to find objective definitive statements in the Record which identify unauthorized uses or unlawful uses of buildings. There are numerous references to "unnecessary uses," but no indication as to which of these uses would be unauthorized or unlawful (if an approved Plan of Operations were in effect).

- D. "The Forest Service dropped the matter, apparently satisfied that the use of the millsite claims was entirely proper and necessary. . . ."

The record supports the District Ranger's Responsive Statement. In addition, it is a widely recognized general principle that, "failure of an executive agency to act does not forfeit or surrender governmental or property rights" [U.S. v. Weiss, 642 F2d 296 (9th Cir., 1981)].

- F. ". . . . This request ignored the fact that notices of intention to operate and plans of operation for the property, i.e., the mining claims and the millsite claims (which serve as the base of operations for all mining activities) had previously been submitted to and approved by the District Ranger on numerous occasions and that no changes or modifications in use had occurred."

The record supports the Ranger's Responsive Statement which says, in part "The maintenance of structures and storage of equipment and machinery was not proposed or approved" (relating to proposals filed by Host Ventures). The Record indicates that water was utilized from the millsites in conjunction with underground exploratory work; however, there is no documentation in the Record that this use of the millsites or storage of uranium-bearing rock were ever approved.

Documentation provided by Sam Tobias (item I, District Ranger's Responsive Statement) also indicates ". . . . I was informed by two field representatives [Wyoming Minerals Corporation and Host Venture LTD] that the millsite facilities played no part in their operations."

- L. "The District Ranger has acquiesced in the use of the millsite claims and estopped from now determining that the millsite claims may not be occupied."

Refer to point D.

- M. "The decision constitutes an impermissible attempt to contest the validity of the millsite claims through the surface use regulations."





With one minor exception, the District Ranger's Responsive Statement adequately addresses this issue. The exception is a detailed map and photos of all improvements on the subject millsites. If water-related improvements are present on both of the millsites, said improvements would qualify as use and occupancy of the millsites.



USDA FOREST SERVICE
REGIONAL FORESTER, SOUTHWESTERN REGION
517 GOLD AVENUE SW.
ALBUQUERQUE, NEW MEXICO 87102

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

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P. O. & A.

P-626 544 515



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U.S. POSTAGE

2.20

*File
Ed Kennedy*

CHARLES E. MARSHALL, P.C.

ATTORNEY AT LAW
SUITE 8, LUHRS ARCADE
11 WEST JEFFERSON
PHOENIX, ARIZONA 85003
(602) 258-8441

March 9, 1988

John H. Jett, Director
Dept. of Mines and Mineral Resources
Mineral Building Fairgrounds
Phoenix, Arizona 85007

Dear Mr. Jett:

Find enclosed a copy of the Decision of the Forest Service. It speaks for itself.

I am consulting with my attorney, Norm James, to appeal this decision to the Regional Forester of the Southwest Region in Albuquerque, New Mexico, which will be done within 30 days.

I need your help more than ever.

You were at the hearing, you heard the evidence, make your own decision as to how this matter is being handled by the Forest Service.

Please give me a call on receipt of this letter.

Sincerely,

Charles E. Marshall

Charles E. Marshall

CEM/pah
Enclosure

MAR 17 1988



United States
Department of
Agriculture

Forest
Service

Tonto
National
Forest

2774 E. McDowell Road
P.O. Box 5348
Phoenix, AZ 85010

Caring for the Land and Serving People

Reply To: 2810

Date: February 25, 1988

RECEIVED
MAR 2 1988
R.C. & A.

Norman D. James
2600 Arizona Bank Building
101 North First Avenue
Phoenix, AZ 85003-1973

CERTIFIED MAIL - RRR

Dear Mr. James:

This is in response to your August 7, 1987, appeal, on behalf of Mr. Charles E. Marshall, from an initial decision of District Ranger Delbert Griego to remove certain improvements from National Forest System lands.

