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James Doyle Sell Mining Collection

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QUALITY STATEMENT

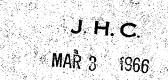
The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

FROM: W. L. KURTZ Tetas Gulf To: TCO shorm 10/31/77 A call from Mr. Windels, TGS TUCSON geologist, offering a purph a prospect near Wilcon, Arizona. TGS hers, according to Unlindeds, terminated all porphyon copper -exploration. Explosation & dgct cut 30%. Emphasis on Oranium, coal, preciaes motals. Might have some effect on Cerro Chorcha?

Sulfwision

file

U. FTG with note on Wilcox Marpert 344, Guro



Welcof

Murch 2, 1966

Germinfled Mail Research Resolut Responded New, Debuy L. Enrices o/o D. E. Koors Dox 400 Binbes, Arisons

Dear Mrs. Replart:

The convertance with the request and in your recent paddied letter to Sonothe Mebley and Investment Co.; Inc., I an employing:

1) A portion of our deflicing map, should the Loostion of the boles defliced on your property m ns. Ensage are point e-1 to 2-5. The 3 boles shown on the same cond sections are been press holes, drilled on the same pointing land.

2) Generalized Sectoric Logs and Section of below V-1 to V-5, with assays.

3) North-South section & along your cast and line.

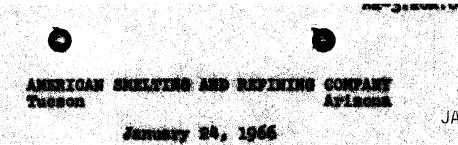
A) Rest-Vest section 9 close your north line.

This includes all the information we obtained on property. This as you did and, the results were nest disappointing.

Yours very traly,

8. I. Doudtteh

Million Relocates cel Sepelts Realty & Investment Co.,w/o encs. Millionnally, w/o encs. Millionstright, w/o encs.



J. H. C. JAN 2 4 1966

Mr. K. B. Richard. Chief Geologist Amoritann Smelting and Refining Company 120 Breadway New York, N. Y. 10005

Willem Proceeds

Dear Sir:

Enclosed is a copy of letter dated January 19, 1966. from the State Land Department, stating that Prospecting Permit 8135 has been canceled at our request, and that the bonding company and been posified. Mr. Metager is requested to collect whitever unservied presium on the bond may be coming to us.

This is the last piece of unfinished business in connection with the Willows Prospect, as outlined in my memorandum to Mr. Courtright of December 20, 1965.

Tours very truly,

B. I. Bouditch

SID Iban nolosure cei Milloodenough Millonter Siletager III Jacourtright All with englance Evelsteinen

BOWDITCH

- A S - A S A P - A S A

ATE LAND DEPARTME

STATE OF ARIZONA STATE OFFICE BUILDING PHOENIX, ARIZONA 85007

January 19, 1966

CCOUNTING DIVISION PHONE 271-4624

LAND AQUISITION PHONE 271-4637

LEASING DIVISION PHONE 271-4634

LEGAL DIVISION PHONE 271-4626

MINERAL, OIL & GAS RODUCTION DIVISION PHONE 271-4628

SALES DIVISION PHO 271-4631

SOIL CONSERVATION PHONE 271-4625

WATER DIVISION PHONE 271-4629

WATERSHED ANAGEMENT DIVISION PHONE 271-4633

Re: Prospecting Permit 8135



JAN 21 1966

S. I. B.

American Smelting & Refining Company 1150 North 7th Avenue Tucson, Arizona 85700

Gentlemen:

In accordance with your letter of December 13, 1965, the above referenced Prospecting Permit has been cancelled from the records of this Department.

A copy of this letter is being forwarded to the bonding company to be used as their authority for cancelling the bond on the above Prospecting Permit.

Yours truly,

urphe Walter V. Murphy Supervisor Leasing Division

WVM: amp

cc: Chubb & Son, Inc. Federal Insurance Co. 90 John Street New York, New York 10038

ec: made 1-21-66 for metescr

LOUIS C. DUNCAN DEPUTY PHONE 271-4622

Willow

J. H. C. JAN 1 0 1966

Aa-3.20A.0

January 10, 1966

Mr. Raymond Bidegein Sonoits Realty and Investment Company 40 N. Swan Tueson, Arizona 85711

Dear Ray:

When you and Tom took on the job of sequiring eptions for us at Willcox you gambled that we would be successful and that you would collect commissions. I don't think you fully realized the chances you were taking.

We have been very pleased with the way you serviced out this work, and especially with your willingsous to spend long hours negotiating for a lease which, under the strict wording of our agreement with you, might not yield a commission.

As a token of appreciation for what you have (one for us I take pleasure in enclosing our check for 1500.00, which will partially repay you for the time you been have spent on this project.

With best personal regards.

Sincerely,

S. I. Bowditch

STBrban Encløsure JHCourtright Blcc: KvdSteinen

10 pers



AMERICAN SMELTING AND REFINING COMPANY

EXPLORATION DEPARTMENT

120 BROADWAY, NEW YORK, N.Y. 10005

JAN 1 2 1966

J. H. C.

January 10, 1966 1966

KENYON RICHARD CHIEF GEOLOGIST

Air Mail

READ AND RETURN

PREPARE ANSWERS _____ HANDLE _____

FILE INITIALS

Mr. J.H. Courtright American Smelting & Refining Company Box 5795 Tucson, Arizona

WILLCOX PROSPECT

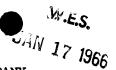
Dear Sir:

This refers to your letter of January 5 in which you explain that our agents, Bidegain and Hunt, worked diligently acquiring properties in our behalf. Since the deal, in one case, was lease-royalty rather than an option, they did not stand to gain a commission until the Company purchased the land. We have now dropped all of the property in this area. I agree with your recommendation that Bidegain and Hunt be paid the sum of \$500 to compensate them for their extra work. This will authorize you to make that payment.

Yours very truly,

ingon Kichard Kenvon Richard

CC-HLGoodenough RRichter KvondenSteinen SIBowditch



J.H.C.

JAN 6 _ 1966 R.KK.

J. R. VV

AMERICAN SMELTING AND REFINING COMPANY Arizona Tucson

January 5, 1966

MEMORANDUM TO: J. H. Courtright

MR WES .	BARR JAN 20, 1966
READ AND RETUR	N
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FILE INI	TIALS

Willcox

In connection with the recently completed Willcox drilling program, I offer the following evaluation of the work performed by Metler Bros. Drilling Company of Tucson, Arizona.

A total of 4,990.1 feet of drilling was done at an average advance per drilling shift of 47.4 feet. Recovery for 1,210.0 feet of wireline coring averaged 90.4%. Metler Bros. management and workers were very cooperative with ASARCO personnel in efforts to improve drilling techniques and sample accuracy. There were, from time to time, delays when replacement parts or tools were slow in arriving, but this could probably be expected from any drilling company on a one-drill job.

On the basis of their performance on this job, I feel that Metler Bros. qualify for consideration in any future drilling projects of a scope that they are equipped to handle.

M. R. Stauffer M. R. Stauffer

M. R. STAUFFER

MRS/pjc

AMERICAN SMELTING AND REFINING COMPANY Tucson Arizona

January 5, 1966

Mr. K. E. Richard, Chief Geologist American Smelting and Refining Company 120 Broadway New York, N. Y. 10005

WILLCOX PROSPECT

Dear Sir:

Enclosed is Mr. Bowditch's memorandum of December 20, 1965 confirming that notification of cancellation on all Willcox agreements has been sent out. Copies for Mr. Goodenough and Mr. Richter are also enclosed.

In the fourth paragraph of his memorandum, Mr. Bowditch calls attention to the fact that our agents, Bidegain and Hunt, worked diligently over a long period of time and eventually succeeded in making deals with certain stubborn property owners. Since the deal in one case was lease-royalty rather than an option, they did not stand to gain as our deal with them provided only for payment of a commission in the event the Company purchased the land. Mr. Bowditch recommends, and I agree, that they be paid the sum of \$500.00 to compensate them for this extra work.

Please advise if this additional payment is approved.

Yours very truly,

J. H. Courtright

JHC/kw Enclosure cc: HLGoodenough, w/encl. RRichter, w/encl. KvdSteinen SIBowditch AMERICAN SMELTING AND REFINING COMPANY Tucson

Arizona

DEC 2 0 1965

J.H.C.

December 20, 1965

J. H. Courtright To:

From: S. I. Bowditch

Willcox Prospect

After I was informed that work on the Willcox prospect was concluded I notified Sonoita Realty and Investment Company, and arranged for them to cancel and terminate all leases and option agreements which they had taken out in their name at our request. A copy of my letter to them and copies of the relinquishments and also the cancellation notice for the Betty Ehrhart lease are attached hereto.

I also notified the State Land Department that we wished to cancel the one Prospecting Permit which we had taken out in our own name and attached is a copy. As they have to make an examination to satisfy themselves that we have left the ground in good condition it may take a few weeks before we receive permission from them to cancel our performance bond.

Thus all property agreements, whether made directly by us, or indirectly through Sonoita, have been cancelled.

In this connection I would like to point out that Sonoita, in the persons of Messrs. Ray Bidegain and Thomas Hunt, have been most cooperative and conscientious in doing what we asked of them, and have spent many hours negotiating with recalcitrant owners which finally resulted, not in options, as contemplated in their agreement with us, but in leases. Under the agreement as written Sonoita gets nothing for their trouble except "out of pocket" expenses, having gambled that we would be successful in the hope of getting a higher commission. Even if we had been successful, under a literal interpretation of the agreement they would not have received any commission in connection with the leases, although they actually spent more time trying to deal with the eventual lessors than they did with the optionors. On top of that, I am sure that Sonoita did not realize the truly long gamble they were taking, even in connection with the options.

