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IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF PINAL

IN THE MATTER OF THE APPLICATION OF JAMES SULLIVAN FOR COMMERCIAL LEASE OF STATE LAND, APPLICATION NO. C-1068, JAMES SULLIVAN, Appellant, vs. ANDREW BETTWY, STATE LAND COMMISSIONER, AND THE STATE LAND DEPARTMENT, Appellees.	NO. 24753

DEPOSITION OF JAMES HAROLD COURTRIGHT

Phoenix, Arizona
June 9, 1971

RYAN & RYAN
COURT REPORTERS
710 ARIZONA TITLE BUILDING
PHOENIX, ARIZONA 85003
TELEPHONE 254-5207

1
2 DEPOSITION OF JAMES HAROLD COURTRIGHT
3
4 BE IT REMEMBERED that pursuant to Notice the
5 deposition of James Harold Courtright was taken in
6 behalf of the appellees before Donnie A. Stickley,
7 a Notary Public in and for the County of Maricopa,
8 State of Arizona, on the 9th day of June, 1971,
9 commencing at the hour of 10:20 o'clock a.m., at
10 363 North First Avenue, Phoenix, Arizona.
11 The Appellant was present in person and
12 represented by his attorney, Mr. William C. Haus.
13 The Appellees were represented by their
14 attorneys, Messrs. Evans, Kitchel & Jenckes by
15 Mr. Burton M. Apker.
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1 MR. APKER: Let the record show that the de-
2 position of Harold Courtright is being taken
3 today by virtue of stipulation with counsel for
4 the appellant, James Sullivan, and that the
5 appellant waives notice of filing the deposition
6 and waives the signature of the witness.
7 MR. HAUS: That's right.
8 MR. APKER: Mr. Haus, may we stipulate that
9 all objections of every kind are waived unless they
10 are made here when the question is put or the
11 answer is given?
12 MR. HAUS: Yes.
13 MR. APKER: Let the record also show that the
14 reason for the stipulation for the taking of the
15 deposition and the other stipulations which we have
16 just alluded to is that Mr. Courtright expects to
17 be out of the United States at the time that this
18 matter will be tried on July 8, 1971.
19
20 JAMES HAROLD COURTRIGHT,
21 being first duly sworn upon his oath by the Notary
22 to testify to the truth, the whole truth and
23 nothing but the truth, was examined and testified
24 as follows:
25
26

1 DIRECT EXAMINATION

2 BY MR. APKER:

3 Q For the record, will you please state your

4 full name, Mr. Courtright.

5 A James Harold Courtright.

6 Q Where do you reside, Mr. Courtright?

7 A Tucson,Arizona.

8 Q What is your residence address?

9 A 202 Suffolk Drive.

10 Q What is your occupation at this time?

11 A I am a geologist.

12 Q By whom are you employed?

13 A The American Smelting and Refining Company.

14 Q Where is your office?

15 A Tucson, Arizona.

16 Q Is it in the American Smelting and Refining

17 Company offices on North Seventh Avenue in Tucson?

18 A It is.

19 Q From time to time I may refer to American

20 Smelting and Refining Company as ASARCO. That

21 won't confuse you if I use the names interchangeably?

22 A Not at all.

23 Q How long have you been employed by ASARCO?

24 A Over 25 years.

25 Q What is your present position with the

26 company?

A Chief geologist for the company.

Q What are your duties as the chief geologist for ASARCO?

A The company has 10 exploration divisions. And my work is involved in supervision of the work of these 10 divisions.

Q Are all of the 10 exploration divisions within the United States?

A Five in the United States; one in Canada. One division is called Latin American Division. One division is the European Division with offices in London and Madrid. And another division is the South Pacific Division with offices in Adelaide and Perth, Australia. And that just about covers it.

Q Your responsibility then as chief geologist is supervision of those 10 exploration divisions?

A That's right.

Q How long have you been chief geologist for ASARCO?

A One and a half years.

Q What position did you hold with ASARCO prior to that?

A Supervisor of the Southwestern Exploration Department from the period 1963 to the end of '69.

Q Where are the offices of the Southwestern

1 Exploration Department located?

2 A At the 1150 North Seventh Avenue address.

3 Q In Tucson?

4 A In Tucson.

5 Q The same building where your present offices

6 are?

7 A That's correct.

8 Q What were your duties as that supervisor?

9 A The territory for the Southwestern Exploration

10 Department covers the southwestern states: California

11 Arizona, Nevada, Utah, New Mexico and Texas. In

12 addition to that, we also cover Mexico at various

13 times; not currently.

14 Q During all of that period, you were head-

15 quartered in Tucson?

16 A That's right, yes.

17 Q Could you briefly describe your duties as

18 supervisor of Southwestern Exploration Department?

19 A The position of supervisor involves

20 direction of the various geologists in the depart-

21 ment, which amounted to perhaps 18 or 20; reviewing

22 all projects; handling all business in connection

23 with the various projects, which involves drilling

24 and geological mapping, scouting and reconnaissance,

25 et cetera.

26 Q Before you became supervisor of the

1 Southwestern Exploration Department, what was your
2 position with the company?
3 A Assistant supervisor to the supervisor
4 of the Southwestern Exploration Department.
5 Q How long have you been working in the
6 Southwestern Exploration Department altogether?
7 A Approximately 23 years.
8 Q During all of that period of time, were
9 you headquartered in Tucson?
10 A I was headquartered there, but my work was
11 varied. I worked on projects in South America,
12 Peru; Nigeria, Africa, and more or less on loan to
13 various other divisions: Canada, and et cetera;
14 Mexico as well.
15 Q Mr. Courtright, what is your formal
16 educational experience?
17 A College, Sacramento College in California,
18 and University of Nevada School of Mines at Reno,
19 Nevada.
20 Q What were your principle areas of study?
21 A Geology, mining engineering; those two.
22 Q Mr. Courtright, do you have professional
23 registration in Arizona?
24 A I do for the past seven years.
25 Q What is your professional registration?
26 A As a geologist.

1 Q Mr. Courtright, this action in which your
2 deposition is being taken this morning involves
3 some state commercial leases in Sections 34 and
4 36 in Township 5 South, Range 5 East in Pinal
5 County, Arizona. Are you familiar with these
6 properties?
7 A I am.
8 Q How did you happen to become familiar with
9 these properties?
10 A Well, as a member of the staff assistant
11 supervisor, I was on the ground at the start of
12 the project in 1961. And I am familiar and
13 followed and supervised the work throughout its
14 entire life.
15 Q You referred to the project. What project
16 are you referring to?
17 A It was known as the Sacaton Project.
18 Q In an earlier phase, was it ever called
19 the Sacaton Prospect?
20 A It may have. Originally, I am quite sure
21 we referred to it as a prospect. But very shortly,
22 it became a project.
23 Q The Sacaton Project involves, in your frame
24 of reference, more land than the state lands which
25 are the subject of the commercial leases involved
26 in this lawsuit, is that correct?

1 A That's correct.
2 MR. APKER: Would you mark that as No. 1,
3 please.
4 (The document referred to was marked
5 Courtright Deposition Exhibit No. 1 for
6 identification.)
7 MR. APKER: Off the record.
8 (An off-the-record discussion ensued.)
9 Q (BY MR. APKER) Mr. Courtright, I show
10 you this document which the reporter has marked
11 for identification as Courtright Deposition Exhibit
12 No. 1, which is a property map. Let me avow to you
13 that I clipped with a scissors the legend which is
14 now Scotch taped in the lower left-hand corner of
15 the map that reads Ownership Map, Sacaton Project.
16 I clipped it from an extension of the map off to
17 the right, and put it over there simply for ease
18 in identification of the property involved.
19 I ask you if that map shows generally the
20 properties which are involved in the development
21 which you refer to as Sacaton Project?
22 A Yes.
23 Q Some of the properties on that map, Exhibit
24 1, are shaded in pink or lavender, and others are
25 shaded in yellow. Am I correct that the areas
26 which are shaded in yellow are the ones involved

1 in the state leases in this dispute?
2 A That is my understanding, yes.
3 Q Is it your understanding that the lands
4 which are shaded in pink or lavender have been
5 acquired or otherwise controlled by ASARCO?
6 A That's correct.
7 Q Referring to the properties which are
8 shaded in pink or lavender on Exhibit 1, Mr.
9 Courtright, would you please describe what your
10 activities have been in general in connection with
11 those lands since you first became involved with
12 the Sacaton Project?
13 A You mean or wish the procedures involved
14 in exploring this property?
15 Q Yes.
16 A The discovery of the prospect was made by
17 two of our men in 1961. And the prospect consisted
18 of a small outcrop in this alluvial-covered area,
19 a small hill. We proceeded to acquire ground in
20 the area and to drill. First we started drilling.
21 We drilled the first hole right on the outcrop,
22 and subsequently expanded our drilling, and
23 continued expanding it as long as we were in
24 mineralized ground, and ultimately defined the
25 limits of a mineralized zone, which is approximately
26 two and a half miles long and a mile wide and

trends

1 trans-northeasterly.

2 Q Let me interrupt for a moment. The out-
3 cropping that you said was the point of discovery
4 initially, is that outcropping somewhere within
5 the pink or lavender-shaded portion of Exhibit 1?
6 A Yes.
7 Q Is the entire zone of mineralization, to
8 which you just referred to as being about two and a
9 half miles long and a mile wide, entirely within
10 the pink or lavender-shaded portions of Exhibit 1?
11 A Let's see. Entirely? I couldn't tell
12 from that map for sure. It may extend -- It is
13 within, but there is a small projection outside of
14 it apparently there in Section 24.
15 Q Is that in 24 of Township 5 South and
16 Range 5 East?
17 A Yes.
18 MR. HAUS: Up there?
19 THE WITNESS: Yes.
20 Q (BY MR. APKER) Does any portion of the
21 zone to which you have just been referring extend
22 into any of the yellow-shaded areas on Exhibit 1?
23 A No.
24 Q In layman's language, Mr. Courtright, what
25 is the significance to you of that zone of minerali-
26 zation to which you refer?

1 A Well, it is a zone of mineralization which
2 can be classified as a porphyry copper occurrence,
3 disseminated copper and iron sulfides throughout
4 the zone. This zone has already been mentioned
5 at its dimensions. And at the margins of the zone,
6 the rock becomes less altered and less mineralized.
7 And within the zone, it is pervasively mineralized
8 with iron pyrites and chalcopyrite. The zone is a
9 mineral deposit. However, it is submarginal from
10 the standpoint of mining. It is a low grade
11 mineralized zone, within which there occurs two
12 small areas of commercial mineralization. It is
13 bounded on all sides by barren or unmineralized
14 rock or very weakly mineralized.
15 There are very weak spots of mineralization
16 outside of its boundaries, but the zone is an
17 entity and recognized as such in porphyry work.
18 It forms a distinct pattern. And within it there
19 may or may not occur commercial values. In this
20 instance, we do have two areas that have commercial
21 values.
22 Q But there are only two small areas within
23 the zone of copper mineralization in commercial
24 quantities, is that correct?
25 A That's correct.
26 Q How did ASARCO determine, first of all, the

1 approximate parameters of the zone and then the
2 existence and size of the small areas of commercial
3 minteralization within the zone?
4 A The procedure was first an attempt to define
5 the extent of the zone of mineralization, which is
6 the usual procedure in situations like this where
7 there are essentially no outcrops or only one small
8 outcrop. So in order to determine what property
9 might be required, we started out with very wide
10 space drilling, 500 to a thousand feet separation
11 between holes, and continued this wide space
12 drilling until we had defined the limits of this
13 zone. And then we could conclude what property
14 was necessary. Prior to that, we would take up
15 property outside of what did prove to be outside
16 the zone. After defining the limits of the zone,
17 we were no longer primarily interested in property
18 outside of it, but proceeded to drill at closer
19 spaced intervals within the zone in search of ore
20 grade mineralization, and subsequently did find
21 some; not as much as we had hoped, of course,
22 because the zone is, as porphyry copper zones go,
23 a fair-sized zone, but it contains less ore than
24 the average porphyry copper zone of that size.
25 Q Do I understand that in order to delimit
26 the approximate boundaries of the zone, ASARCO did

1 some exploration drilling outside what is now
2 conceived to be the boundaries of that zone?
3 A Yes.
4 Q When was that drilling done both in and
5 outside the zone?
6 A The drilling started in 1961 and continued
7 on into '62, this drilling to define the zone and
8 its limits.
9 The results of this wide space holes, some
10 of them had ore grade mineralization. However, at
11 the then price of copper, it didn't look very
12 attractive. In fact, it was submarginal. And the
13 program was terminated and was not resumed again
14 until 1948 --
15 MR. SULLIVAN: '68.
16 THE WITNESS: -- when the price of copper had
17 moved up.
18 Q (BY MR. APKER) Do you mean 1968?
19 A '68, excuse me. At that time the price
20 of copper had moved to a level where it was possible
21 that these indications we had had on the wide space
22 drilling might be commercial. Therefore, we
23 started a program of interspace drilling all inside
24 of the zone. We did no more drilling. And we had
25 already defined the limits, so we did no more drilling
26 outside other than maybe a hole or two that might

qualify for assessment work, state leases, or something of that nature.