Background

The history and background as outlined in District Ranger Griego's Responsive Statement of December 1, 1987, fully covers events to that date. Since that time, Mr. James has been granted an Oral Presentation which was held on October 6, 1987, and he submitted on November 18, 1987, a transcript of that presentation which is part of the record.

Analysis of Issues

Many of the Points of Appeal, as outlined in the District Rangers Responsive Statement, are adequately discussed and to repeat them would not provide additional benefit. However, some require additional discussion which I will provide. I will also follow the order as presented in the Responsive Statement. Points B, C, E, F, G, H, I, J, K, & M were found to need no additional comment.

- A. Millsite claims have been, and continue to be, used and occupied solely in conjunction with on-going mining operations and activities.

As the District Ranger has indicated in his responsive statement, we are not questioning the fact that activities associated with lode and millsite claims are occurring. The decision as to what surface disturbance is necessary to conduct the planned activities is the responsibility of the District Ranger as stated in 36 CFR 228.4 and 228.5. Improvements such as those present on the concerned millsite claims have been determined to be a significant disturbance of the surface resource and require a proposed plan of operations. In reviewing your proposed plan of operations, I find no reasonable need for the presence of the cabin, repair depot (workshop), storage sheds, and various pieces of equipment.





D. Forest Service dropped the matter.

The concern of having unauthorized improvements on National Forest System lands was not dropped by the Forest Service in 1980. Plans submitted in 1981 and 1983 for Host Ventures, Inc. were approved; however, these plans did not indicate any use of the millsite claims in question. During this time period the Forest Service and Mr. Marshall were seeking alternative methods of resolving this trespass. In January 1982, Rod Mendenhall of my staff and Mr. Marshall discussed possible land exchanges involving these millsites. During the period of 1982 - 1986 several discussions between Mr. Marshall and various Forest Personnel occurred relative to resolving this problem.

L. The District Ranger has acquiesced in the use of the millsite claims and estopped from now determining that the millsite claims may not be occupied.

It is obvious from the record that the Forest Service was concerned with the occupancy of these millsite claims. As early as 1960, during the patent process, the Forest Service felt that the millsite claims were not valid. In your appeal submissions, exhibit K, it states that the Interior Board of Land Appeals (IBLA) in 1973 denied patent application to these millsite claims. The record also shows that in 1979 the Forest Service questioned the necessity of the structures on the millsite claims and again in 1980 and in 1984, 1985, 1986, and 1987. This continuous concern on the part of the District Ranger can hardly be conceived as indicating consent to use the claims.

I suppose you could call this acquiescence in that the Ranger did wait a long time to resolve the trespass; however, I believe it is an indication of carrying Forest Service Policy "the extra mile" in attempting to allow for orderly exploration, development, and production of minerals within the National Forest System.

In your appeal you state that the Ranger has for 13 years approved the use of the millsite claims. The record does not bear this out. In fact, the record indicates that only activities on the lode claims have been approved.

In addition to the preceeding discussion I will also respond to some of the points in your November 18, 1987, submission of a transcript of your Oral Presentation.

Your client, Mr. Marshall, stated that the IBLA said in their decision of February 2, 1973, "that any prudent person would hang on to these claims and continue to try to develop ore." This decision went on to state that this is nothing more than "holding and prospecting." We are not attempting to prevent Mr. Marshall from "holding and prospecting" activities on his claims. This is a responsibility of other Federal agencies. All that we are saying is that the structures and other items mentioned in Ranger Griego's letter of July 13, 1987, are not being used for purposes reasonably incidental to the current level of activities on the associated claims.





Mr. Marshall also outlined in the oral specific uses made of the millsite claims, i.e., "meeting places with geologists, contractors, mining engineers, workmen, repairman, mechanics, and lawyers, radio survey concerning the other 226 claims trying to extend the ore body." Uses of the millsite claims continues on from page 17 line 23 through page 18 line 5 of the transcript from the oral. While these uses are perfectly acceptable, they certainly do not justify the sort of structures and equipment present on these millsite claims. Mr. Marshall is and has been, for many years engaged in exploration and prospecting activities plus activities toward fulfilling assessment requirements. These activities are not considered actual continuous mining operations for which such improvements might be needed.