Therefore I recommend that, in addition to "out of the pocket" expenses, Sonoita be given a bonus of, say, \$500, to compensate them for the unusual amount of trouble they have gone to. There is plenty of money in M.A. 1052 for this.

Yours very truly, 9. Bowditch

S. I. Bowditch

SIB:bam cc: KERichard HLGoodenough via JHC RRichter KvdSteinen



ALT.J. ZUA.V

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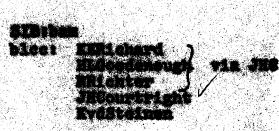
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With best wishes for a planeast holiday expansi

Totos very trily, Annoxim and tring and hip trips or restant



KNOW ALL MEN BY THESE PRESENTS:

The undersigned, SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, does hereby relinquish its interest, as optionee, in that certain Option Agreement dated <u>October 18, 1964</u> and a Memorandum of which is recorded in Docket <u>371</u> at page <u>574</u>, records of Cochise County, Arizona, and the undersigned does further surrender possession and quitclaim to <u>Lillian Beebe Blair</u>

___, the optionor named in said

Option Agreement all of its right, title and interest in and

to the property described in said Agreement, to wit: The Northeast quarter, also known as Tract No. 46, of Section 24, Township 13 South, Range 24 East, Gila and Salt River Base and Meridian, Cochise County, Arizona.

Dated this 17th day of December, 1965.

SONOITA REALTY AND INVESTMENT COMPANY

By Kaymond P. Billegan

STATE OF ARIZONA COUNTY OF PIMA

On this <u>17th</u> day of <u>1965</u>, before me the undersigned officer, personally appeared <u>2000</u>, <u></u>

∖ ss

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Class Dr. Rublic

Notary Public

My commission expires:

Mar. 1, 1968

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, does hereby relinquish its interest, as optionee, in that certain Option Agreement dated October 18, 1964 and a Memorandum of which is recorded in Docket 370 at page 260, records of Cochise County, Arizona, and the undersigned does further surrender possession and quitclaim to Paul Lely

____, the optionor named in said

Option Agreement all of its right, title and interest in and

to the property described in said Agreement, to wit: 148 acres more or less located in the southeast quarter, also known as Tract No. 45, of Section 13, Township 13 South, Range 24 East, Gila and Salt River Base and Meridian, Cochise County, Arizona.

Dated this <u>17th</u> day of December, 1965.

SONOITA REALTY AND INVESTMENT COMPANY

By Kurmour P. Bideglien

STATE OF ARIZONA COUNTY OF PIMA

On this/7th day of lecember, 1965, before me the undersigned officer, personally appeared <u>Required & Biligarn</u> who acknowledged himself to be the President of SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes thereof contained.

</ss

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

<u>(lasa Dr. Optenson</u> Notary Public My commission expires: Nov 1, 1968

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, does hereby relinquish its interest, as optionee, in that certain Option Agreement dated November 2, 1964 and a Memorandum of which is recorded in Docket 380 at page 207-209, records of Cochise County, Arizona, and the undersigned does further surrender possession and quitclaim to ____W. P. Delaney and Grace E. Delaney, husband and wife , the optionor named in said Option Agreement all of its right, title and interest in and to the property described in said Agreement, to wit: The Northeast quarter, (also known as Tract No. 42) of Section 13, Township 13 South, Range 24 East, Gila and Salt River Base and Meridian, Cochise

Dated this 17 th day of December, 1965.

SONOITA REALTY AND INVESTMENT COMPANY

By Kaymond P. Sideglin

STATE OF ARIZONA COUNTY OF PIMA

On this <u>/7 th</u> day of <u>Mecember</u>, 1965, before me the undersigned officer, personally appeared <u>Reymond P Biolegan</u> who acknowledged himself to be the President of SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes thereof contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

<u>(lava M. Soberson</u> Notary Public My commission expires: Nov. 1, 1968

County, Arizona.

SS

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, does hereby relinquish its interest, as optionee, in that certain Option Agreement dated November 2, 1965 and a Memorandum of which is recorded in Docket 399 at page 90-92, records of Cochise County, Arizona, and the undersigned does further surrender possession and quitclaim to E.B.McAleb & Jessie F.McAleb, husband and wife, and Pauline Frances ____, the optionor named in said Simmons, a widow Option Agreement all of its right, title and interest in and to the property described in said Agreement, to wit: Southwest quarter of Section 8, Township 13 South, Range 25 East, Gila and Salt River Base and Meridian, Cochise County, Arizona.

Dated this /7 Ch day of December, 1965.

SONOITA REALTY AND INVESTMENT COMPANY

By <u>Kaymoul</u> <u>Stegain</u> VICE - President

STATE OF ARIZONA COUNTY OF PIMA

∕ ss

On this/7th day of lecembers 1965, before me the undersigned officer, personally appeared formond & Bide goun who acknowledged himself to be the President of SONOITA REALTY AND INVESTMENT COMPANY, an Arizona corporation, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes thereof contained.

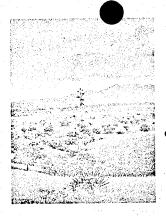
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires: Now 1, 1968

Sonoita Realty & INVESTMENT CO., INC.

• 3777 EAST BROADWAY

TUCSON, ARIZONA



• DIAL: 327-6229

December 17, 1965

Certified Mail Return Receipt Requested Mrs. Betty Ehrhart c/o D. E. Moore P. O. Box 400 Bisbee, Arizona

Dear Mrs. Ehrhart:

This refers to the Mining Lease dated June 23, 1965 between you as lessor and the undersigned Sonoita Realty and Investment Company as lessee, covering the N 1/2, Section 18, Township 13 South, Range 25 East, Cochise County, Arizona, and particularly to Article 13 thereof. Please be advised that the undersigned Sonoita Realty and Investment Company hereby cancels and terminates said Mining Lease and relinquishes all its right, title and interest in and to the property covered thereby.

Yours very truly,

RANCHES • FARMS • ACREAGE • RANCH MANAGEMENT

SONOITA REALTY AND INVESTMENT COMPANY

By Kurmoud P. Bidegain

AMERICAN SMELTING AND REFINING COMPANY Tucson December 27, 1965

TO: J. H. COURTRICHT

FROM: M. R. STAUFFER

Drilling Progress December, 1965 Willcox Project J.H.C.

JAN 1 3 1966

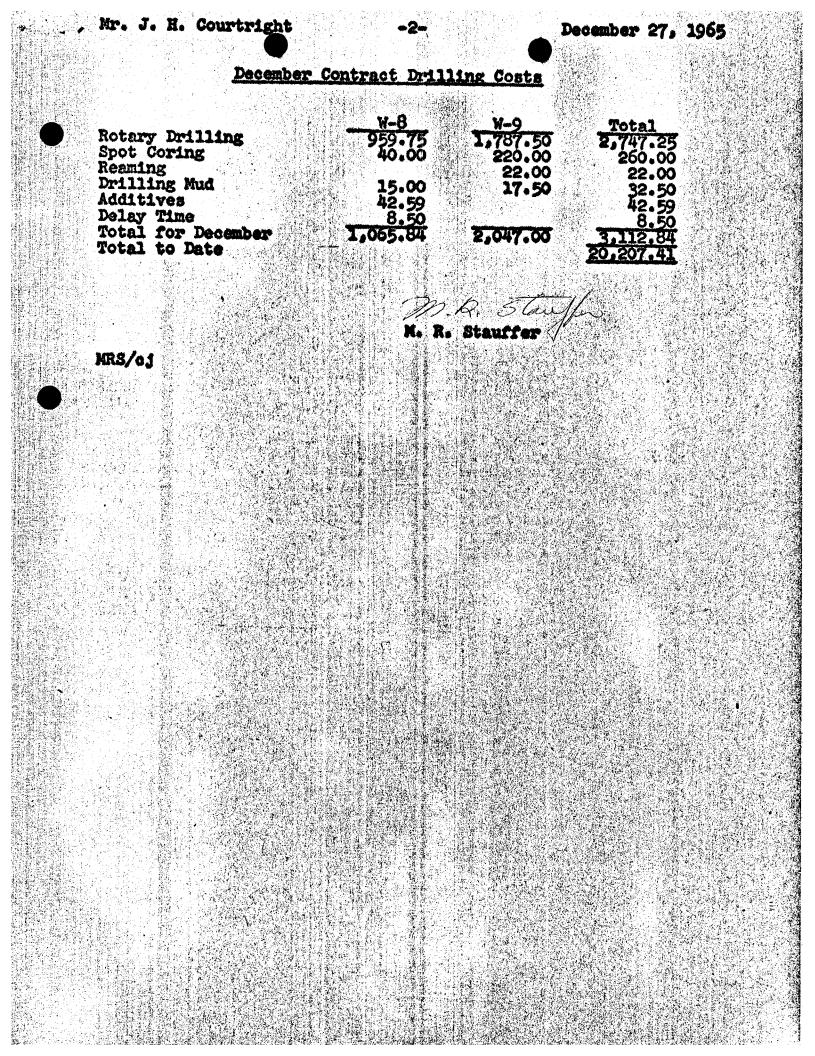
During the month of December, two holes were completed. Drilling operations were terminated with the completion of hole W-9 on December 11, 1965.