Q Would you describe the manner in which the exploration holes were drilled, Mr. Courtright, the size of the hole and how they were done and how deep they went?

A The usual procedure was to start the hole with a rotary drill, rotary tri-cone bit, ranging in various sizes, but usually five or six inches in diameter. And the hole was continued until bedrock was reached, which varied from 100 feet or a few feet to as deep as, in some holes, 1700 feet to bedrock. And when bedrock was established, usually by what we call a spot coring run -- And we make many spot cores. And quite often, they are still in conglomerate or alluvium. So we continued the hole. Ultimately, when bedrock has been established, we convert to diamond drilling and coring, continuous coring of the hole, which usually is ~~beyond~~ on the order of two to three inches in diameter. And the hole would be continued to the point where it appeared no further progress was needed.

Q Why did you drill down to and into bedrock?

A The ore values or mineralization occurs only in bedrock of any importance. Accordingly, it is necessary to reach bedrock or you haven't got any

information.

Q What lies above the bedrock? What kind of a geological formation?

A Overlying the bedrock is a conglomerate, fairly hard conglomerate. I should say that I would contrast that to alluvium. Alluvium is relatively soft, and will not stand by itself very well. However, the conglomerate, where it does outcrop around the country, does form steep walls, and is a fairly hard rock. It is, however, a post-mineral rock. It has formed since the mineralization in bedrock took place. ~~Mineralization,~~ subsequent to mineralization erosion has taken place, eroding off the deposit. And during the course of this, the valley is filled with these conglomerates. And over the top of the conglomerate is deposited alluvium, which is just a soft, fine, loose material. So we have approximately 100 feet of alluvium covering this area, which is commonly known as valley fill. Beneath that is one to several hundred feet of this harder conglomerate, which is made up of boulders and gravel cemented together.

Q Do copper ores occur in the conglomerate or the alluvium?

A There are cases of where commercial

1 mineralization does occur in the alluvium and in
2 the conglomerates. These do exist. They, however,
3 do not exist here.
4 Q How do you know that as a fact?
5 A Simply by the results of our drilling,
6 which indicate that as to the grade and extent of
7 this copper found in alluvium, the grade is too
8 low and extent is too small to be commercial.
9 Q Even though ASARCO is planning to erect a
10 mill at that location in connection with its
11 Sacaton Project, that would perhaps be fully
12 amortized by the minerals in the land that ASARCO
13 has acquired or controlled for that purpose, the
14 ores that might occur in the alluvium or conglomerate
15 would still not be in commercial quality?
16 A That is correct.
17 Q What is the composition of the bedrock in
18 that area of the Sacaton Project?
19 A Well, in layman's language, it is a very
20 old rock. And geologically, it is called Precambrian.
21 ~~Presently~~ Precambrian granite is the makeup of the
22 bedrock. And it contains some small bodies known
23 as porphyry intrusive rock. That is the principle
24 makeup of the bedrock, Precambrian granite with
25 small intrusive bodies of much later age.
26 Q Is it in those intrusive bodies that you

find the economic copper mineralization in this area?

A The economic copper mineralization occurs both in the intrusive bodies and in the wall rock which are the Precambrian granite.

Q But in the bedrock?

A In the bedrock in all cases, yes.

(The deposition was at recess.)

MR. APKER: I don't have any further direct examination.

Do you have any cross examination, Mr. Haus?

(An off-the-record discussion ensued.)

CROSS EXAMINATION

BY MR. HAUS:

Q If I could ask just a few questions, Mr. Courtright. I believe your testimony was, in 1961, is that the first time you, while working for ASARCO, became interested in this property in pink on the map?

A Yes, that's right.

Q At that time you were assistant superintendent is that right?

A Supervisor, yes.

Q Supervisor?

A Yes.

Q It was '61 through '63, I believe you said, that you did various drilling in this property to determine, I believe, the economic mineralization, whether it would be worthwhile going into it?

A The drilling during that period consisted of probing out this zone of mineralization. And during the course of that, we did encounter some ore grade mineralization. But as I stated, we didn't follow that up because of the price of copper. It was not sufficiently attractive at that time. And we did not follow up with actual exploration of the known spots of ore grade mineralization until 1968.

Q '68?

A '68.

Q Prior to '61, you had no contact with this property?

A No.

Q In '61, ASARCO, in order to drill these holes, didn't ASARCO have to get some kind of permit from the State?

A Yes. We acquired mainly private ground, but we had prospecting permits, yes, on the State ground.

Q You did?

A Yes.

Q What would be the purpose of getting those prospecting permits?

A Well, the purpose was to cover all the ground in this general area that might contain mineralization. Before we knew the limits of it and found the limits by drilling, we covered all the ground in this area that we could acquire.

Q Of course, the purpose would be for exploratory purposes --

A Yes.

Q -- not to look for minerals?

A Yes.

Q Do you know when ASARCO got that prospecting permit from the State?

A Regarding the yellow land here, I couldn't remember the dates, no.

Q It probably would have to be prior to your doing anything in '61?

A I believe that would be the case, but I can't recall dates.

Q Regarding Section 36 down here, you, I am sure, are aware that the subject of this case is that ASARCO was granted the commercial lease on 36.

A Yes.

1 Q Prior to that, did you know that there was
2 a grazing permit on 36?
3 A I can't remember those details. Our land
4 work is all done by an individual land man. And
5 he searches out and determines the status of the
6 land. I don't remember whether it was grazing land.
7 Q You weren't in that department with ASARCO,
8 is that right?
9 A Well, this work was simply of secondary
10 concern. As to whether or not there was a grazing
11 lease, I don't remember.
12 Q Certainly. So, you said when you were
13 assistant supervisor in '61 through '63, that holes
14 were drilled in this general area. I am indicating
15 the purple or the pink on here.
16 A Yes.
17 Q Do you know if any holes were drilled over
18 in 36?
19 A Well, we drilled, I think we drilled a hole
20 right in the center of 36.
21 Q Do you know of any other holes in 36?
22 A We drilled a hole up in the corner here.
23 It is on this map in the corner. But in the first
24 attempt, we didn't get bedrock in there. And later
25 hit bedrock at 790 feet, right in there.
26 Q That is up in the northeast corner, right?

1 A Right.
2 Q Then you say you drilled a hole down in the
3 middle of 36?
4 A Yes.
5 Q Do you know how deep that went?
6 A Well, I have the depth on this map here.
7 We hit bedrock at 279 feet. And it was drilled to
8 a depth of 283 feet in bedrock.
9 Q Were those the only holes drilled down in
10 36?
11 A We have got one up in the corner here.
12 Q That is the southwest corner.
13 A In the southwest corner, right up in here;
14 bedrock at 742 feet; drilled to a depth of 793 feet.
15 Q You are indicating the southwest corner
16 there, right?
17 A Yes, this one I just mentioned.
18 Q Right. You just mentioned the northeast,
19 and now you mention the southwest.
20 A In the northwest corner, we have a drill
21 hole that did not reach bedrock; 442 feet and no
22 bedrock.
23 Q So basically what you have said thus far is
24 a hole up in the northwest corner, a hole in the
25 northeast corner, a hole in the middle, and a hole
26 down in the southwest, is that right?

A That's right.

Q Is that all that was drilled?

A All that I recall. I see one more hole here, but there is no notation on it; up in this corner right in there.

Q Another one in the northwest corner.

A And I would assume, since there is no notation, that it was probably lost or didn't encounter bedrock. I see a number on it, but I can't read it.

Q So what you are saying, those are the only holes that you know of --

A Yes.

Q -- that were drilled in that period of '61 through '63, in '63?

A That's right.

Q With this resurgence, you might call it, let's say once the price went up to make it economically feasible, were there any holes drilled from '68 on down in '63?

A Not that I know of.

Q You have been supervisor since '63, I believe?

A Yes, assistant supervisor; ~~yes, sir, supervisor~~ in '63, yes.

Q That was in 36. Over in this Southeast

Quarter of 34, I want to ask roughly the same line of questions about that. During the period from '61 to '63, were there any holes drilled over there?

A We have one hole right in the northeast corner of this quarter section here; right in there, the northeast corner. That hole encountered bedrock at, I believe it is, 1924 -- No, it is not. It looks like 1924, hit bedrock. And it was drilled to, it looks like, 1928 here. But I don't believe it went that deep. Anyway, that hole is the only one.

Q The only one --

A In this one.

Q -- in this yellow quarter section?

A That's right, in the northeast corner.

Q You said that hole was drilled in the period of '61-'63?

A That's right.

Q Then as I understand, and I am just referring to this yellow-shaded portion on this map in front of you, there was no action on that from '63 till '68 by ASARCO, is that right?

A Approximately those dates in drilling.

Q Sure, no drilling. We have already covered 36. Was there any drilling after '68 on the other yellow quarter section?

A None that I know of, no.

Q Was there any other method of exploration for mineral economically going into the land besides drilling in regard to these two yellow parcels?

A At the very beginning of the project, seismic work was done, which is similar to all seismic works, to determine bedrock depth, by setting off a blast. And that is called seismic work, measuring the return of the waves that bounce off the bedrock.

Q That was done in the quarter section?

A It was done over the whole area.

Q Over the whole area?

A The entire area. In addition to that, there was magnetic surveys, I.P. surveys. Induced polarization it is called. It is an electrical method where a current is passed through the ground, an electrical current. That is all I can think of in the way of other methods.

Q Certainly.

A There may have been gravity surveys run also, but I can't recall whether they were run in 1962 or later. I know that they were ultimately run, but I don't remember when.

Q When you drilled back in '61-'63, did you run any assay work on what you got out of either of

1 the yellow parcels?

2 A Yes. We assayed all bedrock samples.

3 Q How many elements did you assay for?

4 A We assayed for copper only, a total copper

5 as a regular practice. We subsequently assay for

6 silver, gold and lead, zinc and other elements, if

7 we have sufficient copper to justify this. But the

8 original sample is assayed only for total copper.

9 Q As a result of that assaying, that is when

10 you determined your other map there as to where

11 these -- I forget your word for it. Would we call

12 it a vein?

13 A A zone.

14 Q A zone?

15 A A mineralized zone.

16 Q That is how you determine the mineralized

17 zone by the assay?

18 A By that and by visual examination.

19 Q You determined that it ran, if you will

20 pardon me, in a northeast-southwest direction, this

21 zone?

22 A That's correct.

23 Q Is it possible that you find here that it

24 could run in a southeast-northwest direction?