Mr. Marshall also brought up his offer of a land exchange whereby he would trade 30 acres he owns along Cherry Creek for the two 5-acre millsite claims. While the Forest Service would like to acquire the 30 acres at Cherry Creek, we do not wish to create an inholding with the millsite claims. However, we did offer Mr. Marshall an exchange for Forest Service lands, adjacent to private holdings, approximately 3 miles from his claims. Mr. Marshall goes on to state that the 10 acres of land (millsite) may well become an isolated inholding anyway, through his filing a patent application. As this approach is the proper one to take regarding claims, we have, for many years encouraged him to file application for patent.

You have quoted pretty heavily from the Skidmore decision (10 IBLA 322) to support your position that absence of production isn't a reasonable criteria to use in considering use on a millsite. However, Skidmore's situation is quite different than Mr. Marshall's. Skidmore had received patent to 7 lode claims. That means he demonstrated that he had discovered a valuable mineral deposit that could be mined, removed and marketed at a profit. The record here doesn't show that Mr. Marshall has ever done that. Mineralized uranium rock was removed and shipped in the past but nothing in the record demonstrates it was done at a profit. In fact the IBLA Decision indicates there was no discovery as of the early 1970's. Mr. Marshall now says that he has a discovery, but there is not much in the record to support that.

You go on to state and in fact most of your responses are leading toward the premise that the District is somehow attempting to question the validity of the millsite claims. The record indicates that validity of the millsite claims is not in question, only that some of the current uses are inappropriate.

Summary

Forest Service Regulation 36 CFR 228.10 provides that within a reasonable time following cessation of operations, all structures, equipment, and other facilities will be removed. Since, for the past few years, most of the operations conducted have been road maintenance and drilling, I feel that Ranger Griego acted properly in requesting the claims be cleaned up and rehabilitated.





Appellant has not demonstrated how he meets the requirements for maintaining the following on the Red Bluff Mill site claims:

- 1) 25'x25' cabin
- 2) 18'x50' shop building
- 3) Two 12'x15' sheds
- 4) Various compressors, generators, vehicles, and miscellaneous barrels, pieces of steel, and so forth.

Therefore, Ranger Griego's decision to require removal and cleanup of the site is proper and affirmed, with the time frame to be extended for removal and rehabilitation until August 1, 1988.

This decision may be appealed to the Regional Forester of the Southwestern Region, Albuquerque, New Mexico as provided for in 36 CFR 228.14. Such an appeal must be filed with me in writing within 30 days of this decision.

Sincerely,


JAMES L. KIMBALL
Forest Supervisor

cc:
Tonto Basin RD



Jul.

CHARLES E. MARSHALL, P.C.

ATTORNEY AT LAW
SUITE 8, LUMRS ARCADE
11 WEST JEFFERSON
PHOENIX, ARIZONA 85003

(602) 258-8441

June 11, 1987

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Delbert J. Griego, District Ranger
TONTO BASIN RANGER DISTRICT
P.O. Box 647
Roosevelt, Arizona 85545

Re: Notice of Intent to Operate/Occupancy of
Millsite Claims

Dear Mr. Griego:

This is an answer to your letter of May 20, 1987 a copy of which is attached. My answer to your question regarding the occupancy of the millsite claim was set forth in my letter dated April 15, 1987. I will again quote my position regarding the occupancy of the millsite claim in conjunction with my mining operation. As indicated above and in my notice of intent to operate, I am not ceasing operations on the Red Bluff mining claims. CF. 36 C.F.R. §228.10. Consequently, I do not intend to abandon the millsite claims, but intend to continue to occupy them for mining purposes in connection with the development of the Red Bluff claims pursuant to 30 U.S.C. §42. No surface disturbance is planned on the millsite claims. They will continue to be used for the storage of machinery and equipment used in mining operations on the Red Bluff claims for water storage, and as a base of operations just as they have in the past. No changes in use and no new or additional uses of the millsite claims are planned. In the event I decide to substantially alter my use and occupancy of the millsite claims, I will advise the Forest Service and if required by 36 C.F.R. §228 et seq., I will file a plan of operations.