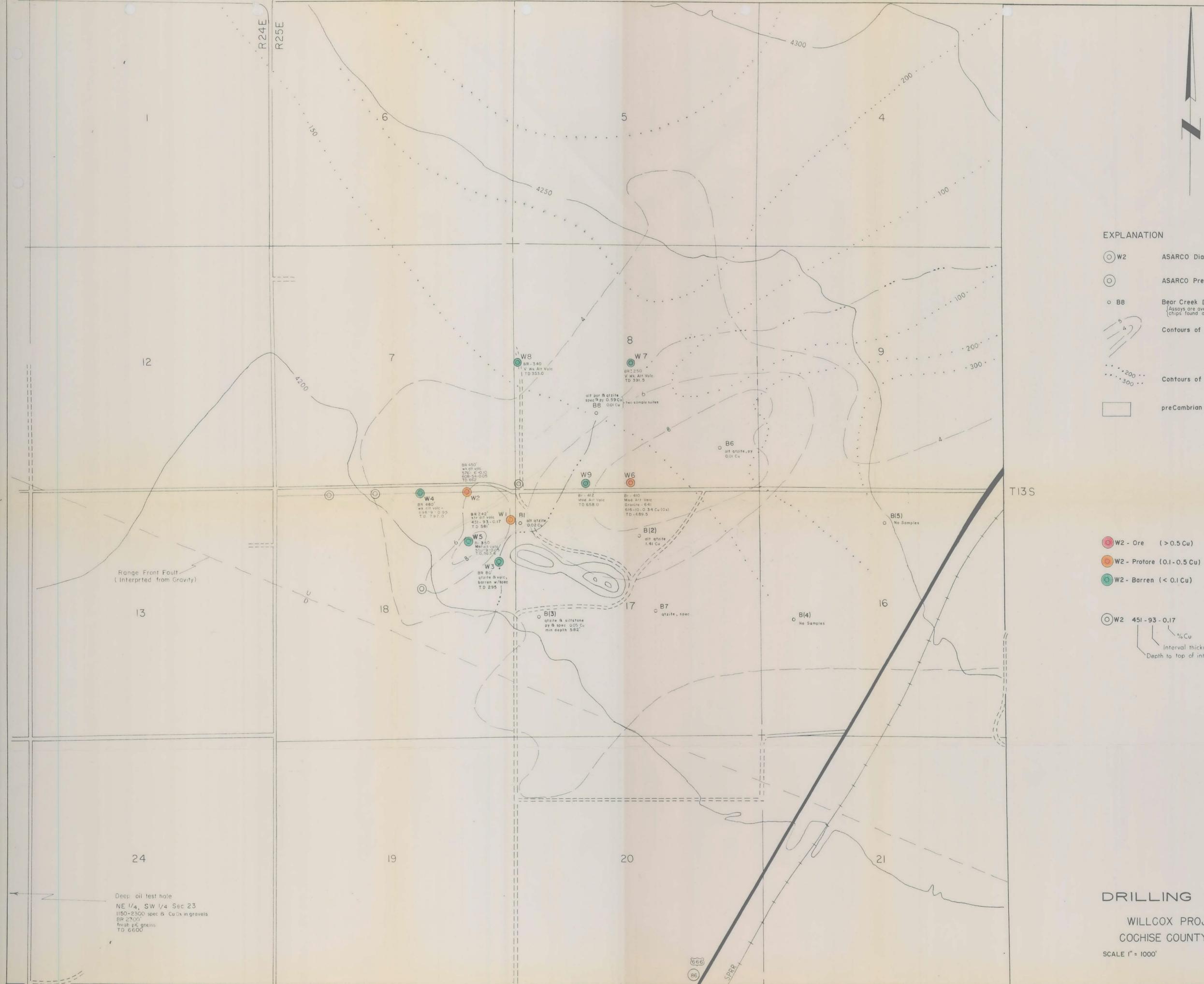
Hole W-8 was drilled with rock bit to 349.0 feet. Study of cuttings indicated bedrock at ± 340 feet. Spot core taken from 349.0 to 353.0 was a dark red to purple andesitic agglomerate with numerous calcite veinlets. The rock is hard, and shows no alteration effects other than chloritization of certain inclusions. Neither sulfides nor limonite after sulfides were observed. The hole was bottomed at 353.0 feet.

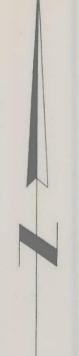
Hole W-9 was drilled with rock bit to a final depth at 658.0 feet. Bedrock was intersected by spot coring at 412.0 feet. Core recovered indicated the rock to be a soft, bleached, iron-stained volcanic porphyry with strong clay alteration. A good proportion of the iron oxides is indigenous, possibly after specularite. In terms of alteration and iron oxide distribution, the volcanic porphyry in W-9 is notably similar to that found in hole W-6.

Results of assaying and a breakdown of contract drilling costs for the month are shown as follows. A summary of drilling results, performance, and costs for the Willcox Project will be submitted after all available information has been received.

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ASARCO Diamond Drill Holes

ASARCO Prepared Drill Sites

Hole number indicates drill-Bear Creek Diamond Drill Holes ing sequence except where Assays are average for sulfide core shown in parentheses

Contours of Induced Polarization

Contours of Resistivity

preCambrian Quartzite Schist

%Cu Interval thickness Depth to top of interval

DRILLING MAP

WILLCOX PROJECT COCHISE COUNTY, ARIZ. OCT. 1965

DEC 2 0 1965

New York, December 16, 1965

Nemorandum for: Mr. H. L. Goodenough

Wilcox Project, Cochise County, Arizona All Mining Authorizations

This will advise you that we have abandoned Wilcox as an Exploration project. A number of charges probably are outstanding against the drilling authorization but I have no idea what these amount to.

Options on properties will be dropped promptly and Mr. Courtright will send you copies of relative correspondence.

Kenyon Richard

CC-NShapiro RBMeen JHCourtright Kvon den Steinen NWGrose

New York, N. Y., December 1, 1965

Mr. C. P. Follock

The following is an extract from the minutes of the meeting of the Advisory Committee held today:

Mining Authorization No. 1052 Willcox Property Cochise County, Arizona

It was reported that drilling results on the Willcox property, Cochise County, Arizona, a possible perphyry copper prospect, for which an expenditure of \$30,000 was approved by the Advisory Committee on September 15, 1965, have not been encouraging, but the Company's geologists feel that an additional hole is desirable before abandoning the prospect, at a cost of approximately \$4,000. It was also reported that Mining Authorization No. 1036 for the Willcox Prospect has been overexpended by approximately \$2,000. There was approved an additional expenditure of \$6,000 to cover the overrun and the drilling of an additional hole on the Willcox property, Cochise County, Arizona.

Barold Howe

NGHamrick HLGoodenough-2 TASnodden FIMcon JHCourtright

New York, November 30, 1965

MEMORANDUM TO: Mr. C. P. Pollock

Wilcox Prospect. Arizona Authorizations 982 and 1036

In Mr. Courtright's temporary absence, Mr. Saegart called explaining that although drilling results to date on this prospect have not been encouraging, he and Mr. Courtright would like to drill one more hole. This will cost about \$4,000. At the present time, they have overrun Authorization 1036 by approximately \$2,000. I believe we should go along with the request because we can afford to take a longer exploration chance in a location like this in Arizona than we might be justified in doing elsewhere. If you agree, please request an additional authorization of \$6,000 for drilling.

Authorization #982 for future option payments now has a balance of \$15,000. In the event this additional hole does not provide encouraging results, the property would be dropped and the \$15,000 cancelled.

Kenyon Richard

CC-JHCourtright WESaegart



W.E. SAEGART AMERICAN SHELTING & REFINING COMPANY 1159 NORTH 7TH AVENUE TUCSON, ARIZONA

DRILL ONE MORE HOLE AT WILCOX STOP NEW AUTHORIZATION \$6000 WILL BE OBTAINED WEDNESDAY HEETING OR THE AUTHORIZATION PROPERTY AC JUSTION MAY BE ADJUSTED ACCORDINGLY AT THAT TIME

CC-K von den Steinen File, send, confirm, accounting Alchard Accrican Scelting & Refining Co. 120 Broadway New York, New York

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To grant against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeatedmessage rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeater message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeater message rate beyond the sum of five hundred dollars; unless specially valued; nor in any case for delays arising fora unavoldable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be llable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, when caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. The applicable tariff charges on a message destined to any point in the continental United States listed in the Telegraph Company's Directory of Stations cover its delivery within the established eity or community limits of the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company dees not undertake to make delivery but will endeavor to arrange for delivery by any available means as the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for fluat purpose as the agent of the sender; except that when the Telegraph Company sensing it message, the message, the message, the message, the acts is the agent of the Telegraph Company is accepting the message, the Telegraph Company sensibility from the time of such acceptance.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or botween a point in the United States (except in the case of an point in the states on the other hand, or between a point in the states and a shilp at sea or in the air. (b) within 95 days after the case of a action, if any, shall have accrued in the ease of an intrastate message in Texas, and (c) within 185 days after the case of a message is filed with the Telegraph Company for transmission in the case of a message is filed with the telegraph Company for transmission in the case of a message is filed with the telegraph Company for transmission in the case of a message is filed with the telegraph Company for transmission in the case of a message is filed with the telegraph Company for transmission in the case of a message between a point in the United States and a loreign or everceas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcinarges within the purview of Section 415 of the Communications are the mediated of the states and the state state and the state state and the state state and the state state and the states and the state state and the states and

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employce of the Telegraph Company is authorized to vary the foregoing.

4-54

CLASSES OF SERVICE

DOMESTIC SERVICES

INTERNATIONAL SERVICES

FULL BATE (FR)

The fastest overseas service. May be written in code, cipher, or in any language expressed in Roman letters.

DAY LETTER (DL)

The fastest domestic service.

TELEGRAM

A deferred same-day service, at low rates.

NIGHT LETTER (NL)

Economical overnight service. Accepted up to 2 A. M. for delivery the fellowing morning; at rates lower than the Telegram or Day Letter rates.

LETTER TELEGRAM (LT)

For overnight plain language messages, at half-rate. Minimum charge for 22 words applies.

SHIP RADIOGRAM

For messages to and from ships at sea.

AMERICAN SMELTING AND REFINING COMPANY Tucson Arizona

November 26, 1965

NOV 3 0 1965

J.H.C.