25 A From the drilling results, it is not

26 possible. It could be considered possible prior to

1 the drilling simply because the entire area is
2 covered. With the exception of one small outcrop,
3 it is covered with alluvium and conglomerate.
4 Q Then let us just talk about 36 for a minute.
5 I believe you said that you drilled in the middle
6 and at roughly three points, the southwest corner,
7 the northwest corner and the northeast corner,
8 right?
9 A That's right.
10 MR. APKER: And the center, Mr. Haus.
11 MR. HAUS: And the center, yes. He said that
12 first. I am sorry.
13 THE WITNESS: Yes.
14 MR. HAUS: I am sure Mr. Courtright understands
15 me.
16 Q (BY MR. HAUS) Could there be an ore body
17 in the area which was not drilled in 36?
18 A According to our judgment, the answer is
19 no.
20 Q That, of course, is your judgment based
21 upon what you have testified here this morning?
22 A That's right.
23 Q Based on that, could we say four definite
24 holes were drilled in 36?
25 A I only gave you three that I am sure of
26 there, three holes.

Q No. You gave me one, sir, down in there.

A But that hole did not reach bedrock.

Q Oh, I see.

A The one in the southwest is shown as stopping in conglomerate. It did not reach bedrock.

Q Could I say directly, sir, that based on the three holes that hit bedrock, you drew the conclusion, or your judgment was that there is not an ore body down in 36 economically feasible to go in and drill?

A In order to appreciate or understand this, it must be pointed out that this is only part of a larger picture. Now if we had no other information than this, I would say it wouldn't be as conclusive. But this is just part of an overall picture of a zone ~~turning~~ trending in that direction with the limits defined all the way around. So falling in that position, it only required three holes. And that is not all of them. There are more around this. So the overall picture indicates that there is not a reasonable chance for mineralization within that section. The overall picture indicates that there is no reasonable chance for commercial mineralization in Section 36. It does not rest entirely on the three holes in 36. It is only part of the picture.

Q But it does, as far as what you actually got

1 out of 36?

2 A Right. But the conclusion I have drawn,

3 that we drew at the time, rests partly on these

4 holes in 36 and on all of the rest of the holes

5 around there, which define the limits of this

6 mineralized zone.

7 Q Just for my information mainly, when you

8 say an outcropping, what is that?

9 A Well, an outcrop is anything that is sticking

10 out on the surface. An outcrop of bedrock is the

11 bedrock formation which, in this area, is the

12 granite and the porphyries which contain mineraliza-

13 tion. And an outcrop of this rock is something

14 sticking up through the alluvium exposed to view.

15 Q Just direct me down to this case. Roughly

16 where was the outcropping here? Can your map tell?

17 A It is right here.

18 Q In Section 35, that would be up in the

19 Northeast Quarter section of Section 35?

20 A That's right.

21 Q That, of course, is first what attracted

22 ASARCO's interest to it?

23 A That's right.

24 Q We have talked here about the price of

25 copper going up in '68, making it economically

26 feasible to go back, and let's say, re-work or take

1 an interest in these, again after '63. In other
2 words, that was, you might say, a catalyst that
3 made ASARCO go back?
4 A Right.
5 Q Do you believe that if the value went up
6 in the future of copper that these Sections 36 or
7 34 would be econimically feasible to mine?
8 A This is a matter of degree. It is possible
9 that ultimately a hundred years from now, or some-
10 thing of that kind, the deposits today that are
11 considered not economic will become economic.
12 However, this must be qualified. And I state that
13 I would in my judgment put a limit, I mean I would
14 say it is something beyond a hundred years. It is
15 not within a reasonable projection.
16 Q Just to sum up, if I understand it correctly,
17 you have testified these three holes where you hit
18 bedrock in drilling in Section 36 in 1961 through
19 '63, -- And I believe your testimony is that you
20 know of no drilling by ASARCO in 36 since then in
21 the yellow part?
22 A No, no.
23 Q And the same is true of this quarter section?
24 A That's right.
25 Q Do you know what use, if the Court affirms
26 the commercial lease to ASARCO on 36, and we will

1 just take 36, what use ASARCO will put that section
2 to?
3 A Well, I have not discussed this with the
4 mining department as to just what they are planning.
5 Their plans have been revised at various times during
6 the course of this. And I haven't discussed in
7 detail with them what their plans are.
8 Q Could it be possible that they would put
9 tailings on that?
10 A That could be possible, but I really don't
11 know. I haven't gone into their mining plans. I
12 have a number of other responsibilities, and this
13 is not one of them. So I had no real concern or
14 occasion to.
15 Q That would be the same with that quarter
16 section?
17 A Right.
18 Q Your answer would be the same as to that
19 quarter section?
20 A Right.
21 Q Sir, have you heard of an occasion of any
22 mining companies putting tailings or putting some
23 of this non-used material over an ore body?
24 A Have I heard of it? In the history of
25 mining, there are many instances of building towns
26 over ore bodies, of putting any and everything over

1 ore bodies, yes. This has happened.
2 I might mention that Kennecott moved their
3 town three times down at --
4 Q Ray?
5 A No, at Silver City, their Chino Pit at
6 Silver City. They hold the record. They built
7 towns and moved them three times.
8 Q Did that happen up in the Mission Pit at
9 Twin Buttes, not a town?
10 A In the Mission District?
11 Q Yes.
12 A No. A town was not built there at Mission.
13 Q Did they put tailings over where they later
14 had to go through to get ore?
15 A Pima Mining Company dumped ~~tailings,~~ gravel;
16 waste rocks, not tailings, mill tailings as
17 distinguished -- just waste gravel from the surface,
18 from their surface stripping. They dumped on the
19 ground held by ASARCO. And these are in the process
20 of being removed right now, too, as actually there
21 was ore.
22 Q Did that also happen with the Silver Belle?
23 A No, I don't recall of it. By way of
24 explanation, Pima Mining Company had a surface
25 lease. ASARCO had the prospecting permit. And
26 before this was resolved, they had managed to dump

1 quite a bit of waste rock on our ASARCO ground.
2 Q Would that be, to put it in layman's
3 language, that because of their control of the top
4 of the surface, they could use it how they wanted to,
5 despite the fact that you had a prospector's permit?
6 A Well --
7 MR. APKER: If you know the answer as to what
8 occurred. It is a legal proposition.
9 MR. HAUS: I am not trying to lead him to a
10 conclusion. Strike that. Let's just start it over.
11 Q (BY MR. HAUS) You, meaning ASARCO, had a
12 prospector's permit on this property that you are
13 talking about?
14 A Yes.
15 Q And you had not determined that there was
16 ore that was economically feasible to go in after
17 by virtue of the prospector's permit when they were
18 putting the business on top of the gravel?
19 A Yes, we were in the process of drilling.
20 And we hadn't had an opportunity or sufficient time
21 to cover the ground with drilling.
22 (An off-the-record discussion ensued.)
23 Q (BY MR. HAUS) Just one last question, sir.
24 In this ore body which you have on your other map,
25 going, as I look at it, in a northeast-southwest
26 direction, in other words what zone, let's call it,

1 the ore is in, what I believe you call, a fault
2 system going up and around, or is it level, or have
3 you determined that?
4 A There are many displacements along faults.
5 Through this ~~fault,~~ zone there are high blocks of bedrock
6 and low ones. There has been a considerable
7 disruption of the rock elevating some blocks and
8 dropping others, yes.
9 Q I think you gave this, sir, but just one
10 last thing. We are just interested in the two
11 yellows. I think you read to the reporter, and I
12 am sure you can remember whether you did or not, how
13 far you had to go down to bedrock on the three holes
14 you testified to in 36. I think it was one in 34.
15 Then you also gave the figures of how far down you
16 went into the bedrock, the total depth of the holes.
17 Didn't you read those off?
18 A Yes.
19 MR. HAUS: Thanks very much, sir. I appreciate
20 it.
21 MR. APKER: I don't have any other questions.
22
23
24 (Signature waived)
JAMES HAROLD COURTRIGHT
25
26

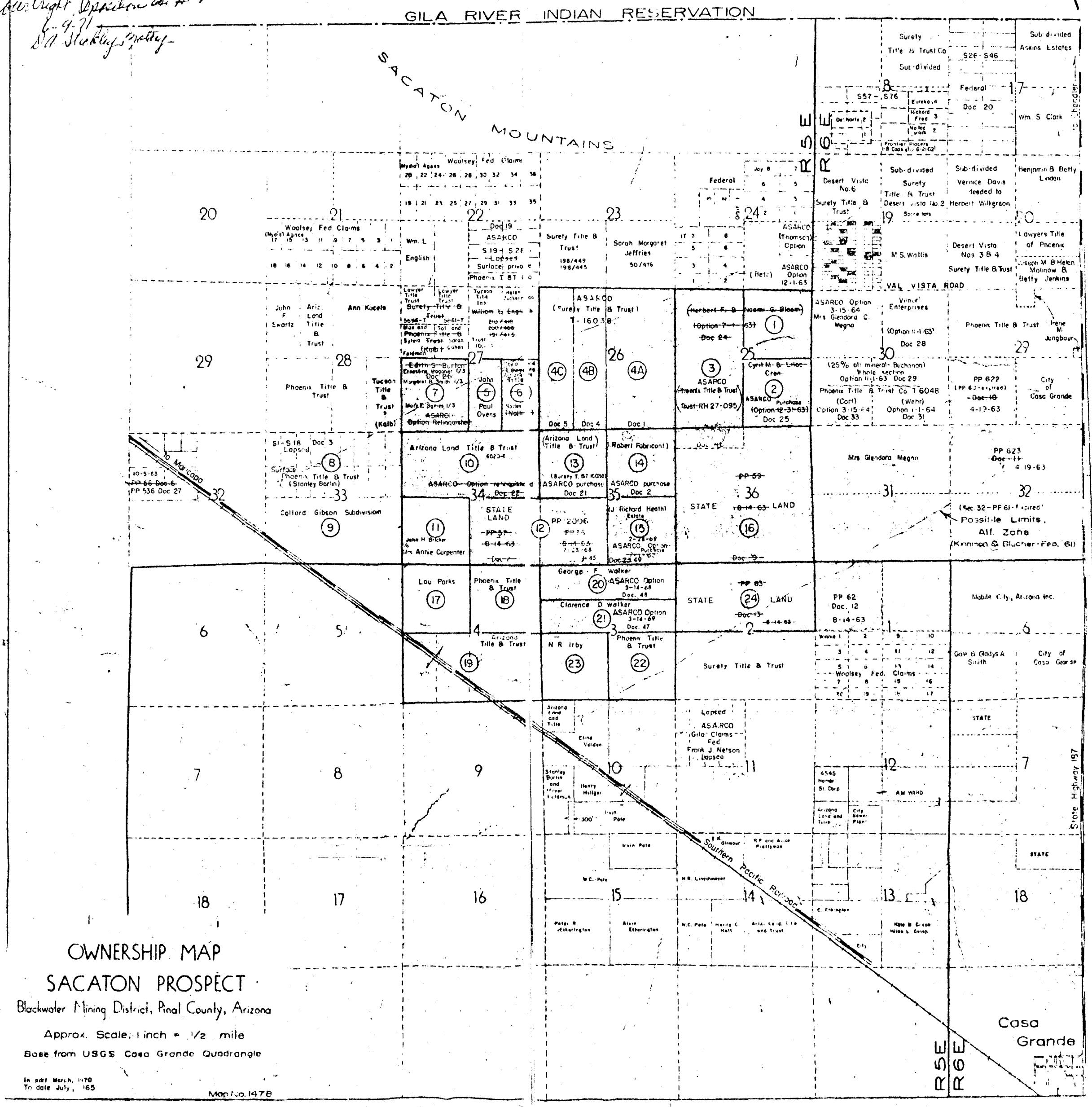
BE IT KNOWN that the foregoing deposition was taken by me pursuant to notice of counsel; that I was then and there a Notary Public in and for the County of Maricopa, State of Arizona, and by virtue thereof authorized to administer an oath; that the witness before testifying was duly sworn by me to testify to the whole truth and nothing but the truth; that the questions propounded by counsel and the answers of the witness thereto were taken down by me in shorthand and thereafter transcribed into typewriting under my direction; and that the foregoing 34 pages of typewritten matter contain a full, true and accurate transcript of all proceedings and testimony had and adduced upon the taking of said deposition, all to the best of my skill and ability.