I reiterate that I am using and occupying the millsite claims in association with the Red Bluff mining claims for purposes expressly authorized by the United States mining laws. The Forest Service's surface use regulations are an adjunct to the mining laws. These regulations do not supersede the mining laws, nor do they empower you to determine whether I am entitled to use and occupy the millsite claims for mining purposes in accordance with 30 U.S.C. §42.

Delbert J. Griego, District Ranger
June 11, 1987
Page 2

Accordingly, there should be nothing further for you to review in connection with the millsite claims.

I am also enclosing for your information a copy of the history of the Red Bluff Mine in the event that you do not have it.

As you know, the investment over the years in the millsite claims was substantial. The millsite claims are utilized continuously in conjunction with the ongoing mining and exploratory work that is being done, and the loss of the millsite claims would not only be a great financial loss but would in addition terminate the long term operation of the Red Bluff Mine and orebody. The watchman, who I employ to secure the investment in the millsite claims and mining claims, has a constant battle with criminals attempting to not only break into the building but to siphon diesel and gasoline out of the bulldozers, compressors, trucks, generators, etc. Not to mention attempted thefts of sections of 1,500 foot by 4 inch steel pipe lines which carries water from the millsite up an elevation of approximately 600 feet and then down to the tunnel entrance.

As you can see the cost of maintaining the millsite operation on an annual basis is substantial and a part of the overall development of the orebody.

If you have any questions regarding the foregoing or should you wish to discuss this matter further, please feel free to contact me.

Sincerely,



Charles E. Marshall

CEM/pah
Enclosures

cc: David Steele, Assistant to Dennis DeConcini

#810

Date: May 20, 1987

Red Bluff Mill Site Claims and Associated Lode Claims

To: Charles E. Marshall
Suite 8, Luhrs Arcade
11 West Jefferson
Phoenix, AZ 85003

CERTIFIED MAIL - RRR"

This letter is in reference to your Notice of Intent to Operate, dated May 18, 1987, for the Red Bluff Mill Site and associated lode claims.

As described within your proposal, your plans for 1987 assessment work on the lode claims will consist of the maintenance of existing mining roads, ore stockpiles, tunnels and adits, and drilling operations at three sites. As discussed with Sam Tobias, approved cultural resource clearances are needed prior to performing work in areas where formal clearances have not been previously obtained. Based upon our review of our files, a portion of your proposed road maintenance work and your proposed drill site locations are within this category. Please see the attached map which delineates areas in yellow where cultural resource clearances have been obtained. We are proceeding with the required survey and clearance approval process and will notify you as soon as clearance has been obtained.

As discussed with Sam Tobias on May 18, 1987, your Notice of Intent to Operate did not include information that we feel substantiates your need for continued occupancy of the mill site claims. Therefore, please submit a revised proposal which addresses the removal of the structures and rehabilitation of the site.

Please do not hesitate to contact Sam Tobias if you should have any questions regarding the above or if you should need assistance in the development of the revised proposal.