PERSONAL CONFIDENTIAL

MEMORANDUM FOR J. H. COURTRIGHT:

WILLCOX PORPHYRY COPPER PROSPECT DRILLING

During the early part of November, Mr. Saegart asked me to visit the Willcox job and check on the manner in which the drilling was being conducted by the contractor, as well as our own staff there. I spent three drilling shifts observing the operations and, while nothing of an entirely serious nature is apparent, I must criticize the deficiency in many of the small details which are normally attended to routinely. The only copies of this memorandum will be yours, Mr. Saegarts, and one extra in case you wish to transmit it to Mr. Wojcik for his comments. Nothing has been placed in the general files. I was not given authority to make changes in the drilling process; my observations were only to be directed to your attention.

The equipment in use by the Metler Brothers Drilling Company is a modified Longyear 44 diamond drill, with heavy draw works and a BBS-3 head. The cylinders appear to be about 4 inches in diameter. For rotary drilling, NW rods are used along with 3 1/4 inch OD drill collars. The total length of the collar string, together with subs, totals 112 feet. The collars are both 10 and 11 feet long. The Metler Drilling Company could not furnish me with an exact weight per foot for their collars, nor an exact inside diameter. I am told by Frank Metler, however, that the ID is not more than 1 1/2 inches, and that the weight is equivalent to standard collars. Some quick calculations suggest that with this ID, of 1 1/2 inches, the collars would weigh about 22 pounds per foot, in contrast with the Failing collars which weigh about 25-27 pounds per foot. The NW rods are 2 5/8 OD and weigh about 5 1/2 pounds per foot. These weights, of course, are reduced by the buoyancy of the drilling fluid. The chuck is hydraulically operated, and the cylinders have a stroke of 3.4 feet. The drill while operating with a rock bit is capable of reducing speed to 60 rpm without any apparent load, or irregularity on the engine.

In all, this drill is much better suited for rotary drilling than any other modified diamond drill I have seen in use in this area. The pump which is mounted on the drill is an ordinary Bean 35, which in use with mud fluid and slightly sandy conditions probably cannot deliver more than 20 gallons a minute at optimum. The drilling company, at the time of my visit, had brought to the job a Bean 55 which appeared to be operating at a greatly reduced capacity. Mr. Stauffer has measured the flow and determined it to be about 25 gallons per minute. Judging from the appearance of the volume of discharge from the pipe leading out of the hole, this seems to be the correct order of magnitude. The pump situation then, is woefully inadequate to provide an adequate rising velocity in the annulus for removal of cuttings.

Because bedrock has generally been shallow, and of a distinctly different nature than the overlying silt and sandy clay, no particular problem has been experienced in determining the position of bedrock. This would not be the case if this drill were to be used in more adverse conditions, such as existed at Sacaton. The regular rotary style of pump, or "mud hog", would be necessary for many jobs, and desirable for all of them.

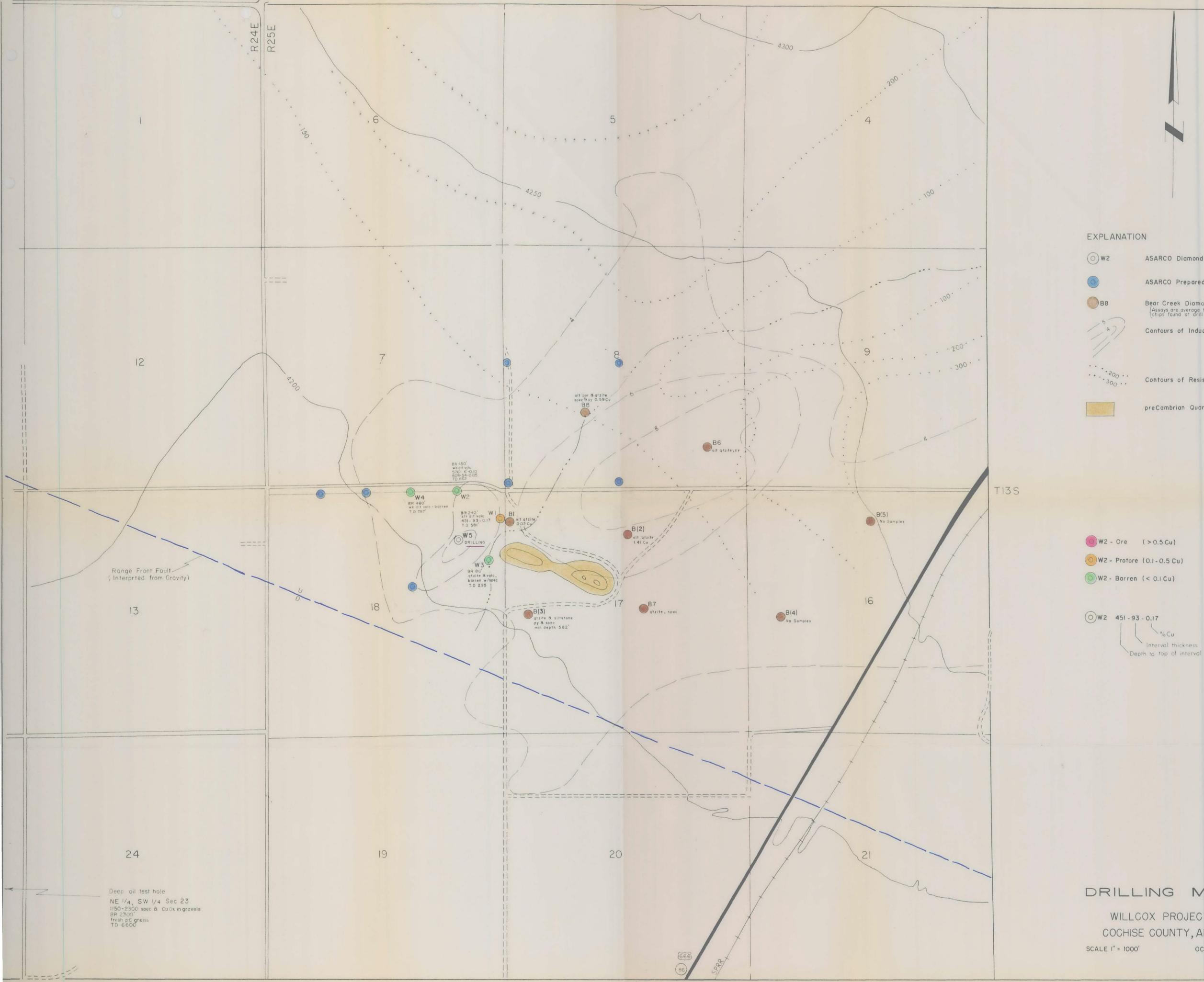
The drillers have in general kept the drilling fluid at fairly optimum conditions with a low jel strength, thereby allowing all the coarse cuttings to drop easily. Viscosities near 50 seconds have not been uncommon, and this is too high. Baroid products are used with a standard caustic-quebracho, low - PH mud. One difficulty has been the entrance into the drilling fluid of native clay and very fine silt which is recycled. The mud is cycled through settling tanks and so when the weight becomes too great, or the sand content a little too high, it's dumped. This is one solution to the problem, but causes the use of much more mud and chemicals than would otherwise be the case.

Our own sample collecting system certainly could receive much improvement. The discharge fluid impinges directly into a sample pan in a short ditch dug in the ground, and this then drains into the first tank. Samples are collected at 10-foot intervals. The question here is - Does this little pan fill up gradually, accurately representing the 10 foot intervals? Does it immediately fill up with the first foot or so of penetration and then allow the remaining sample to go on past and into the ditch? Does it constantly change due to the turbulence caused by the fluid impinging directly into the pan? I do not know the answer to these questions and no one seems to have bothered to find out. Another problem effecting this particular drill program is the high content of silt and clay in the alluvial cover. This is not retained in the sample because it is washed out and goes into the circulating mud fluid: thus the plastic sample viles which are retained for reference contain some part of the strata drilled, but just what part? In as much as the samplers are not geologists, they cannot be expected to constantly check and correctly record an estimate of the clay or silt content. Nothing has been done to determine if there is any other, more mechanical method of collecting a sample which would yield a record of the silt and clay content of the alluvial strata.

Of all the shift reports I have examined, nearly all are incompletely filled out. The samplers do not record the stick-up at any time during the shift or make any check on the length of rod or collars actually being used in the hole. Bits are not accurately kept track of so that we can determine what the bit life really is. No record is kept of the hydraulic pressure used; I noted for example, that during the last shift I was there, the driller maintained a constant and rather rapid penetration but that the pressure which had been held at about 100 psi was increased to 400 psi. If the pistons are approximately 4 inches, they would be similar to Failing 1500 pistons, and I recall that I calculated 400 pounds on these pistons will produce a downward pressure on the rods of about 10,000 pounds. This type of heavy pressure must inevitably lead to buckling of the drill pipe and consequent side wall contamination. I have reported all of this to you verbally but I thought it best to put my comments on record for your reference. I believe the principle criticism that I would have to levy is that there is a complete absence of attention to routine details which might prove very valuable in (1). assessing the rotary problems that might be encountered if the job should develop into a large one and (2). enabling us to evaluate the contractor's performance. I realize that at times some information must be passed over because of expense, lack of personnel, or other considerations. In this job there is only one drill on only two shifts; a sampler is present for each shift and there are two supervisors. I see no reason not to gather all data; there are enough people there to do this.

MNISON TOHN E.