Dated at Phoenix, Arizona, this_____day of June, 1971.

Donnie A. Stickley
Notary Public

My commission expires:
October 9, 1974

Lowright Operation Exh. #1
6-9-71
Del Stockley testing



ASARCO NEWS

AMERICAN SMELTING AND REFINING COMPANY
120 BROADWAY, NEW YORK, N. Y. 10005

FOR IMMEDIATE RELEASE

March 25, 1974

CASA GRANDE, Ariz. --American Smelting and Refining Company's new $40 million Sacaton Unit was dedicated today, March 25, by Governor Jack Williams, Mayor Jimmy Kerr of Casa Grande, and Charles F. Barber, Chairman of the Board of Asarco.

Also attending the ceremonies at the copper mine and the concentrating facilities, located approximately 7 miles northwest of Casa Grande, were the officers and board of directors of Asarco as well as officials of Casa Grande and Pinal County.

Named for the nearby Sacaton Mountains, the unit was started a little more than two years ago. More than 600 people were employed at the peak of construction. Permanent employment at the unit totals 390.

The discovery of the porphyry copper deposit was made by Asarco geologists on optioned private land in 1961. Subsequent drilling delineated two separate ore bodies with a combined reserve estimated at 47,500,000 tons of ore. A relatively shallow west ore body, expected to produce approximately two-thirds of the ore, is being mined by open-pit methods.

The topsoil removed during the open pit mining was kept separate from the rest of the overburden, and some of it is being used to cover the rock dump faces and tailing dam slopes to facilitate revegetation. When mining is com-

PR-74-3-9 (more)

FOR FURTHER INFORMATION: William K. Murray / Gordon Kidd • (212) 732-9500; after 5 p.m.: 732-9524
Public Relations Department, American Smelting and Refining Company, 120 Broadway, New York, N.Y. 10005

ASARCO

pleted, reclamation plans call for removing the plant and covering the plant site and all disposal areas with the segregated desert alluvium, which will then be seeded.

A deeper east ore body will be mined by underground methods. Present plans call for mining this ore by block-caving methods at a depth of about 1,800 feet. Underground development is expected to begin in about the third year of open-pit operation, and will be phased in beginning in 1980.

At the projected metallurgical recovery rate, scheduled production of copper from the open pit of the Sacaton Unit is 21,000 tons of copper per year, based on an average ore grade of 0.70% copper and mine production of 9,000 tons of ore per day, according to R. B. Meen, manager of Asarco's Southwestern Mining Department.

Arthur G. McKee & Company of San Francisco was prime contractor for both engineering and construction of the project. Tom R. Edwards is unit superintendent and Tom Scartaccini is assistant unit superintendent. D. K. Mortensen is superintendent of the unit's concentrating mill.

Operation of the Sacaton Unit increases Asarco's domestic copper production by almost one-quarter. Virtually all of Asarco's domestic-mined copper has heretofore come from three operating units in Arizona: the Mission and San Xavier Units south of Tucson, and the Silver Bell Unit northwest of Tucson. With the Sacaton Unit in operation, Asarco's total production of domestic-mined copper is more than 100,000 tons per year. Worldwide mine production of copper by Asarco and its associated companies was 401,000 tons in 1973.

PR-74-3-9

# # #

Sacaton

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

May 8, 1973

MEMORANDUM FOR: D.E. CROWELL

COMPARISON OF SILVER BELL
AND SACATON ORE BODIES

Reference is made to your letter to Mr. Kurtz of May 1st, regarding permeability tests to be conducted to acquire data useful in the design of the Sacaton tailings disposal system.

Excepting the tactite ore in the Imperial area, the Silver Bell and Sacaton deposits are in general similar in respect to rock types, mineralization, and alteration. Supergene chalcocite enrichment is present in both with the strongest development of clay minerals occurring in the upper part of the chalcocite blankets. The clay content progressively decreases downward and reaches a minimum in the relatively low grade primary mineralization. The clay is largely supergene, being formed by the effect of acid (from oxidation of pyrite) on rock minerals such as feldspar. Clay is (or was) somewhat more abundant in the Oxide due to the higher pyrite content as compared to El Tiro. However, the average pyrite content should be approximately equivalent to that of Sacaton.

Although the amount of tactite ore mined from El Tiro was relatively small, it might have had some effect on the permeability of the tailings of No. 2 dam.

J.H. Courtright
J.H. COURTRIGHT

JHC:kre

cc: J.J. Collins w/encl.
R.B. Meen w/o encl.
W.L. Kurtz w/o encl.

RECEIVED
MAY 1 1973
S. W. U. S. EXPL. DIV.

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

May 1, 1973

Mr. W. L. Kurtz
Building

Comparison of Silver Bell
and Sacaton Ore Bodies

Dear Mr. Kurtz:

We are currently engaged in a study of the proposed Sacaton tailing disposal system. Of particular interest is the permeability of the layers of tailing after the tailing has been deposited. Since we do not have the actual Sacaton tailing to work with, we intend to test the tailing dams at Silver Bell with regard to permeability, size gradation, etc.

It is our understanding that the Silver Bell ore is similar to that at Sacaton but we need a geological opinion regarding these two ore bodies. If possible, we would like to have a statement from the Exploration Department comparing the Silver Bell and Sacaton ore bodies and confirming that they are basically similar as regards rock type and degree of alteration. We can then safely use Silver Bell test data to predict the characteristics of the Sacaton tailing dam.

I believe that the ore mined at Silver Bell has changed somewhat over the years so time of mining would also be a factor. We have two Silver Bell tailing dams which can be tested; the No. 1 dam received most of the tonnage milled from start up through the late nineteen sixties and the No. 2 dam received the tonnage milled since that time.

Yours truly,

D. E. Crowell

D. E. Crowell

DEC:db

cc: RBMeen

OFFICE OF THE SECRETARY

New York, N.Y., February 15, 1973

RECEIVED
FEB 20 1973
EXPLORATION DEPT.

RECEIVED
FEB 16 1973
EXPLORATION DEPT.

JJC read
FEB 16 1973

Mr. T. A. Snedden

At a meeting of the Advisory Committee held on February 14, 1973, the following appropriation was approved:

J. H. C.
FEB 20 1973

Sacaton New York #2848 Plant #SAC-1-73	Test well to be drilled. Drilling of well will serve to evaluate the quality of ground-water before affected by tailings water. It will also permit monitoring the effect of percolating tailings water on the ground-water level and quality. In addition, data collected will provide engineering information for design and spacing of additional wells.	$11,000

J. F. Hornbostel, Jr.

JFH:pg
Encl.
JJCollins w/encl.
GRafos w/encl.
HQStringham w/encl.
EHHaug
NVisnes
JEAMacDonald
RBMeen w/encl.
TREdwards w/encl.
AOMarsh, Jr.
CGNoland
XC:JHCourtright
WLKurtz

FORM 302 (REVISED 1964)

N. Approp. No. 2848
Plant No. SAC-1-73

APPLICATION FOR PROPERTY APPROPRIATION

February 6, 19 73

Sacaton Unit — Plant or Unit

DESCRIPTION:

Test well to be drilled, developed and tested at the SW corner of Section 34, T5S, R5E, G&SRB&M.

If work contemplates replacement or improvement of structures or equipment now in place, insert:-1.Original cost $ - 2.Date erected or installed -

Total estimated cost (FORM 302A ATTACHED) $ 11,000.00
Estimated annual net saving $ -
Estimated completion date April (MONTH) 1973 (YEAR)

ADVANTAGES TO BE DERIVED:

1. It will serve as a test well to evaluate the quality of ground-water in the vicinity of the tailings disposal area before it is affected by tailings water.
2. It will permit monitoring the effect of percolating tailings water on the ground-water level and quality.
3. Data collected during development and testing will provide engineering information needed for design and spacing of additional wells, if required to control ground-water contamination.

Reviewed by Original Signed By— C. G. NOLAND (ACCT. MGR. OR CHIEF ACCT'T.)

Recommended by ORIGINAL SIGNED BY R. B. MEEN (MANAGER)

Approved by (COMPTROLLER)

Account Chargeable to #2 (TO BE FILLED IN BY COMPTROLLER)

Approved by ORIGINAL SIGNED BY NORMAN VISNES (VICE PRESIDENT)

Approved by Advisory Committee FEB. 14 1973 19

Approved by Board of Directors 19

(SECRETARY)

FORM 301A

COST ESTIMATE

JOB Drilling of 10" Test Well PLANT Sacaton Unit
JOB NO. AUTH. NO. DRAWING NOS.
MADE BY T.R. Edwards DATE 2-1-73 CHECKED BY C.G. Noland DATE 2-6-73

GROUP NO.	CLASSIFIED MATERIAL	QUANTITIES	EST'D. LIFE	EST'D. DATE OF COMPL.	UNIT PRICES MATERIAL	UNIT PRICES LABOR	ESTIMATED COST MATERIAL	ESTIMATED COST LABOR	TOTAL ESTIMATED COST
1	10" test well approximately 400 feet deep (surface to bedrock) per quotation by Damond Mashore dated December 1, 1972.	1	15	4-73			$6,858.	(incl.)	$ 6,858.00
2	Testing of above 10" well per quotation by Arizona Engine and Pump Company dated January 16, 1973.						$3,627.	(incl.)	$ 3,627.00
	Contingencies								$ 1,000.00
	Total								$11,485.00

AMERICAN SMELTING AND REFINING COMPANY
EXPLORATION DEPARTMENT
P.O. BOX 5747, TUCSON, ARIZONA 85703

J. H. COURTRIGHT
CHIEF GEOLOGIST

1150 NORTH 7TH AVENUE
TELEPHONE 602-792-3010

January 24, 1973

MEMORANDUM FOR: R.B. MEEN

SACATON PROJECT
PINAL COUNTY, ARIZONA

An assessment of the mineral potential of lands adjacent to ASARCO's Sacaton copper deposits, in particular Section 36 and the southeast quarter of Section 34, T5S, R~~6~~5E, is presented in the following.

The Sacaton ore bodies, aggregating around 47 million tons of .95% copper, are porphyry copper occurrences, a type well known in the southwest U.S. and elsewhere. Through intensive study and investigation by many exploration geologists over the past 60 years, certain characteristics have been quite firmly established. One of these involves the zonal arrangement of alteration-mineralization features. In its simplest concept, a body of relatively strong copper mineralization is enveloped by layers, or haloes, successively weaker in copper, with barren rock encompassing the entire mass.

As in other porphyry deposits, the copper at Sacaton is present primarily as small grains and stringers of chalcopyrite, dispersed more or less uniformly through intrusive porphyry masses and various wall rocks. Weathering processes have resulted in secondary enrichment --- concentration of the copper as chalcocite --- converting the low-grade primary chalcopyrite mineralization to ore grade. These concentrations lie within a relatively large zone of disseminated copper-iron sulphide mineralization characterized by pervasive alteration; i.e., mainly clay formed by the decomposition of rock minerals. The accompanying plan map shows the positions of the two ore bodies within the zone of strong alteration-mineralization which is approximately 13,000 feet long and 4,000 feet wide. Also shown are drill hole locations and the only outcrop of bedrock in the area which is otherwise covered by alluvial material (soil, gravel, conglomerate) to depths ranging from a few feet to 1,000 feet, or more. Depth in feet to bedrock, copper assays and rock type are noted for the holes exterior to the zone of alteration-mineralization which is indicated on the attached map as an orange colored area outlined by heavy dots. Of the 142 exploratory holes drilled, 41 lie outside and 101 inside the zone limits.

Drill holes put down outside the zone encountered either very weakly altered rock with sparse sulphides containing a few hundredths of one percent copper, or barren rock. The SE 1/4 of Section 34 falls entirely within the halo of relatively weak alteration-mineralization, as does the northwestern corner of Section 36. The balance of Section 36 is underlain by essentially barren bedrock. Although

the holes are wide-spaced for the most part in this outer fringe zone, the information obtained is sufficient to firmly establish its presence peripheral to the ore-bearing zone and to preclude the existence, within the outer limits of the drilling, of another alteration-mineralization zone of sufficient size to contain a commercial deposit.