MELBERT J. GRIEGO
District Ranger

Enclosure



HISTORY OF THE RED BLUFF MINE

The Red Bluff Mine is located approximately 30 miles northwest of Globe, Arizona, in the foothills of the Sierra Ancha mountains. It was first located by H. Jewel on July 6, 1887. (See attached copies of location notices from 1887 through approximately 1950, attached as Exhibit "A"). Since its inception, the Red Bluff Mines have been continuously occupied to the present date. During the early 1950's the property was mined for uranium by Carl and Ethel Larsen. Between 1953 and 1956 more than 2,500 tons of ore were mined and shipped from the Red Bluff claims. (U.S. v. Ethel Schell Larsen and Minerals Trust Corporation, 9 IBLA 247 at 250 footnote 4 (1973)). In 1958, Ethel Schell Larsen made application for a patent for 3 lode claims (Red Bluff Nos. 4, 5, and 6) and 2 millsites (Red Bluff Nos. 1 and 2). (U.S. v. Ethel Schell Larsen and Minerals Trust Corporation, id at 248.) Her application for patent was vigorously contested and denied by the United States Forest Service. However, on appeal to the Secretary of the Interior the decision of the United States Forest Service, denying the validity of the claims in millsites, was reversed and remanded for rehearing. (U.S. v. Ethel Schell Larson, A-30328 (September 13, 1965)). The patent proceedings were reheard on November 2 and 3, 1966 at which time further evidence was admitted. Again, the application was denied by the United States Forest Service, and on August 19, 1968, a Notice of Appeal was filed with the Secretary of the Interior.¹

//

¹ - By the time of this appeal on August 19, 1968, the Interior Board of Land Appeals (IBLA) had jurisdiction to hear this appeal.

The Interior Board of Land Appeals held the case pending decision up to February 1973. Carl Larsen, husband of Ethel Schell Larsen, after spending his entire life working the property, developed terminal cancer. At Mr. Larsen's request, Charles E. Marshall contacted the Interior Board of Land Appeals for its decision on the patent application. Although in 1973 the price of uranium was at a low \$6.00 - \$6.50 per pound, it was Mr. Larsen's last request to know whether his patent application would be approved.

On February 2, 1973, the Interior Board of Land Appeals, by its decision, United States v. Ethel Schell Larsen and Minerals Trust Corporation, IBLA 70-8, id, denied the application for patent. In May of that same year Carl Larsen committed suicide at the Red Bluff Mine.

In its decision, the IBLA found that there existed approximately 33,000 tons of ore containing .21% U308 (uranium) and 286.7 tons of ore containing .40% U308 (uranium). Id. at 258. Had Mr. Larsen not been terminally ill, a request would not have been made to the IBLA for its decision in 1973. Pursuant to the decision of the IBLA, which rested on economic grounds, had Mr. Larsen not requested a ruling, the patent most certainly would have been issued when the price of uranium dramatically escalated in 1975. Supra, at 273. Subsequent to the IBLA decision, on September 24, 1974, United States District Court, District of Arizona upheld the decision of the IBLA.

No longer able to work the claim without her husband's assistance, Ethel Larsen moved off of the property and the lode

1 claims (Red Bluff Nos. 4, 5, and 6) and the millsites (Red Bluff
2 Nos. 1 and 2) were immediately relocated and the property was
3 transferred to Charles E. Marshall.

4 As predicted by Mrs. Larsen's witnesses and recognized
5 by the Board in its 1973 decision, the price of uranium dramatically
6 escalated in 1975 reaching an all-time high of approximately \$43.00
7 per pound in 1979 and 1980. As the price increased from 1975, a
8 great deal of interest was generated and the Red Bluff Mine was
9 leased to a Canadian corporation in 1976 which ultimately executed
10 a sublease to Wyoming Mineral Corporation, Inc. a subsidiary of
11 Westinghouse, Inc. During this period, the investment in the mill-
12 site exceeded \$100,000 and consisted of store of water, mining
13 equipment, a repair depot, a large equipment storage facility, a
14 bunkhouse and general base of operations for the entire mining
15 project. In addition, since 1975 an investment in excess of \$2 mil-
16 lion was expended in ascertaining and developing the proven ore re-
17 serves of the Red Bluff Mine. A 1,600 foot tunnel capable of
18 carrying vehicular traffic, was excavated along the main ore-bearin
19 body of the Red Bluff east block and 10,000 tons of uranium ore was
20 mucked and is presently stacked on the west block Red Bluff claims.

21 The investment to date has resulted in establishing proven
22 ore reserves of \$1,345,000 pounds of uranium or approximately 10
23 times the amount found located on the claim by the IBLA decision in
24 1973.