JEK/pjc cc: WESaegart l X





ASARCO Diamond Drill Holes

ASARCO Prepared Drill Sites

Hole number indicates drill-Bear Creek Diamond Drill Holles ing sequence except where Assays are average for sulfide core shown in parentheses

Contours of Induced Polarization

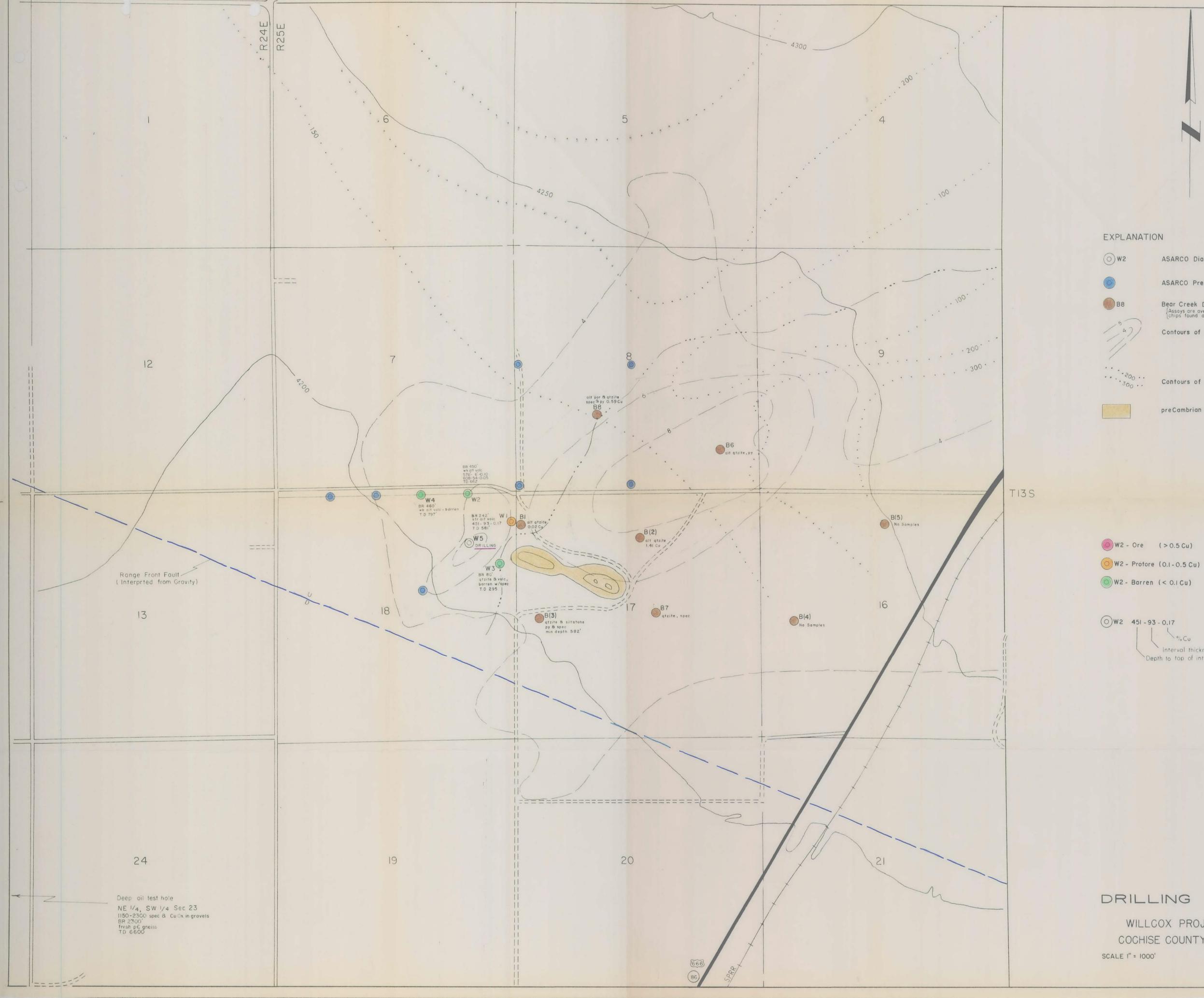
Contours of Resistivity

preCambrian Quartzite Schist

↓ %Cu Interval thickness

DRILLING MAP

WILLCOX PROJECT COCHISE COUNTY, ARIZ. OCT. 1965





ASARCO Diamond Drill Holes

ASARCO Prepared Drill Sites

Bear Creek Diamond Drill Holes ing sequence except where Assays are average for sulfide core shown in parentheses

Contours of Induced Polarization

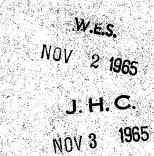
Contours of Resistivity

preCambrian Quartzite Schist

↓%Cu Interval thickness Depth to top of interval

DRILLING MAP

WILLCOX PROJECT COCHISE COUNTY, ARIZ. OCT. 1965



Willows

November 1, 1965

Mr. Walter V. Murphy Leasing Supervisor State Office Building State Land Department Phoenix 7, Arizona

Proposting Permit No. 8135

Dear Mr. Murphy:

Enclosed are the original and duplicate of Prospecting Permit No. 8135 covering the NM 1/4 of Section 8, 2135, R258, signed for American Smelting and Refining Company by Nr. A. C. Hall.

In due course we will expect one fully executed copy.

Yours very truly,

S. I. Bowditch

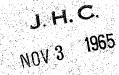
SIBIDAM ce: JHCourtright

Willcox Prospect

W.E.S.

NOV 2 1965

November 1, 1965



Mr. Walter V. Murphy Leasing Supervisor State Land Department State Office Building Phoenix 7, Arizona

Prospecting Permit 8136

Dear Mr. Murphy:

In connection with our application for a prospecting permit on Section 16, T138, R25E, Cochise County, to which you have assigned no. 8136, we have decided not to continue on this section, and hereby withdraw our application.

Yours very truly,

S. I. Bowditch

SIB:bam JHCourtright blcc: KvdSteinen

J. H. C. OCT 5 1965

October 5, 1965

Sonoita Realty and Investment Company 40 North Swan Tucson, Arizona

Willow Prospect

Gentlemen:

Enclosed is our check for \$7520.00 in payment of the sums due on the following options which are da escrow with Arizons Land Withe and Trust Company und which are due for removal on or before the dates shown. We wish to remow these options.

- 1) October 18, 1965 Lillian Beebe Blats, NE 1/4 Sec. 24 - VIJS, 2248 - \$2400.00.
- 2) October 18, 1965 Teul Lely 58 1/4 Sec. 13, 7135, 1984 (except two small tracts) - 18220.00.
- 3) November 2: 1965 V. D. Delaney and Grace S. Delaney - 22 1/4 Sec. 13, 7138, R248 - \$2800.00.

Flease give us copies of your letters of transmittal to the Title Company.

Yours very truly,

S. I. Bowditch

SIB:bam Biclosure. cei MCourtright **KydStainen**



J. H. C. SEP 28, 1965

The Industrial Commission of Arizona

A. R. KLEINDIENST, CHAIRMAN C. LAWRENCE HUERTA, MEMBER FRANK G. MURPHY, MEMBER LOUISE SUTER, SECRETARY 1616 West Adams Phoenix, Arizona 85007 WESTON W. THEW, MANAGER

K.v.o.s. SEP 28 1965

September 24, 1965

American Smelting & Refining Company P.O. Box 5795 Tucson, Arizona 85703

Gentlemen:

This is to certify that the Workmen's Compensation and Occupational Disease Disability Insurance policy issued by this Commission, covering the operations of the employer named below, is now in full force and effect as of this date, and constitutes full compliance with the statutes of this State conditioned that premium payments are made as provided therein.

Policy No. 35115-A Effective from 12:01 A. M., 11/26/60

Metler Brothers Brilling Company Rt. 7, Box 945 Tucson, Arizona 85714

This will further certify that prior to cancellation of this policy, ten days' notice will be forwarded by registered mail to the last known address of the employer.

Very truly yours,

Manager, Underwriting Department

Re: Drilling Contract-Willoox, Arisona Area

ce: Metler Brothers--

10

September 21, 1965

Mr. J. M. Murray, Manager Contract Drill Division Joy Manufecturing Company 900 Woodland Avenue Michigan City, Indiana 46360

Dear Mr. Murray:

This will acknowledge your latter of September 17 outlining terms for drilling four or five holes northeast of Willcox, Arizone.

We regret to advise that another contractor has been selected for the job, principally on the basis of equipment availability.

We wish to thank you and Ar. Eklund for your prompt attention to this matter.

Yours very truly,

J. H. COURTRIGHT

JMG/kw cc: SVFay JRWojelk





JOY MANUFACTURING COMPANY

900 WOODLAND AVENUE . MICHIGAN CITY, INDIANA 46360

September 17, 1965

J. H. C. SEP 21 1965

AIR MAIL

American Smelting & Refining Co. 1150 N. 7th Ave. P. O. Box 5795 Tucson, Arizona

Attn : Mr. Stephen Von Fay

Gentlemen:

Mr. Art Eklund inspected your proposed drilling area, approximately three miles northeast of Wilcox, Arizona. We understand that you will drill four or five holes approximately 1000 feet in depth. Some of the holes may go as deep as 1500 feet. You will arrange to level the drill sites, dig sumps, and arrange for water from local ranchers, or from a source in Wilcox.

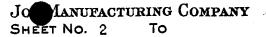
Rotary drilling, as well as core drilling, will be performed in the proposed drill holes. We will perform the rotary drilling, when directed to do so, if the rock will lend itself economically to rotary drilling. If the rock is too hard for rotary drilling, we may have to resort to core drill fittings, in which case, we would ask you to pay the agreed upon per foot core drill price.

If awarded this work, we would furnish a JOY truck mounted 22 H.D. core drill, with all the necessary operating equipment. We would also furnish a water truck, tank, and loading pump. We are willing to undertake the work at the following prices:

Mobilization drill & equipment = \$300.00

Rotary Drilling	NXWL	EXWL	· •
Surface to 500*\$ 3.45500* to 1000*3.951000* to 1500*4.70	\$5.45 5.95 6.70	\$5.20 5.70 6.45	
Cementing, if necessary, Standby time - Reaming, if necessary - Casing lost, NX- EX- Drilling mud used - Water truck rental	@ \$15.00 per @ 10.00 per @ 3.00 per @ 2.92 per @ 2.16 per @ 1.40 per @ 250.00 per	hr. ft. ft. ft.	per mile





September 17, 1965

. . .