J. H. Courtright

J.H. COURTRIGHT

JHC:kre
Encl: plan map
cc: J.J. Collins w/encl.

bc: W.L. Kurtz w/encl.

H C.

DEC 22 1972

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

December 20, 1972

Mr. L. D. James
ASARCO
Salt Lake City Office

Biogeochemical Mesquite Study
Sacaton, Pinal County, Arizona

Dear Mr. James:

I have read your memorandum of December 11, 1972, concerning mesquite sampling. It was an interesting and necessary test for Asarco to conduct and I conclude that it strengthens our belief that the method is not effective in the search for buried copper deposits in the southwest.

I admit that where the phreatophytes are growing on bedrock or within less than 100 feet of alluvial cover, the method usually produces an anomaly, in fact extensions of uranium vein in Southern Arizona have been traced by this method. However, we normally can see enough bedrock in this environment that the method does not need to be used.

Very truly yours,

Bill

W. L. Kurtz

WLK:lab

cc: TCOsborne
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H. C.

AUG 24 1972

August 23, 1972

Mr. J. J. Collins
Director of Exploration
New York Office

Sacaton Deposit
AIME Dec. '72 Tucson Meeting

Dear Sir:

We have been asked to present a paper on the geology of Asarco's Sacaton porphyry copper deposit at the annual December Tucson AIME meeting. Both Mr. Courtright and I are in agreement that a paper should be presented now that the deposit is undergoing development.

The paper would cover the regional geology; exploration leading to the discovery; a case history of the exploration drilling; a description of the rock types, alteration, mineralization, and secondary enrichment; interpreted structurally history; published ore reserves; and brief resume of planned mining and milling operation.

The paper would not discuss, mention, or intimate in any way the existence of the basement fault. To avoid being drawn into any discussion that might reveal the basement fault, no questions will be entertained after the presentation.

I request the permission of Asarco to present a paper on Sacaton at the December 1972 Tucson AIME meeting.

Very truly yours,

W. L. Kurtz

WLK:lad

cc: JHCourtright

EXPLORATION SERVICES DIVISION
3422 SOUTH 700 WEST
SALT LAKE CITY, UTAH 84119

RECEIVED
JUL 31 1972
S. W. U. S. EXPL. DIV.

July 27, 1972

J. H. C.
AUG 3 - 1972

Mr. W. L. Kurtz
Tucson Office

File
Sacaton.

Dear Bill:

In a recent discussion with John Collins the subject of John Balla's evaluation of magnetics in the Casa Grande area came up.

Can you advise us whether or not John completed this study? Is a written discussion available?

John Collins would also be interested in knowing the results of the project.

Yours very truly,

Cal

CKM:am

C. K. MOSS

cc: J. J. Collins
R. J. Lacy

Cal: Report completed. I will distribute as soon as extra copies of the geologic map are colored.

Kurt

cc. JJC
JHC

please zerox for WLK File: Nickel

New York, June 13, 1972

RECEIVED

JUN 15 1972

EXPLORATION DEPT.

MEMORANDUM FOR: Mr. R. L. Hennebach

J. H. C.

JUN 15 1972

Sacaton, Arizona
Societe Le Nickel

The Vice President and the Manager of Exploration came in yesterday, by appointment, to ask for advice on their prospecting lease adjoining the north side of our Sacaton property. They drilled three holes along the boundary and cut 30 ft. of 0.7% Cu as chrysocolla at depths of 600-700 ft. with barren rock below.

Their problem is the source of this copper. If it was our ore-body, a mile or two to the south, then they will quit. If, however, there is no connection, they would drill farther north. On September 1st a large option payment is due. I said they could confer with Harold Courtright and they will do so June 22.

They also mentioned their other prospects in North America and asked about joint ventures. I said Mid-Tennessee zinc was a possibility, if present negotiations failed.

Indirectly they indicated nickel laterite on New Caledonia is a poor risk. Of 4 billion tons of ore, half is good grade, but a plant to produce 100 million pounds per year will cost $600 million and two consortiums have failed to find the money. They foresee, however, that the nickel business may evolve like aluminum, too much laterite ore, with excessive investment cost.

Original Signed By
John J. Collins

John J. Collins

cc:JHCourtright

2 25
230
310
322
280

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H C.

May 31, 1972

JUN 1 1972

FILE MEMORANDUM

Sacaton

Parnasse Delaware Company, funded by the French Rothschild interests, has an option on Sullivan's ground near Sacaton.

To date Parnasse has drilled three holes, each about 2,000' deep, and apparently obtained some "ore grade" intercepts. These holes are within 1,000' of one of Asarco's holes (on land now controlled by Sullivan) that had ore grade intercepts. Parnasse's geologist (former Asarco sampler at Poston Butte) requested an exchange of geologic data. This request was refused.

W. L. Kurtz

W. L. Kurtz

WLK:lad

cc: RBMeen
TEdwards
JHCourtright

SACATOW ← file

J. C.

APR 24 1972

Working with MAs from the first of the thing until they had something up there -- geological work, drilling, etc.	$885,000	
Option payments and purchasing some of the land	780,000	
		$1,665,000
At the point that they decided they possibly had a mine up there:		
Appropriations on the drilling and proving out and outlining the ore body:	$850,000	
Buying up the land, water rights, etc:	1,955,000	
		2,805,000
		$4,470,000

ASARCO NEWS

AMERICAN SMELTING AND REFINING COMPANY

120 BROADWAY, NEW YORK, N. Y. 10005

FOR IMMEDIATE RELEASE

April 5, 1972

ASARCO TO OPEN NEW COPPER MINE IN ARIZONA

NEW YORK, N.Y.--American Smelting and Refining Company (Asarco) plans to open a new copper mine near Casa Grande, Arizona. T. A. Snedden, vice president-mining, announced today that the Company's Board of Directors had approved the expenditure of more than $36 million to bring the mine into production.

The Sacaton Unit (as the project is called) will be in production in a little more than two years, Mr. Snedden said. Construction will begin within three months, and up to 600 people will be employed at the project at the peak of construction, Mr. Snedden said. When the new Asarco unit is in production, employment will average about 250, he said.

The Sacaton property is a porphyry copper deposit located 45 miles southeast of Phoenix and 75 miles northwest of Tucson. It is about 5 miles northwest of Casa Grande. The original discovery was made by Asarco geologists on optioned private land in 1961. Subsequent drilling delineated ore reserves in excess of 47 million tons.

According to Mr. Snedden, the property will be mined first by open pit and then by underground methods. During the open-pit phase, about 21,000 tons of copper will be produced annually from an orebody 80 to 100 feet below the surface of an alluvial overburden. It averages about 0.76 percent copper.

- more -

FOR FURTHER INFORMATION: William K. Murray / Gordon Kidd • (212) 732-9500; after 5 p.m.: 732-9524
Public Relations Department, American Smelting and Refining Company, 120 Broadway, New York, N.Y. 10005

ASARCO

The underground operation will be phased in beginning in 1979. Ore will be mined by block-caving methods at a depth of about 1,900 feet.

Ore from the open-pit operation will be beneficiated at a milling rate of 9,000 tons per day. This compares to a milling rate of 22,500 tons per day at Asarco's open-pit Mission Unit south of Tucson and 12,000 tons per day at the Company's Silver Bell Unit northwest of Tucson.

Charles F. Barber, Asarco's chairman, in commenting on the action of the Board, said:

"The Sacaton project points up Asarco's growth as a copper producer in the Southwest and will help assure that Arizona's position as the nation's leading copper-producing state will be maintained."

Earlier this week, Asarco announced plans for a $13 million investment in the development of its San Xavier copper project on the Papago Indian Reservation near Tucson, Arizona; in January, Governor Jack Williams dedicated a $17 million sulfuric acid plant at the Company's Hayden, Arizona smelter "to better air quality".

"These projects are major commitments on the part of Asarco, and are based on our confidence in the future of the domestic copper industry," Mr. Barber said.

# # #

PR-72-3-18

MR. J. H. COURTRIGHT

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DEC 20 1971
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AMERICAN SMELTING AND REFINING COMPANY

COMPTROLLER'S DEPARTMENT - TAX SECTION

J. H. C.
DEC 23 1971

E-3
New York, N.Y.

December 17, 1971

Waterloo Project and
Sacaton Ore Bodies Development Work

Mr. R. B. Meen, Manager
Southwestern Mining Department
Tucson, Arizona

In connection with the development work done on the Waterloo and Sacaton ore bodies during the year 1971, please furnish us with a statement describing the nature of the development work performed and the cost of each phase of the work. Similar information was furnished us for the year 1970 with your letters of March 5, and March 8, 1971.

We would also appreciate your furnishing us with drill hole maps showing the location of drilling done in the Waterloo and Sacaton Area during the year 1971. Similar information was furnished us for the year 1970 with your letters of March 5, and March 8, 1971.

ROBERT RICHTER
R.A.B.

TM:jw
cc: TASnedden
NVisnes
JHCourtright
K von den Steinen

J.H.C.

J. H. C.
AUG 11 1971

W.E.S.
JUL 14 1971

IN THE SUPERIOR COURT

OF PINAL COUNTY, STATE OF ARIZONA

IN THE MATTER OF THE APPLICATION OF JAMES SULLIVAN FOR COMMERCIAL LEASE OF STATE LAND, APPLICATION No. C-1068 JAMES SULLIVAN, Appellant, v. ANDREW BETTWY, STATE LAND COMMISSIONER AND THE STATE LAND DEPT., Appellees.	No. 24753

Saxton

TRIAL MEMORANDUM

of

AMERICAN SMELTING AND REFINING COMPANY

I N D E X

IN THE SUPERIOR COURT

OF PINAL COUNTY, STATE OF ARIZONA

IN THE MATTER OF THE APPLICATION OF JAMES SULLIVAN FOR COMMERCIAL LEASE OF STATE LAND, APPLICATION No. C-1068 JAMES SULLIVAN, Appellant, v. ANDREW BETTWY, STATE LAND COMMISSIONER AND THE STATE LAND DEPT., Appellees.	No. 24753 TRIAL MEMORANDUM

American Smelting and Refining Company ("ASARCO") respectfully files its Trial Memorandum in this action.

STATEMENT OF THE CASE

This is an appeal pursuant to A.R.S. § 37-124 from two Decisions and Orders (Nos. 1141 and 1142) of the State Land Commissioner dated March 29, 1971, granting ASARCO state commercial leases on certain lands in Sections 34 and 36, Township 5 South, Range 5 East in Pinal County.

Since 1966, there have been state grazing leases on the property here involved, which grazing leases are now held by ASARCO. From about June 1968, James Sullivan, the Appellant herein ("Appellant" or "Sullivan") has filed a series of applications for prospecting permits on most of that land and now holds such permits.

In May 1970, Appellant filed applications to reclassify the subject lands from grazing to commercial, and filed applications for commercial leases thereon. In August 1970, ASARCO filed applications for reclassification of the lands from grazing to commercial, and filed applications for commercial leases thereon.

On September 21, 1970, the State Land Commissioner reclassified the subject lands from grazing to commercial but did not at that time award commercial leases. Appellant appealed from

the order of reclassification. After a hearing in January 1971, the State Land Department Board of Appeals sustained the Commissioner's order of reclassification.[1] Thereafter, the Commissioner, having received no demand for hearing,[2] entered Decision and Order Nos. 1141 and 1142 granting commercial leases to ASARCO, from which Decisions and Orders Sullivan has taken this appeal.

THE ISSUES AND LAW

I. The Nature of the Appeal and The Burden of Proof.

Appeals pursuant to A.R.S. § 37-134 are heard as trials de novo. The pertinent portion of A.R.S. § 37-134C provides ". . . The appeal shall be set for trial de novo and heard at the earliest practical time by the court without a jury. The court shall hear evidence, make independent findings of fact and conclusions of law from the evidence submitted, and shall either affirm, reverse or modify the decision of the commissioner. . . ."