25 Presently, the Red Bluff Mine is ready to resume operations
26 with the tunnel, water storage, and related facilities. Although

1 the price of uranium has now declined to approximately \$15.00 per
2 pound, the Red Bluff as are many other Arizona mines, is awaiting
3 an advantageous uranium price before proceeding first with: (1) Dri
4 ling out additional ore reserves; and (2) Mining the present reserv

5 In the interim, claimant has continued to perform and will
6 perform in the future all assessment work and necessary obliations
7 to maintain the validity of the Red Bluff claims.

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CHARLES E. MARSHALL, P.C.

ATTORNEY AT LAW

SUITE 8, LUHR'S ARCADE

11 WEST JEFFERSON

PHOENIX, ARIZONA 85003

(602) 258-8441

September 29, 1987

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

James L. Kimball, Forest Supervisor
TONTO NATIONAL FOREST
2324 E. McDowell Rd
P.O. Box 5348
Phoenix, Arizona 85010

Re: 1570

Dear Mr. Kimball:

Pursuant to your letter dated August 31, 1987, reply #1570, I would like to advise you that I will have approximately nine (9) people present at the hearing scheduled for October 20, 1987 at 9:00 a.m., at 2324 E. McDowell Road.

Thank you for your courtesies in this matter.

Sincerely,


Charles E. Marshall

CEM/pah

bcc: Norman James, Esq.
Joseph P. Rocco
Andrew F. Marshall
Leo Corbet
David Steele, DeConcini office



United States Department of the Interior

OFFICE OF HEARINGS AND APPEALS

INTERIOR BOARD OF LAND APPEALS

4015 WILSON BOULEVARD

ARLINGTON, VIRGINIA 22203

For complete decision report see Gower Federal Service - Mining (1972-3)

UNITED STATES

v.

ETHEL SCHELL LARSEN AND
MINERALS TRUST CORPORATION

IBLA 70-8

Decided February 2, 1973

Appeal from decision (Arizona Contest No. 10435) of the Bureau of Land Management affirming a decision of Hearing Examiner 1/ Paul A. Shepard declaring mining claims null and void.

Affirmed.

Mining Claims: DISCOVERY - Nature of Requirement - prudent man test - Proof

To constitute a discovery on a lode mining claim there must be physically exposed within the limits of the claim a lode or vein bearing mineral of such quality and in such quantity as to warrant a man of ordinary prudence in the expenditure of his labor and means, with a reasonable prospect of success, in attempting to develop a valuable mine; it is not enough to show that the exposed mineralization is sufficient to warrant holding a claim with a reasonable hope that at some time in the future the land embraced therein may become valuable for mining.

Mining Claims: DISCOVERY - Nature of Requirement - marketability - Proof - determination of validity

In determining whether a deposit of ore is a valuable deposit within the meaning of the mining laws, consideration may properly be given to whether a prudent man could reasonably expect to develop a valuable mine in the reasonably foreseeable future where such expectation is based upon economic circumstances which are rationally predictable from presently known facts and not upon mere speculation with respect to possible substantial, but unpredictable, changes in economic conditions or dramatic technological breakthrough; it is not enough, however, to show that, because of increasing demand for a mineral and the depletion of known ore reserves, the market price of

1/ The title "Administrative Law Judge" has replaced that of "Hearing Examiner" by order of the Civil Service Commission, 37 F. R. 16787 (August 19, 1972).

The record shows that the claims in question, which are situated about 35 miles northwest of Globe, Arizona (I Tr. 16), ^{3/} were located by Mrs. Larsen during the years 1950-1951. On June 25, 1959, Mrs. Larsen filed her application, Arizona 021808, for patent to the claims, alleging that the lode claims contain well-defined veins and deposits of minerals consisting chiefly of uranium and that the mill sites were located for and are being used in connection with mining operations on the lode claims.