Our drill crews are covered with Workmen's Compensation Insurance, under the state laws of Arizona.

Thank you for asking us to bid on your requirements. We hope we may be of further service to you on this project.

Yours truly,

JOY MANUFACTURING COMPANY

Mura J. M./Murray, Manager Contract Drill Division

JMM/gk

PLANT JOB NO.		AMERICAN SMELTIN		September	17, 1965
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METLER BROTHERS DRILLING CO.

Core Drilling Contractors

Poute 7, Box 945	4001 E. Illinois Street	¥ .	* *	Phone 327-4268	Tucson, Arizona 85714	

15 September, 1965

American Smelting & Refining Co. P.O. Box 5795 Tucson, Arizona

Attention: Mr. Stephen Von Fay

Dear Mr. Von Fay:

DRILLING

BLASTING

After looking at your proposed drilling program near Wilcox, Arizona, we are pleased to quote the following prices.

Below are listed two proposals. We will drill under the terms of any one of these, at your option.

PROPOSAL I

Under this proposal, we will move our equipment to the drill sites and do the drilling for \$125.00 per 8 hour shift. Labor, equipment, fuel and lubricants will be furnished by Metler Brothers Drilling Company.

Bits, cement, drill mud and other chemicals used will be billed to your company.

Casing left in hole due to ground conditions or ordered in place will be billed at cost.

Water haul -No charge for water truck. However, your company will pay for water charges if any.

PROPOSAL II

a. Rotary drilling with rock bit:	,	
Ledge to 500 ft.		\$ 2.75 ft.
500 to 1000 ft.		3.15 "
1000 to 1500 ft.		3.55 "
b. Spot Coring		20.00 per hr.
c. Continous Coring:	NX	BX
Ledge to 500 ft.	5.85 ft.	5.60 ft.
500 to 1000 ft.	6.25	6.00
1000 to 1500 ft.	6.65	6.40
d. Reaming, if required		2.75
e. Cementing & redrilling cement		12.50 per hr.
f. Casing left in hole due to ground	conditions	or ordered

in place will be billed at cost. Cement and other chemicals used will also be billed at cost. METLER BROS. DRILLING CO.

g. Drilling mud hauled to jobsite & mixed @2.50 per bag.
h. Water haul -the same condition outlined in proposal I.
i. Any additional services performed with our equipment, at your request will be billed at \$18.00 per hour.

Core boxes are to be furnished by your company, however, we will furnish them at 0.90¢ per box if requested.

Access roads and drill sites are to be prepared by your company , in advance.

We have available for this job a large combination rig. Rockbitting or coring capable of deep rotary drilling or 4000 ft. of wireline coring.

Thank you for giving us the opportunity to quote prices on this project.

Very truly yours,

METLER BROS. DRILLING CO.

E. A. Metler

E. R. Metler

ERM/dr

ARCO

copy sent to J.H. Courtright 9/20/65.

New York, N. Y., September 15, 1965

Mr. C. P. Pollock

SEP 2 1 1965

J. H. C.

The following is an extract from the minutes of the meeting of the Advisory Committee held today:

Mining Authorization No. 1036 Willcox Property Cochise County, Arizona

It was reported that sufficient options have been obtained to begin exploration on the Willcox Property in Cochise County, Arizona, a possible porphyry copper prospect, for which an expenditure of \$36,000 for option payments was approved by the Committee at the meeting held on September 2, 1964.

It was further reported that the Company's geologists recommend a preliminary program to consist of 4,000 feet of drilling in eight holes at an estimated cost of \$24,000, plus \$6,000 to cover access roads and geophysical surveys. After discussion, there was approved an expenditure of \$30,000 for a preliminary exploration program on the Willcox Property, Cochise County, Arizona.

FGHamrick HLGoodenough TASnedden RBMeen

lap tanber 15, 1965

Wilcon

18 dias

Leasing Division State Land Department State Office Building Phoenix, Arizone

Gentlemen:

Enclosed are two (2) applications for prospecting peralts and our check in the amount of \$30.00 to cover the filing fees.

Yours very truly.

J. H. COURTRIGHT

kw

Enclosures: applications check

cci KydSteinen SiBowditch

for parcele 16 and NWZ - 8

September 14, 1965

MEMORANDUM FOR: MR. C. P. POLLOCK

A CONTRACTOR OF A CONTRACTOR OF

WILCOX PROSPECT - TEVISTON DISTRICT, COCHISE COUNTY, ARIZONA

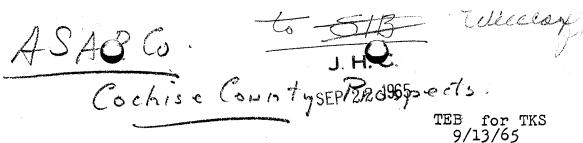
Mr. Courtright informs me that they have just succeeded in tying up the last parcel which they considered necessary to have before before beginning any drilling on this porphyry copper prospect. Approximately three sections now are held although in a portion of this area only a half-interest in mineral rights has been obtained. The owner of the remaining half-interest refuses to deal until a lawsuit involving himself but not necessarily the mineral interest is settled. In any event, Mr. Courtright feels that we now are in a position to undertake preliminary prospecting and drilling.

Several of the options have been running for sometime and payments to renew them become due in a few weeks. It is important, therefore, to begin this drilling as quickly as possible because early results may affect the question of maintaining certain of the options.

Mr. Courtright has planned a preliminary program involving 4000 feet of drilling in eight holes costing \$24,000. In addition, \$6,000 will be needed for access roads and geophysical surveys. Would you please request an authorization for \$30,000 in order that this work can be started quickly.

CC-JHCourtright

Kenyon Richard



<u>QUESTION</u>: May a cotenant undertake separate mining operations without the participation or consent of other cotenants?

<u>RULES:</u> Two rules are followed regarding the right of a cotenant to undertake mining operations on the property.

The <u>majority</u> and more modern rule allows fewer than all the cotenants to engage in mining activities without committing waste, but nonconsenting co-owners are not liable for any part of the expense if the mine is unprofitable, although they are entitled to share in any profits.

In <u>Torgeson v. Connelly</u>, (Wyo. 1959), 348 P.2d 63, the court held the owners of undivided portions of oil and gas rights in and under real estates are tenants in common and that each of them may enter upon the premises to explore for and develope gas and oil; but that one of them cannot exercise such right to the exclusion of the other, and the one who does proceed must account to a nonconsenting cotenant for the pro rata share of the net profits to be determined by deducting from the amount received the necessary expense of exploring, developing, extracting, and marketing.

The leading case on this point is <u>Prairie Oil and Gas</u> <u>Co. v. Allen</u> (CA 8), 2 F.2d 566, where under a deed reserving a portion of the oil under a parcel of land in a conveyance of the surface and the remaining portion, the parties become tenants in common of the oil in place. The court concluded that the tenant in common had the right to produce oil from the property without the consent of the cotenant, but that he could not exclude the cotenant from exercising the same right and privilege. However, the tenant must account to the others for profits received. This decision includes an exhaustive treatment of preceding cases

involving similar problems.

In the old California case of <u>McCord v. Oakland</u> <u>Quicksilver Mining Co.</u>, 64 Cal. 134, 27 Pac. 863, it was the opinion of the court that a cotenant had the right to mine a claim over the objections of other cotenants. The court held he did not become a trespasser in so doing.

In <u>Superior Oil Co. v. Oklahoma Corp. Comm</u>. (1952), 206 Okla. 213, 242 P.2d 454, a co-tenant was said to have an inherent right to drill for petroleum on the property, if he assumed the entire risk of failure. However, he must account to the co-tenant for market value less reasonable and necessary expenses, if he is successful. Other Oklahoma cases to the same effect include <u>Earp v. Mid-Continent Petroleum</u>, 167 Okla. 86, 27 P.2d 855, and <u>Essley v. Mershon</u>, Okla, 262 P.2d 417.

In a case involving cotenants of an oil and gas lease, <u>Davis v. Sherman</u>, 149 Kan. 114, 86 P.2d 490, the cotenant drilling the well was held to bear the entire cost where the other cotenant did not consent to the drilling. See also <u>Burnham v. Hardy</u> <u>Oil Co.</u> (Tex. Civ. App., 1912), 147 S.W. 330 and <u>Willson v.</u> <u>Superior Oil Co.</u>, (Tex. Civ. App. 1955), 274 S.W.2d 947.

The <u>minority</u> rule is that extraction of minerals from the property without the consent of all the co-tenants is enjoinable as waste. In jurisdictions in which this rule is adopted, permission of the nonoperating co-tenant is necessary before any mining operation can be commenced.

This is the older rule and is still in force in West Virgin ia and Louisiana. Cases supportin it include <u>Williamson v.</u> Jones, (1897), 43 W. Virg. 562, 27 S.E. 411, <u>Paxton v. Benedum-</u> <u>Trees Oil Co.</u>, (1917), 89 W. Virg. 187, 94 S.E. 472, and <u>Gulf</u> <u>Ref. Co. v. Carroll</u>, (1919), 145 La. 299, 82 So. 277.

-2-

The <u>Prairie Oil and Gas v. Allen</u> case, <u>supra.</u>, clearly shows that the fact that the objecting cotenant of the minerals is also owner of the surface rights does not put the objecting co-tenant in any better position than he would be if the surfact rights were owned by a third person.