This being a trial de novo, the burden of proof on any and all issues lies with the Appellant, Sullivan. He who asserts the affirmative of the issue has the burden of proof. Udall, Arizona Law of Evidence § 5; Yeazell v. Copins, 98 Ariz. 109, 402 P.2d 541 (1965). In a trial de novo, the issues of fact must be determined in accordance with the ordinary rules governing the burden of proof. Thus, the burden of proof, on a trial de novo, rests upon the complaining party. 5 C.J.S. Appeal & Error § 1531.

---

1. The time for appeal from the Board of Appeals to the Superior Court has expired, and the reclassification decision is not involved here.

2. Although he had no duty to do so, Appellant could have filed with the State Land Commissioner a statement of equities and a demand for hearing on the conflicting applications for commercial lease. Rule 33, Rules of Procedure in Conflicts, Article I, Subchapter B, Chapter II, General Rules And Regulations Governing Leasing of State Lands (as amended 3/7/66).

"Where on review of an administrative act or order the court hears the matter de novo it is generally the rule that the burden of proof is on the complaining party to establish the invalidity of the administrative action by clear and satisfactory evidence." 73 C.J.S. Public Administrative Bodies & Procedure § 206, citing Arizona Corp. Commission v. Tucson Ins. & Bond Ag., 3 Ariz. App. 458, 415 P.2d 472 (1966).

II. The Issues on This Appeal.

In enacting laws governing the use and disposition of state lands the Legislature provided a preferred right for a new lease for the benefit of an existing lessee in the event of a reclassification. A.R.S. § 37-290B provides:

"B. A lessee, or an applicant for renewal of a lease at the time of the notice of the reclassification shall have a preferred right to lease the reclassified land at the reappraised rental thereof for a term not longer than ten years as determined by the department."

Obviously, this preferred right is founded upon the simple principle of fair play.

The preferred right is not, of course, absolute. The controlling factor in granting a lease of state land must be the best interest of the state and the general benefit to its residents. Williams v. Greene, 95 Ariz. 378 at 381, 390 P.2d 907 (1964).

As between conflicting applications for state leases, the statutory right is to be considered in connection with the determination of the relative rights and equities of the opposing applicants. Williams v. Greene, supra; Manning v. Perry, 48 Ariz. 425, 62 P.2d 693 (1936). THEREFORE, APPELLANT, HAVING THE BURDEN OF PROOF, MUST SHOW AFFIRMATIVELY THAT:

1. the granting of a commercial lease to ASARCO in accordance with its statutory preference would not be in the best interest of the state and its people; and

2. the granting of a commercial lease to Sullivan would be in the best interest of the state and its people.

There is no other issue of any kind.

III. ASARCO's Application for the Commercial Leases.

Attached is an ownership map of the "Sacaton Prospect", which shows in pink certain private lands owned in fee or controlled by ASARCO in connection with the copper mine it desires to develop northwest of Casa Grande. Shown in yellow on the map are three parcels of state land. Section 36 and the yellow shaded portion of Section 34 are the lands here involved. The yellow shaded portion of Section 35 will be the subject of a commercial lease to ASARCO; it is not involved in this matter.

The commercial leases are needed in connection with ASARCO's development of the Sacaton ore body, which is entirely or almost entirely within Sections 26 and 35, Township 5 North, Range 5 East (none of it being in Section 34 or 36). ASARCO needs the lease in Section 34 for tailings pond; it needs the lease on Section 36 for waste dumping.

A. The Economic Benefit to The State and Its Residents.

The economic benefit to the state will be enormous.

The Sacaton ore body is a copper sulphide deposit of approximately 48 million tons averaging 0.95% copper. The ore has been faulted and the east block dropped 1,000 feet below the level of the west block. This creates a situation where the ore body must be mined by two distinct methods.

The west block will be mined first by conventional open pit methods using large electric shovels and 85 to 100 ton trucks. This phase will last through the first 10 years of operation. The lower (east) block will be developed during years 7 to 10 as an underground operation and will be phased into production as the open pit phases out. Total life of the project is over 15 years.

Pre-production stripping of the open pit will amount to ~~450~~ 45,000,000 tons over a two-year period. Pre-production mine costs, both pit equipment and development are approximately $19,000,000. Plant and concentrator costs are estimated at $21,000,000, for a

total pre-production capital outlay of $40,000,000.

From year 7 to year 10 in the program the Company will have to spend an estimated additional $15,500,000 for the underground plant and development.

The project will employ approximately 300 people (exclusive of construction workers) and will generate an annual payroll of approximately $3,250,000.

Estimated taxes are $1,500,000 in property taxes and another $750,000 in other taxes such as sales, payroll, state income, etc. The above figures do not include Federal income tax.

Estimated yearly expenditures for supplies, etc. follows:

Power	-	gas & electric	$ 800,000
Fuel	-	diesel & gas	$ 100,000
Supplies	-	all other commodities as tires, hardware, etc.	$3,000,000
		Total/year	$3,900,000

B. The Effect of Loss of The Commercial Leases.

Loss of use of the state leases will adversely effect the environment and may reduce the economic benefit to the people of Arizona in development of the state's resources.

If the Company is forced out of the Southwest quarter of Section 35 and out of Section 36 the tailings and mine waste will have to be stacked to higher levels over considerably less acreage. This will multiply the problems of landscaping and increase the visual impact of the waste areas, to the detriment of the environment.

Without the commercial leases, 28% of the tailing material would have to be lifted an additional 50 feet in elevation. Additional power cost plus piping and maintenance over the 15 year span would approximate $250,000. The cost of mine waste disposal would be increased some $3,200,000 over the life of the pit, as 80,000,000 tons would have to be hauled one-half mile further and

raised 50 feet higher. Total additional operating cost due to the restricted land use would then be approximately $3,450,000. Increased operating costs frequently lead to the leaving of lower grade ore in the ground, shortening the life of the project and reducing the economic benefits to the state and its residents.

IV. Conclusion.

The granting of the commercial leases to ASARCO will be in the best interest of the state and its residents by lessening the visual impact of the waste areas, bettering the environment and encouraging the maximum development of the state's mineral resources.

Respectfully submitted,

EVANS, KITCHEL & JENCKES

By _____
Burton M. Apker
Attorneys for ASARCO
363 North First Avenue
Phoenix, Arizona 85003

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA

BEFORE THE BOARD OF APPEALS

IN THE MATTER OF THE APPEAL FROM RECLASSIFICATION OF STATE LANDS FROM GRAZING TO COMMERCIAL USE:	
A.B. #317: RECLASS. #5913: N 1/2 SE; SESE; N 1/2 SWSE; N 1/2 SWSWSE; SESWSE; SESWSWSE; 157.50 ACRES, SECTION 34, TOWNSHIP 5 SOUTH, RANGE 5 EAST. and A.B. #318: RECLASS. #5914: ALL; SECTION 36, TOWNSHIP 5 SOUTH, RANGE 5 EAST, 640.00 ACRES; ALL IN GILA AND SALT RIVER BASE AND MERIDIAN	NO. 317 and 318 App. #C-1068 App. #C-1089 Lease C-3400 P.P. #17677 P.P. #12007
FILED BY: JAMES SULLIVAN, Applicant for Reclassification.	

J. H. C.

AUG 11 1971

DEPOSITION OF JAMES PATRICK LANNAN SULLIVAN

VOLUME III

Phoenix, Arizona
January 8, 1971

RYAN & RYAN
COURT REPORTERS
710 FIRST FEDERAL SAVINGS BLDG.
PHOENIX, ARIZONA 85012
TELEPHONE 274-5449

COPY

DEPOSITION OF JAMES PATRICK LANNAN SULLIVAN

BE IT REMEMBERED that, pursuant to Stipulation, the deposition of James Patrick Lannan Sullivan, continued from December 11, 1970, was taken before Donnie A. Stickley, a Notary Public in and for the County of Maricopa, State of Arizona, on the 8th day of January, 1971, commencing at the hour of 9:20 o'clock a.m., at 363 North First Avenue, Phoenix, Arizona.

The deponent, James Patrick Lannan Sullivan, was represented by his attorney, Mr. Fenton J. McDonough.

American Smelting and Refining Company was represented by its attorneys, Messrs. Evans, Kitchel & Jenckes, by Mr. Burton M. Apker.

1 MR. APKER: Are you ready to proceed?
2 MR. McDONOUGH: Yes, as far as I know.
3 MR. APKER: Let the record show that Mr.
4 Sullivan is represented in this continuation of
5 his deposition by Fenton McDonough, Esquire, of
6 Scottsdale, Arizona.
7
8 JAMES PATRICK LANNAN SULLIVAN,
9 a witness, having been previously duly sworn, was
10 examined further as follows:
11
12 CROSS EXAMINATION (CONTINUED)
13 BY MR. APKER:
14 Q Mr. Sullivan, I want the record to show
15 that this is the time and place agreed upon by us
16 for the resumption of your deposition in this
17 matter. Do you confirm that?
18 A Yes.
19 Q Again for the record, Mr. Sullivan, you
20 realize that you are still under oath, sworn to
21 tell the truth in response to my questions?
22 A Yes.
23 Q Are you engaged in actual mining operations
24 anywhere at the present time?
25 A Can you clarify mining operations?
26 Q Are you, as a proprietor or partner or

1 through a corporation, engaged in the extraction of
2 minerals or oil and gas for commercial purposes
3 anywhere in the world at this time?
4 A. Only that I am a stockholder of a company
5 that does this.
6 Q. That is presently engaged in mining?
7 A. Yes.
8 Q. What is the name of the company?
9 A. American Smelting and Refining Company.
10 Q. Other than your stock ownership in American
11 Smelting and Refining Company, you are not, either
12 individually or corporately, engaged in any mining
13 operations at this time?
14 A. No, none.
15 Q. Have you ever been engaged directly in any
16 mining operations?
17 A. Only of shipping test sampling to smelters
18 to determine --
19 MR. McDONOUGH: Excuse me, Mr. Apker. So we
20 don't bog down on definitions, does the term mining
21 operations also cover the field of, say, exploration
22 or development?
23 MR. APKER: No.
24 MR. McDONOUGH: Okay.
25 MR. APKER: Would you repeat my question and
26 his answer so we will know where we are.

(The requested question and answer were read by the Notary Public.)

THE WITNESS: -- the economic feasibility of minerals tested and getting a smelter return from those sample shippings.

Q (BY MR. APKER) Were any of those sample shipments made from minerals extracted from the ground in Pinal County, Arizona?

A. No.

Q These proceedings, Mr. Sullivan, are an appeal by you from orders of the Arizona State Land Commissioner reclassifying certain state lands in Pinal County from grazing to commercial, is that not so?

A. Yes.

Q These lands are in Sections 34 and 36 in Township 5 South, Range 5 East, in Pinal County, is that correct?

A. The only one that I am positive about I think at this time is 36.

Q Did you complete your answer?

A. I know that there have been applications in 34-an application, singular, in 34; multiple applications in 36. And my answer then is yes.

Q The classification orders from which you have appealed were entered by the Commissioner on

1 September 21, 1970, is that correct?
2 If you don't remember the date, they were
3 entered by the Commissioner in September of 1970.
4 A. Yes, I think that is correct.
5 Q. How did you go about appealing from the
6 reclassification orders, Mr. Sullivan?
7 A. I went down to the State Land Department
8 and discussed the matter with Mr. Duncan and Mr.
9 Ryan, and filed a letter, that I would be adversely
10 affected, with the State. I filed this letter
11 with the State Land Department.
12 Q. Did you take that letter to the State Land
13 Department yourself personally?
14 A. Yes, personally, the handling of it, yes.
15 Q. When was that?
16 A. I think it was October 21, 1970.
17 Q. Did you do anything else at all in order
18 to perfect your appeal from those reclassification
19 orders?
20 A. Well, I had sent, as I was advised to send
21 out letters, two copies of the letters of appeals
22 to all parties involved.
23 Q. Did you do that?
24 A. Yes, I did, sir.
25 Q. Who were all the parties involved?
26 A. American Smelting and Refining Company.