Upon the recommendation of the Forest Service, United States Department of Agriculture, a contest complaint was filed in the Arizona Land Office on April 4, 1961, in which it was charged that:

a. A valid discovery of mineral, as required by the mining laws of the United States, does not exist within the limits of Red Bluff Nos. 4, 5, and 6 lode mining claims.

b. The land embraced within the limits of said lode mining claims is nonmineral in character.

c. The Red Bluff Nos. 1 and 2 mill sites are not being used for mining or milling purposes.

A hearing on those charges was held at Phoenix, Arizona, on February 27, 1963, and, from the evidence developed at that hearing, the Hearing Examiner concluded, in a decision dated October 22, 1963, that no discovery of a valuable mineral deposit had been made on any of the three mining claims and that the two mill sites were not being used or occupied for milling or mining purposes. That determination was sustained by the Office of Appeals and Hearings, Bureau of Land Management, in a decision dated June 2, 1964. However, upon appeal to the Secretary, the Department, in a decision dated September 13, 1965 (United States v. Ethel Schell Larsen, A-30328),^a found the evidence of record to be inadequate to justify any conclusion with

fn. 2 (Cont.)

the mill sites from Mrs. Larsen. On August 19, 1968, a notice of appeal to the Secretary from the Bureau's decision of June 24, 1968, was filed in the names of Mrs. Larsen and Minerals Trust Corporation, and, on the same date, Mrs. Larsen filed a separate notice of appeal. Thereafter, separate statements of reasons for the appeal were filed by the respective parties.

For purposes of reviewing the merits of the case, the parties are deemed to be joint appellants.

^{3/} References to testimony given in 1963 are identified herein as "I Tr.," and references to testimony given in 1966 are identified as "II Tr."

a) GFS(MIN) SO-28(1965)
✓ 1965

GFS(MIN) 29(1973)

SEE SO 28/- which set aside Hearing Examiner's decision & remanded the case.

SO - 1975-2000 of records in 2nd division
primary located on 1.6.6

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
TONGO NATIONAL FOREST



ADDRESS REPLY TO
FOREST SUPERVISOR
AND REFER TO

104 N. 5th St.,
PHOENIX, ARIZONA

April 27-1954

U
Adjustments- Tonto
Claims- Mineral
Thornburg Mining Company

Mr. Roger Manning- Director
Arizona State Mineral Resources Division
Minerals Building- State Fairgrounds
Phoenix, Arizona

Dear Mr. Manning:

I am enclosing the "Preliminary Reconnaissance of the
Dripping Springs Quartzite Formation in Gila and Pinal
Counties, Arizona."

We have sketched on very roughly the boundaries of the
Sierra Ancha Experimental Forest.

This is the only copy of the report that we have left here
in the office. We will order another one from the Atomic
Energy Commission in Salt Lake. You might also want to order
one or two extra copies. If you get your copies before we
do we would appreciate the return of this copy for our files
after you have had an opportunity to study it.

Very truly yours,

Fred O. Leftwich
FRED O. LEFTWICH
Forest Supervisor

Enclosure

THE PITTSTON CO purchased this property from Mr. Larsen
for a reported price of \$210,000.00 in March 1954.

LARSEN, Ethel Schell
Young Route
Globe, Arizona

3-14-50

Red Bluff No. 1
Red Bluff No. 2

Sec. 31, T. 5 N., R. 14 E.

Uranium

J. Stenson Young

R Wilport

Purchased (Lanson)

Uranium

\$210,000

100,000 cash

Feb. 1954

RED BLUFF MINE

GILA COUNTY
SIERRA ANCHA DIST.

ONE (1) MAP
&

USGS CIRCULAR 137 - Oct. 1951
"URANIFEROUS QUARTZITE, RED BLUFF PROSPECT
GILA COUNTY, ARIZONA

By
E. P. KAISER

ONE (1) PICTURE

RM 2-29-1996
KM

MIN WORLD 5/953

MIN WORLD 5/953

MIN WORLD 5/953

CLASP THE HUBBS MINES ENVELOPE

No. 83 - 8½ x 11½