Furthermore, the <u>American Law of Mining</u> \$15.20 states that "Whenever a mineral estate is separated in ownership from the surfact or overlying strata, the mineral owner derives a right of necessity to use and damage so much of the superadjacent land as is reasonably required for the proper extraction of his deposit."

This right of entry may be enlarged or restricted by provisions in the deed or in the deed's reservation clause. Such provisions may materially effect common law rights and obligations.

Aside from express provisions, a grant or reservation of mines or minerals gives to the mineral owner the incidental right of entering, occupying, and making such use of the surpace lands as is reasonably necessary in exploring, mining, removing, and marketing the minerals. 58 <u>CJS</u>, <u>Mines and Minerals</u> § 159(b), <u>Howell v. Chicago, Wilmington Coal Co</u>. 317 U.S. 669, 63 S.Ct. 74, 87 L.Ed 538, cert. den. to <u>Chicago, Wilmington & Franklin Coal</u> <u>Co. v. Minier</u> (C.C.A. Ill.) 127 F.2d 1006.

The reason for the rule is that the "grant or reservation of minerals would be wholly worthless if the grantee or reserver could not enter upon the land in order to explore for and extract the minerals granted or reserved." <u>Harris v. Cuprie</u> 142 Tex. 93, 176 S.W.2d 302.

Aa-3.20A.0

AMERICAN SMELTING AND REFINING COMPANY Tucson Arizona

September 9, 1965

J. H. C. SEP 13 1965

To: J. H. Courtright

From: S. I. Bowditch

Willcox Prospect Teviston District Cochise Co., Arizona

As you know, it has been nearly a year since Sonoita Realty and Investment Company started trying to get land for us in Willcox. All the land we wanted at this time has finally been tied up except the surface and half the mineral rights on 800 acres belonging to John Lane.

The following options are nearing the end of the first year of their two year terms, and will have to be extended for the second year by paying the amounts shown.

- Date of Option: October 18, 1964 Optionor: Lillian Beebe Blair Description: NE 1/4, Sec. 24, T13S, R24E Amount due: \$2400.00
- 2) Date of Option: October 18, 1964 Optionor: Paul Lely Description: SE 1/4, Sec. 24, T13S, R24E (except two small tracts) Amount due: \$2220.00
- 3) Date of Option: November 2, 1964 Optionors: W. D. Delaney and Grace E. Delaney Description: NE 1/4, Sec. 13, T13S, R24E Amount due: \$2400.00

Mr. Shoenhair has been asked to look into the possibility that we might be able to drill on the Lane land on the strength of our agreement with Mrs. Medlock for her 1/2 interest in the mineral rights. He is of the opinion that unless the deed from Medlock to Lane specifically reserved the right of access to explore for minerals, we would have no such right, but he is going to get the exact wording of the deed, and look into the matter further.

S. 9 Bowditch

S. I. Bowditch

SIB:bam

Wilcox

J. H. C. AUG 2 5 1965

August 25, 1965

Ļ

Mr. Ray Bidegain Bidegain Realty Company 40 M. Swan Tueson, Arizona

Dear Ray:

Inclosed are four copies of the proposed Mining Lease between Bertha Medlock and Sonoita covering Mrs. Nedlock's one-half interest in the mineral rights on the John Lane property.

Will you please have three of these executed by Mrs. Medlock and an officer of Sonoita and return one to me. One copy will be for her and one for you. The fourth copy is in case she wants an extra.

Please note that Mrs. Medlock's address should be inserted on page 10, Article 15.

Sincerely,

8. I. Bowditch

SIB:ban Enclosures ce: JHCourtright V WESsegart AMERICAN SMELTING AND REFINING COMPANY Tucson Arizona J. H. C. AUG 1-3 1965

August 12, 1965

To: J. H. Courtright

From: J. R. Wojcik

Willcox Drilling

If, during my stay in Honduras, it becomes possible to begin drilling on the Willcox project, I offer the following suggestions.

Initially, drilling should be on a two shift-one drill basis. Saegart's proposal of using a rotary drill to penetrate the overburden and the oxidized zone with only occasional cores is sound and should be a rapid method of outlining the altered zone. In the interest of maximum progress, the holes should be stopped if bedrock is not reached by say 1200' and an attempt made to relocate the hole in a shallower spot. If we were to bring in a drill capable of 2000'-2500' (or more) drilling, moving time on the shallower holes might be excessive. In a way, the knowledge that bedrock is over 1200' deep can help outline an area of poorer economic potential.

Contractors who are capable of doing this work well are: (not in order of preference)

J. O. Barnes, Casa Grande, Arizona - 836-8061

Metler Bros. Drilling Co. (Frank and Dick) 2929 So. 4th Ave., Tucson, Arizona - 624-4733

E. J. Longyear Co. (Jack R. Miller) 308 E. Pima, Phoenix, Arizona - 258-6543

Sprague & Henwood, Inc. (Bill B. Williams) P. O. Box 2556, Salt Lake City, Utah - 328-4271

Whatley Drilling Co. (Leon Whatley) 2901 So. 4th Ave., Tucson, Arizona - 624-6341

If some of the holes require casing for further diamond drilling, we should have about 1500' of 3" pipe in Casa Grande. Barnes knows where it is. Additional pipe can be ordered from Irv Spitler, Ike Johnson, or Harold Case at Southwest Pipe & Supply Co., 3789 Grand Ave., Phoenix, phone 279-6238.

The contract should be on the basis of a footage charge for rotary drilling and a footage and/or hourly charge for rotary coring. Mud should be billed to us at cost plus a handling charge and we should reserve the right to supply the mud if we so elect. Possibly a standby charge per day for an idle rig could be included.

YRWrzich J. R. Wojcik

JRW:bam cc: WFSaegart. D. B. Beck

J. H. C. AUG 2 1965

August 2, 1965

10 deax

Mr. T. K. Shoenhair Minth Floor Valley Mational Bank Building 4 East Congress Tuoson, Arisona

Dear Mr. Shoenhair:

This will confirm our conversation of this morning concerning a lease and option to purchase on the Lans-Medlock Property in the Willcox area through Somoita Realty.

Mr. Bidegain advised me today that the preliminary Title Report is in error regarding title of the mineral rights on this property. He will instruct the Title Company to forward you a revised copy of the Title Report.

We wish at this time to obtain a lease on the 1/2 interest in mineral rights owned by Medlock. If the revised Title Report is ecceptable and if you are satisfied with the current status of ownership insofar as it is effected by Medlock's death, please prepare a lease agreement containing the following terms:

- 1. Three years at no cost to Sonoita.
- 2. At the end of three years, Sonoita to pay lessor \$120,000 as advance royalty.
- 3. Lease to continue until canceled by us.
- 4. Royalty scale same as in Ehrhart (Betty Lans) lease, including royalty on precipitates from leached ores.

The royalty scale in the Khrhart agreement is based on full ownership, so Medlock will receive only one half of the royalty computed on this scale. Sam Bouditch advised that our standard clause for this is "in case lessor owns a less interest in suid premises or any part thereof than the entire and undivided fee simple estate therein, then the royalty herein provided for shall be paid to the lessor only in the proportion which lessor's interests bear to the whole and undivided fee of that portion of the demised premises from which the ore is extracted." Mr. Bowditch left a memo to the effect that since this is a lease only, on a 1/2 interest in mineral rights, some of the standard clauses contained in the Ehrhart lease may not be necessary. He suggested that you could decide which provisions to include in this lease.

The legal description of the property is the SE 1/4, Sec. 1 and the E 1/2, Sec. 12, T135, R24E, and the S 1/2, Sec. 7, T135, R25E, Cochise County. The land in Sections 1 and 12 may be described by Lots, and not contain exactly 160 and 320 acres.

John Lane owns the surface and the other 1/2 of the mineral rights. We expect to obtain a three year option to purchase at a price of \$800.00 per acre. Mr. Bidegain has not completed all of the arrangements concerning the Lane option. We wish to proceed with the Medlock lease at this time and will follow-up with the Lane option as soon as arrangements are finalized.

Yours very truly,

W.E. Saegart W. E. SARGAR

WES/pje oc: JHCourtright Sol SIBowditch RBidegain

Aa-3.20A.0

		ANERICAN SI Tucson	URAPING	AND REFINING	A material manage	J. H. C.
Υ. D	ń	4	hily 22	READ AND RETURN -	2	JUL 22 1965
To:	W.	E. Saegart		PREPARE ANSWERS.	HANDLE	
From	8.	I. Bowditch	1	FILE	-	

Willcax Prospect

This will confirm our conversation with Ray Bidegain yesterday. He is ordering a Title Report on the Lane-Nedlock property to get the proper legal description and to make sure which Medlock has a 1/2 interest in the mineral rights. A copy of the title report is to be sent to me. As soon as this comes you can get Ted Shoenhair to write up the Medlock agreement.

The terms are:

- 1. 3 years free.
- 2. At end of three years, Sonoita to pay \$120,000 as advance royalty.
- Lease to continue until canceled by us. 3.
- 4. Royalty scale same as in Ehrhart (Betty Lane) lease, including royalty on precipitates from leached ores.

This royalty scale is, of course, based on full ownership, so Medlock will get only one half of the royalty computed on this scale. Our standard clause for this is "in case lessor owns a less interest in said premises or any part thereof than the entire and undivided fee simple estate therein, then the royalty herein provided for shall be paid to the lessor only in the proportion which lessor's interests bear to the whole and undivided fee of that portion of the demised premises from which the ore is extracted.

Because this is a lease only, on a 1/2 interest in mineral rights, some of the standard clauses contained in the Ehrhart lease may not be necessary, but Shoenhair can decide this.

JUL 22 1965

John Lane, who come the surface and 1/2 of the JUL mineral rights, has agreed to a three year option with a purchase price of \$800 per sere. Option payments are \$10 per sore per year in advance. He is in the process of making a property settlement with his estranged wife, and does not want to sign up until this has been completed. He thinks this may be soon.