I would have to go back to my records, but I think this is the only one.

Q To which office of the American Smelting and Refining Company did you mail a copy of the Notice of Appeal?

A Tucson.

Q When did you mail the copy of the Notice of Appeal to American Smelting?

A I think within the allotted time.

Q Would you remember the day?

A No, I don't, sir. I didn't bring any of my records. I do have a file on this.

Q Where did you mail the letter, or where did you mail the envelope which contained the Notice to American Smelting and Refining Company? That is to say, where did you deposit that letter into the mails?

A I think it was done in Scottsdale, sir.

Q Was that letter sent by registered mail?

A I think it was, yes.

Q Do you have a registered return receipt?

A I am sure I do.

Q What is the basis of your appeals from the orders of the Commissioner reclassifying those lands in Sections 34 and 36 from grazing to commercial?

A Well, sir, I have been prospecting in the

Casa Grande area in the Black Water Mining District since 1962, '3, and up to this date. I have Federal mining claims, a state prospecting permit, applications for prospecting permits. During the course of these years, I have done or had done ground magnetics, I.P. survey, gravity survey, aerial photography and drilling. The extent of drilling relating to the Federal mining claims is four diamond drill holes and ninety-one compression drill holes. There has been drilled in excess of 6000 feet of drilling on these claims. Recently I have taken in excess of 3000 geochemical samples; had additional aerial photographs in color taken. And on Section 36, which is under my prospecting permit, I have drilled 470 feet of drilling; some geochems, analytic work, aerial photography, induced polarization.

And from the results of this work, I do have target areas to show that there is a possible ore body existing --

Q On Section --

A -- on Section 36.

Q -- 36? When were these tests and this drilling on Section 36, to which you have just referred, conducted?

A The drilling was, I think, commenced in

April of 1970. The I.P. was conducted in December of 1970. And as of day before yesterday and yesterday - yes, day before yesterday, we had plotted seven drill site locations. And we are presently going to do some additional drilling that is under plans at this time.

Q You referred to the possibility of mineralization in Section 36. Have any of the tests that you have conducted to date on Section 36 given you any indication at all of the depth of the mineralization if there is in fact any?

A No, sir, because I haven't gone into that stage of the drilling program as yet. Since I had just recently received a preliminary report on the I.P., I haven't had the opportunity of doing enough studies to determine what the depths would be involved. Geochemically, they have had an indication in one drill hole of approximately 11,000 parts per million of zinc. And we are presently taking that result from that geochem under advisement for future planning. And this was in a very shallow depth.

Q Who made the I.P. testing for you?

A University Laboratories of New York City.

Q Do they have an Arizona office?

A No, they do not. They are affiliated,

1 infrequently I understand, with a firm in Tucson.
2 Q Who did the actual work in the making of
3 those tests?
4 A Mr. Ellig -- Alex Labaumski, who is a
5 mining engineer. He holds patents on his surveying
6 equipment. When I say surveying, I mean the
7 induced polarization equipment, who was qualified
8 to testify as an expert by the Federal Government,
9 and recently written up in the Engineering Mining
10 Journal.
11 Q Where does he maintain an office?
12 A In New York.
13 Q And lives in New York?
14 A Yes.
15 Q Who conducted the other tests for you, the
16 other tests on Section 34?
17 A As far as I -- No tests have been done
18 on 34 at all. The geochems were taken by myself.
19 The drilling was with my equipment, but Mr. Milligan
20 was the driller, a union operator. And the results
21 were sent to Steamboat Springs for quantitative
22 analysis. And the aerial photography was done by
23 Mr. Cooper of Tucson.
24 Does that cover your question, sir?
25 Q Do you have in your possession at this time
26 the results of any of those tests?

A. With me at this deposition, no.

Q. No, in your possession.

A. Yes, I do, sir.

Q. The results of all those tests?

A. Yes, I do.

Q. How long have you held prospecting permits on either Sections 34 or 36?

A. I do not have prospecting permits issued on Section 34; only applications for prospecting permits on 36, I think it was February of this last year.

Q. Have you ever, prior to February of 1970, held prospecting permits or applications therefor on Section 36?

A. Applications, yes.

Q. For how long back?

A. I don't recall the exact date, sir. American Smelting and Refining Company had over-filed me to acquire a prospecting permit on 36. And consequently I paid for their permit.

Q. How long have you held applications for prospecting permits on Section 34?

A. Again, sir, I don't know the exact date.

Q. More than a year?

A. I have a certified copy of the tract book relating to that area in my office, but I didn't

bring them to this deposition as to the exact dates.

Q So you don't remember whether it has been more than a year or not?

A No, sir.

Q Have you ever filed an application for a mining lease on any of the lands in either Sections 34 or 36?

A I have not, sir.

Q Have you ever filed an application to purchase any of the lands in Sections 34 or 36?

A I have not.

Q Have you ever filed an application for a grazing lease?

A I have not.

Q Have you ever filed an application for a commercial lease on any of the lands in Sections 34 or 36?

A I have.

Q In both sections?

A Yes.

Q Have you made more than one application for commercial leases on either of those sections?

A I can't truthfully recall whether I had applied twice or whether it was just one application. I think there was just one.

Q When was that filed?

A. Sometime in 1970.

Q. For what purpose was that application filed?

A. Mr. Apker, may I speak to my attorney for a minute, please?

(An off-the-record discussion ensued.)

MR. McDONOUGH: Burt, may we go back and inquire as to the date that he applied? He has no specific recollection of the date, but I think he might be able to tie it in with what he recalls to the date AS&R applied for commercial. In other words as to before or after, you know.

MR. APKER: Go right ahead.

MR. McDONOUGH: Why don't you tie it in with that, Jim? I think the question was, do you remember the date that you applied for a commercial permit on Sections 34 or 36. And your answer was you didn't recall the specific date. Do you recall?

THE WITNESS: The only thing that I recall at this time, since I do not have my file with me, is that it was prior to American Smelting and Refining Company's application.

Q. (BY MR. APKER) Then my next question, Mr. Sullivan, was, for what purpose you had filed the application for a commercial lease.

A. Yes. In Section 34 in the Southeast, I think it is the Southeast Quarter of 34 for a pilot

1 facility for a solvent extraction pilot plant
2 facility to experiment on minerals that would be
3 extracted from my Federal mining claims in the Casa
4 Grande area and from other areas that I have an
5 interest in. And in Section 36, it was to be used
6 for an experimental area for the research and
7 development of a device that I have under application
8 for patent on what I consider a revolutionary type
9 of engine.
10 Q An automobile engine?
11 A Well, it is a rotary reciprocating engine
12 that would use fluids.
13 Q It is a device which would be used in mining
14 or in vehicular transport or what?
15 A It could be used in mining and it could be
16 used in vehicles for transportation. I have already
17 been assigned an application patent number on this
18 device.
19 Q What disposition, if any, has been made
20 of your applications for commercial leases on
21 Sections 34 and 36?
22 A Nothing. It is still under, I take it,
23 advisement at this time. It would be a decision
24 that would be made by the Commissioners and, I
25 think, the Board of Appeals.
26 Q You don't have any mining claims in either

1 Sections 34 or 36, is that correct?

2 A. State mining, State Class B mining claims.

3 Q. Any kind of a mining claim?

4 A. No, none.

5 Q. Do you have any mining claims which are

6 adjacent to Sections 34 or 36?

7 A. If you are speaking of contiguous, adjoining

8 that, I have just the prospecting permit applications

9 in section - the North Half of Section 2 and the

10 Northwest Quarter of Section 1. I do have Federal

11 mining claims in the South Half of Section 1, which

12 would make these all then contiguous.

13 Q. Referring again only to Sections 34 and 36,

14 do you have any reason to believe that there are

15 minerals of economic consequence in any of the lands

16 in those sections which are involved in your appeal?

17 THE WITNESS: Would you kindly read back the

18 question.

19 (The pending question was read by the

20 Notary Public.)

21 THE WITNESS: In Section 34, since I am not

22 allowed until such times that I have a qualified

23 prospecting permit, I do not know if there is

24 anything of any potential there. On 36 I do believe

25 that the preliminary results of the exploration

26 work that I have done to this time shows that there

is a possibility of minerals existing.

And consequently I would want the opportunity to further explore to determine if there is any economically feasible ore body existing in 36.

MR. APKER: Starting with the word "Consequently," the answer was unresponsive to the question. And for the record, I will move to strike all the remainder of the answer.

Q Would you please identify the minerals that you believe may exist there, having economic consequence. Lead, silver, copper, zinc? What?

A Through a gravity survey that was completed during the course of 1970, and through the magnetic survey that was done by the Federal Government, and by the aerial photographs and grounds surveillance of the materials that exist in the area being explored by American Smelting and Refining Company, I feel that there is either an extension or an independent ore body of probably lead, zinc, copper, on Section 36.

Q Do you have any idea what the depth of that mineralization would be if there is one?

A No, sir. I would like to -- I have hopes to find out what the depths of this would be.

MR. APKER: All of that response after

1 "no, sir" is unresponsive to the question. And
2 for the record, I will move to strike the balance
3 of the answer.
4 Q But, Mr. Sullivan, earlier in the deposition
5 this morning, you used an expression with which I
6 am not familiar. And I don't remember exactly what
7 the expression was. You said that American Smelting
8 had also filed some kind of an application on one
9 or more of these properties in which you were
10 interested. You used an expression, something to
11 do with filing. And I don't remember what expression.
12 What was that expression?
13 A Overfiling.
14 Q I am not familiar with that. What does
15 overfiling mean?
16 A Well, they -- I had an application. And
17 there is a certain period of time stipulated by
18 the State Land Department to be able to pay the
19 fee, rental fee to post bond. And American Smelting
20 and Refining Company filed prior to my expiration
21 date of my application, which would mean that they
22 would automatically be able to acquire a prospecting
23 permit in Section 36, giving them then the right
24 to prospect for minerals on that ground. Evidently
25 they had a desire to further prospect.
26 Q Have you, yourself, overfiled applications

of either Sections 34 or 36?

A. Yes, I have, sir.

Q. On more than one occasion?

A. On more than one occasion.

Q. What was your purpose in doing that?

A. To file for a prospecting permit.

Q. Over what period of time have you been overfiling on Sections 34 and 36?

A. Again, sir, I do not have my file with me, so I don't know the exact.

MR. APKER: I have no further questions.

MR. McDONOUGH: No, I have no questions. That is it.

(Signature of the Witness)

BE IT KNOWN that the foregoing deposition was taken by me pursuant to stipulation of counsel; that I was then and there a Notary Public in and for the County of Maricopa, State of Arizona, and by virtue thereof authorized to administer an oath; that the witness before testifying was duly sworn by me to testify to the whole truth and nothing but the truth; that the questions propounded by counsel and the answers of the witness thereto were taken down by me in shorthand and thereafter transcribed into typewriting under my direction; and that the foregoing 19 pages of typewritten matter contain a full, true and accurate transcript of all proceedings and testimony had and adduced upon the taking of said deposition, all to the best of my skill and ability.

Dated at Phoenix, Arizona, this _____ day of January, 1971.

_____
Donnie A. Stickley
Notary Public

My commission expires
October 9, 1974.

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MAR 22

EXPLORATION DEPT.

OFFICE OF THE SECRETARY

March 18, 1971

J. H. C.

MAR 22 1971

Mr. C. E. Nelson

At a meeting of the Advisory Committee held on March 17, 1971, there was approved Sacaton Project application for property appropriation, New York No. 1688 A, Plant No. Sac 3A, for a supplemental appropriation, in the amount of $6,000.

J. F. Hornbostel, Jr.

JFH:pf
Encl.
CPPollock w/encl.
GRafos w/encl
E. Q. Stringham w/encl.
EHHaug
TASheddon
JEAMacDonald
RBrown w/encl.
AOMarsh, Jr.
JHCourtright
EAvdSteinen

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DYS 2000 Ruiz
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J H Courtright

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EXPLORATION DEPT.