The property involved is the SE 1/4, Sec. 1 and the E 1/2 Sec. 12, T135, R24E, and the S 1/2 Sec. 7, T135, R25E, Cochise County. However, the land in Sections 1 and 12 may be described by Lots, and not contain exactly 160 and 320 acres. This is one reason for getting a Title Report.

One last thing. Sonoita has signed assignments to Asarco on all the property acquired so far. These are in an envelope in the bottom compartment of my "In-Out" basket on my desk. If the Land-Medlock agreements are both signed, Sonoita should assign these and then all assignments, with copies of assigned agreements, sent to New York for signature by Asarco.

S. I. Bowditch

SIB:bam cc: JHCourtright

ha- 3 20A 0 Willow

July 6, 1965

Mr. Raymond Didegain, President Sonolis Realty and Investment Company 40 North Span Pueson, Arizona

Dear Ray :

Enclosed are two copies each of essignments to Askree of the options to Bosoins from Milling Boobe Blair, W. D. and Orsee S. Delamey, and Paul Lely, and of the lease from Betty Ehrhart. These here been prepared by Ted Shoephair.

Will you please sign all of them for Sonoits, and return them to me, and I will them send them on to New York for signature by istrae. Eventually you will have a fully executed copy of such for your records.

Yours very truly,

S. I. Bowditch

SEE ben Bacs. oàt -TElhoenheitr Monstright

MR

READ AND RETURN

FILE INITIALS

J. H. C. JUN 2 9 1965

Qa-3.20A.0

Willcart Prospect

101 "NES. 7 1965

June 29, 1965

Mr. T. K. Shoenhair Boyle, Bilby, Thompson and Shoenhair 9th Floor Valley National Building Tucson, Arisona 85701

Dear Siri

The following options have been taken in Goehise County by Sonoits Realty and Investment Company at our request, and should probably be assigned to us.

- 1. Date: October 18, 1964 Optionor: Lillian Beebe Blair Description: NE 1/4, Sec. 24, T138, R24E
- 2. Date: October 18, 1964 Optionor: Faul Lely /3 Description: 88 1/4, Sec. 24, 7135, R24E (except 2 small tracts)
- 3. Date: November 2, 1964 Optioners: N. D. Delaney and Grace 2. Delaney Description: NE 1/4 (Also known ap Tract 42), Seq. 13, T135, R248

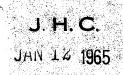
You are proparing the assignment of the Betty Whrhart lease dated June 23, 1965 on the N 1/2, Sec. 18, 7138, 8258.

Yours very truly,

S. I. Bowditch

STBaban co: JHCourtright \





January 12, 1965

Mr. Tom Hunt Manolia Realty and Investment Company 40 N. Swan Bond Tucson, Arisona

LLCOX PROSPECT

Dear Tom:

Enclosed is an outline of the secontial terms for the proposed leases which you will try to get from the Lanes. I think these are fairly clear.

<u>Isrn</u> - This is what we would like to have, but can be modified slightly. Lesses (you), of course, has right to cancel at any time on notice (15 to 30 days).

Minima Royalty - I have set this at \$1.00 per sars each four souths to give you bargaining room. We can accept \$1.00 each three

Hovalties - These are based on 100% ownership. In the case of John Lake and the man who come half the mineral rights, each would get half the royalty. In the case of these two man, you might eant to pay all the minimum to Lame, us he cans the surface, or some other arrangement not 50-50.

Of course, the actual lease will be more complicated, but most of the other terms are routing.

Any other questions you may have I shall be glad to answer.

Yours very truly.

SIB/Xy 401 JHCourtright.

WESsegart

S. I. BOIDITCH

PROPOSIDE MANEE TERMS

1. Term of Lease = 20 years, subject to remeanl for 20 more years if mining has begun during first 20 year period.

2. Mainum Royalty - \$1.00 per acre in advance each four months. This pupiles on and is credited against future royalties from production.

3. Mapelty, per ton of crude ore, calculated from net smalter returns on concentrates. This is done by calculating back from the encoentrates, using mill recoveries, ratios of concentration, and known tonungs and grade of ore mined.

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4. Longe would give right to go on property to drill, but, until needed for preparation for actual mining operations, owner may continue to use surface.

5. Owner to pay taxes until preparation for mining begins, then lessee takes on tax payment.

DOMESTIC SERVIC Check the class of service d otherwise this message w sent as a fast telegram	esired; ill be	VESI	ERN	UNIE	IN	INTERNATIONAL SEF Check the class of service otherwise the message sent at the full ra	edesired; will be
TELEGRAM DAY LETTER NIGHT LETTER	E	7	TELEGR W. P. MARSHALL. PR		1206 (4-55)	FULL RATE LETTER TELEGRAM SHORE-SHIP	
WDSCL. OF SVC.	PD. OR COLL.	CASH NO.	ĆHARG	E TO THE ACCOUNT OF		TIME FILED	

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

Full Rate

New York, Septempe 1964 0

J. H. COURTRIGHT AMERICAN SMELTING AND REFINING COMPANY 813 VALLEY NATIONAL BUILDING TUCSON, ARIZONA

SEP 16 1964

ADVISORY COMMITTEE APPROVED CONTRACT WITH SONDITA REALTY IN CONNECTION WITH

WILLCOX PROJECT. COPIES WILL BE EXECUTED AND FORWARDED TO YOU TODAY.

POLLOCK

File Send Confirmation -CC-Accounting Department

J.H.C SEP 17 1964

personne file

Tudson, Arigona September 10, 1964

Sonoita Realty and Investment Company 40 North Swan Road Tucson, Arizona

Gentlemen:

This letter will confirm and set forth the terms upon which Sonoita Realty and Investment Company, hereinafter called Sonoits " has agreed to set as agent for merican Smelting and Refining Company, hereinafter called "AACO," in connection with the procurement of options to purchase lands in Township 13 South, Ringes 24 and 25 East, Cochise County, Trisona. Said terms are:

1. ASARCO shall designate the lands that it cestres to have the option to purchase.

2. Sonoits shall use its best efforts to obtain options on the lands so designated. Each option shall be taken in the name of Sonoits and shall be for a period of one year and, if possible, shall be extendible for a second year, and shall give the optionee named there is and its saligns the right to purchase for simple five to the covered property without any recervation of sinerals.

3. The consideration to be paid for each option and for any extension thereof and the option price to be paid for the covered property shall be subject to the

a hatati da humana

4. Soncita shall, whenever requested so to do by sesign satisfies stated by it proves to this sesion to ASA TO of its nomines.

5. In the event ASARCO purchases in its name or its Dominate any of the property covered by place O shall pay to Songits a sus equal to ten at it purchase price so paid in full payment for a redened by Sonoits pursuant to this agreement.

Contraction of the sums advanced as possible include sums advanced as possible include sums advanced as possible include sums

Sonoita Realty and Investment Company September 10, 1964 Page 2

for options, sharges for title reports, long distance telephone charges, and other similar items of expense.

What is set forth in this letter constitutes our entire agreement, and the signature of an authorized officer shall evidence your approval and acceptance thereof.

Very truly yours,

ANDRIGAN ANGLISTING AND REFINITION COMPANY

CRollack Vice President

Accepted and agreed to:

SCHOTTA REALFY AND INVESTMENT CONPANY

By Thomas thirst

SEP 8 1964

DTUCSON

⊁

R.B.M. SEP 8 1964

A. C. H.

September 4, 1964 SEP 8 1964

AIR MAIL

Mr. W. E. Saegart American Smelting and Refining Company 813 Valley National Building Tucson, Arizona

Willcox Prospect - Cochise County, Arizona

Dear Mr. Saegart:

Your letter of September 1st with attached memoranda by Messrs. Beck, Kinnison and Bowditch covering the Willcox Project arrived this morning and I wish to confirm that I obtained approval at Wednesday's Advisory Committee Meeting for an arthorization to spend up to \$36,000 as recommended for options on the two sections in the vicinity of the water well cuttings from bedrock indicating strongly altered parphyry with sulphide mineralization. This showing decidedly justifies further testing.

I spoke to Mr. Vaughan in regard to your observations in connection with Mr. Howard Horne acting as egent as he did in acquiring the Bloom Property at Sacaton. Mr. Vaughan says this is always risky and in order to be completely safe he thinks we should use our own people and take options in the Company's name. Since this precedure might be expensive under the present circumstances, I suggest you either follow the advice of our local attorney and consider another realter to act as agent or ask Mr. Bowditch to negotiate the options.

Very truly yours,

C. P. Pollock

this is a non-around and less risky (?)!

CC-JHCourtright - Mexico City RBMeen

Please copy this for me W.E JHC Desk SED 8 1964 Copied: 9/4/64 for JHCourtright 4 New York, N. Y., September 2, 1964 J.H.C. RECEIVED 5. I. B. SEP 14 1964 SEP - 1964 SEP 8 1964 C. P. POLLOCK Mr. C. P. Pollock

The following is an extract from the minutes of the meeting of the Advisory Committee held today:

Mining Authorization No. 982 Wilcox Prospect Coches County, Arizona

It was reported that Asarco geologists have located an interesting churn drill water hole approximately 40 miles north of Douglas, Coches County, Arizona, a possible porphyry copper prospect. Approximately two sections of land in the area, contained in six parcels, are available for option and it is recommended that Asarco take the property under option. Preliminary indications are that the purchase price of the property in the area would be approximately \$250 per acre, and that initial payments of \$25 an acre would be required.

After discussion, subject to ratification by the Board of Directors, there was approved an expenditure of \$36,000 for initial option payments on six parcels of land in Coches County, Arizona.

old Howe

Harold how

FGHamrick HLGoodenough-2 HWGrose TASnedden RBMeen