J. H. C.
DEC 16 1970

OFFICE OF THE SECRETARY

October 9, 1970

Mr. C. E. Nelson

At a meeting of the Advisory Committee held on October 7, 1970, there was approved Sacaton Project application for property appropriation, New York No. 2131, Plant NO. Sacaton 11 in the amount of $20,000 for converting grazing leases to commercial leases.

J. F. Hornbostel, Jr.

JFH:aa
Encl
CP Pollock w/encl
JP Harrison w/ encl
HQ Stringham w/encl
EH Haug
TA Snedden
RB Meen w/encl
AO Marsh, Jr
JH Courtright
KA vd Steinen

RECEIVED
JUN - 4 1970
EXPLORATION DEPT.

J. H. C.
JUN - 4 1970

New York, N.Y., May 25, 1970.

Mr. C. E. Nelson

At a meeting of the Advisory Committee held on May 25, 1970, there was approved, subject to ratification by the Board of Directors, Sacaton Project application for property appropriation, New York No. 2117, Final No. Sacaton 8 - in the amount of $155,000 for purchase of approximately 320 acres of farm land in Final County, Arizona.

A.J. Gillespie, Jr.

JPPollock
JPHarrison
HWBringham
PHilley
TASnedden
RBMoon
ACMarsh, Jr.
FHCourtright
KAvdZeinen

AMERICAN SMELTING AND REFINING COMPANY
SOUTHWESTERN EXPLORATION DEPARTMENT
P.O. BOX 5795, TUCSON, ARIZONA 85703

J. H. COURTRIGHT
CHIEF GEOLOGIST
W. E. SAEGART
ASSISTANT CHIEF GEOLOGIST

1150 NORTH 7TH AVENUE
TELEPHONE 602-792-3010

J. H. C.
FEB 19 1970

February 10, 1970

Mr. Robert E. Holt
President, Holt Inc.
818 West Miracle Mile
Tucson, Arizona 85705

Dear Mr. Holt:

On January 31, two of our geologists encountered one of your I.P. crews during a visit to our Sacaton Project northwest of Casa Grande, in Pinal County. On arriving at the property your crew was found to be running an I.P. traverse across the discovery outcrop on our fee land. Furthermore, your I.P. wires were extended along a line passing directly between two drill rigs currently drilling. Your crew picked up the equipment and left shortly after this unexpected encounter.

We are particularly distressed with the knowledge that this I.P. work was being conducted without our knowledge or without any effort being made to secure our permission. This letter will serve to advise you that you do not have permission to conduct further geophysical work on our Sacaton Property and that we are prepared to take whatever action that may be appropriate to restrain such activities.

In addition to the legal ramifications in this matter, we feel this action constitutes a serious breach of professional ethics.

Very truly yours,

W. E. Saegart

W. E. Saegart

WES:lab
cc: Phillip G. Hallof
McPhar Geophysics, Inc.
139 Bond Avenue
Don Mills, Ontario, Canada

JJCollins
TASnedden
JHCourtright
RJLacy
WGFarley

J. H. C.

DEC 2 1969

AMERICAN SMELTING AND REFINING COMPANY
TUCSON ARIZONA

December 2, 1969

Sacaton & State P.P. drilling

TO: MR. R. B. MEEN

FROM: MR. S. I. BOWDITCH

SUBJECT: SACATON AREA

State Prospecting Permits No. 12006 and No. 12007 come up for renewal on February 27, 1970. In order to be eligible for renewal Ten Dollars per acre of exploration work must be done on the ground covered by each of these permits.

Permit 12006 (Sacaton Doc. 45) covers the SW¼ of Section 35, Twp. 5 S., Rge. 5 E., - 160 acres, and Permit 12007 (Sacaton Doc. 46) covers the N½N½NW¼ of Section 36, Twp. 5 S., Rge. 5 E., - 40 acres. You will recall that Mr. Hall obtained these permits so that we might drill on them to prove that there is no mineralization contained in them which will have to be done to obtain a commercial lease on this land. Last year only the minimum amount of work was done on each of these parcels and I would suggest that this year deeper drilling be carried out.

ORIGINAL SIGNED BY
S. I. BOWDITCH

S. I. BOWDITCH

SIB/mps
cc: JHCourtright

Aa-16A.3.19B

J.H.C.

FEB 1 1 1969

AMERICAN SMELTING AND REFINING COMPANY
EXPLORATION DEPARTMENT
SOUTHWESTERN UNITED STATES DIVISION
P. O. BOX 5795, TUCSON, ARIZONA 85703

S. I. BOWDITCH
PROPERTY MANAGER

1150 NORTH 7TH AVENUE
TELEPHONE 602-792-3010

February 10, 1969

Mr. Robert J. May
B. B. & M. Co.
244 California Street
San Francisco, California 94111

Dear Mr. May:

Thank you for your letter inquiring if we might be interested in two parcels of land in Pinal County which you own jointly with Mr. C. R. Greenstone, Jr. I am sorry to have to tell you that we still are not interested in either parcel, but we do appreciate your bringing them to our attention.

Yours very truly,

ORIGINAL SIGNED BY
S. I. BOWDITCH

S. I. Bowditch

SIB:kc
cc: JHCourtright

Aa-16.3.19D

J. H. C.

JAN 20 1969

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

January 20, 1969

Mr. Samuel Metzger III
Insurance Department
ASARCO - New York Office

Dear Sir:

We are planning to renew Arizona State Prospecting Permits 12006 and 12007 in the Sacaton area. These cover the SW1/4 Section 35, T5S, R5E and N1/2 N1/2 NW1/4 Section 36, T5S, R5E, respectively. In this connection we need Continuation Certificates for the bonds, showing that the bonds have been renewed.

These bonds were provided by the Federal Insurance Company. Will you please arrange for renewal and send me the certificates in ample time so that we may apply for renewal of the permits before they expire on February 27.

Yours very truly,

ORIGINAL SIGNED BY
S. I. BOWDITCH

S. I. Bowditch

SIB:kc
cc: ACHall
JHCourtright
KvdSteinen

J.H.C

JAN 16 1969

New York, N.Y., January 14, 1969.

Mr. C.E. Nelson

The following is a corrected extract from the minutes of the meeting of the Advisory Committee held December 18, 1968:

Land - Sacaton Prospect, Arizona

At the meeting of the Advisory Committee held on November 6, 1968, there was approved an agreement under which Asarco purchased the State Grazing Lease Rights on 960 acres of land in Pinal County, Arizona, from the Scott and McDavid parties at a cost of $24,000.

It was reported that 2-1/2 acres out of the total 960 acres had originally been assigned by the Scotts to another party. It is recommended that the Scott and McDavid/Asarco Grazing Lease Agreement be amended to account for these previously assigned 2-1/2 acres and to provide for an adjustment in the purchase price of approximately $62.50 in favor of Asarco.

There was approved the amendment of the original Scott and McDavid/Asarco Grazing Lease Agreement excluding 2-1/2 acres which were previously assigned and providing for a purchase price adjustment in favor of Asarco.

A.J. Gillespie, Jr.

CPPollock
HLGoodenough
HEKelshaw, Jr.
TASnedden
RBMeen
JHCourtright
KAvdSteinen

J. H. C.

JAN 9 1969

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

January 9, 1969

Mr. A. J. Gillespie, Jr., Assistant Secretary
American Smelting and Refining Company
120 Broadway
New York, N. Y., 10005

SACATON PROSPECT
LAND

Dear Sir:

We refer to your memorandum of January 3, 1969, regarding Advisory Committee approval of an amendment to the Scott and McDavid/Asarco Grazing Lease Agreement.

Whereas you refer to the original acreage as 640 acres, the correct figure is 960 acres, and, whereas you indicate an adjustment in the purchase price of approximately $937. in favor of Asarco, the correct figure should be $62.50.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
cc: CENelson
CPPollock
HLGoodenough
HEKelshaw, Jr.
TASnedden
RBMeen
JHCourtright

B. I. B. JAN 9 1969

J. H. C. JAN 9 1969

New York, N. Y., January 8, 1969.

Mr. C. E. Nelson

The following is an extract from the minutes of the meeting of the Advisory Committee held on December 18, 1968:

Land - Sacaton Prospect, Arizona

At the meeting of the Advisory Committee held on November 6, 1968, there was approved an agreement under which Asarco purchased the State Grazing Lease Rights on 640 acres of land in Pinal County, Arizona, from the Scott and McDavid parties at a cost of $24,000.

It was reported that 2-1/2 acres out of the total 640 acres had originally been assigned by the Scotts to another party. It is recommended that the Scott and McDavid/Asarco Grazing Lease Agreement be amended to account for these previously assigned 2-1/2 acres and to provide for an adjustment in the purchase price of approximately $937 in favor of Asarco

There was approved the amendment of the original Scott and McDavid/Asarco Grazing Lease Agreement excluding 2-1/2 acres which were previously assigned and providing for a purchase price adjustment in favor of Asarco.

Alert

A. J. Gillespie, Jr.

RECONCILED

CPPollock
HLGoodenough
HFKelshaw, Jr.
TASnedden
REmeen
JHCourtright

Aa-16A.3.19B

AMERICAN SMELTING AND REFINING COMPANY
SOUTHWESTERN EXPLORATION DEPARTMENT
P.O. BOX 5795, TUCSON, ARIZONA 85703

1150 NORTH 7TH AVENUE
TELEPHONE 602-792-3010

J.H.C.

DEC 20 1968

December 20, 1968

State Land Board
State Office Building
Phoenix, Arizona

Dear Sirs:

Enclosed are eight applications for Prospecting Permits in T19S, R10E, Pima County, and our check for $120.00 in payment of the filing fee.

Yours very truly,

S. I. Bowditch

S. I. Bowditch

SIB:kc
Enclosure
cc: JHCourtright
KvdSteinen

J. H. C

NOV 18 1968

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

November 15, 1968

Mr. Harold Howe, Secretary
American Smelting and Refining Company
120 Broadway
New York, N. Y., 10005

Land - Sacaton Prospect, Arizona

Dear Sir:

We refer to your memorandum of November 6, 1968, to Mr. Nelson, which is captioned as above. We note that in the fifth and tenth lines you incorrectly refer to the land as being in Pima County, Arizona. All of the land concerned is located in Pinal County, rather than Pima County. We assume you will wish to correct the minutes of the Advisory Committee meeting accordingly.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
cc: CENelson
CPPollock
HLGoodenough
HEKelshaw, Jr.
TASnedden
RBMeen
JHCourtright

J.H.C.
NOV 15 1968

New York, N.Y., November 6, 1968.

Mr. C.P. Pollock

At the meeting of the Advisory Committee held today, there was approved Sacaton Prospect application for property appropriation - New York No. 1778, Plant No. Sacaton 5 - in the amount of $25,000 for the acquisition of Arizona Grazing Leases from Scott and McDavid parties.

Harold Howe

CENelson
JPHarrison
HLGoodenough
BJDiSanto
TASnedden
RBMeen
AOMarsh, Jr.
JHCourtright
KAvdSteinen

S. I. B.
NOV 15 1968

S/B

New York, N.Y., November 6, 1968.

J.H.C

NOV 15 1968

Mr. C.E. Nelson

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

Land - Sacaton Prospect, Arizona

There was submitted to the meeting and approved an agreement under which L.D. and E. P. Scott, R.H. and A.L. Scott and W.P. and B. McDavid (Scott and McDavid), tenants under certain Arizona State Grazing Leases on land in Sections 34, 35 and 36 in Pima County, Arizona, transfer their right and interest in these leases to Asarco. At such time as the Arizona State Land Department approves the transfer of these leases, Asarco shall pay Scott and McDavid $24,000 and shall lease the property covered by these leases as well as other property controlled by Asarco in Pima County, Arizona, to Scott and McDavid for grazing purposes at an annual rental rate to be the same on an acreage basis as is charged by Arizona to Asarco under the State Grazing Leases. This lease agreement shall be for a term of one year commencing on the date the leases are transferred to Asarco with year to year renewals thereafter requiring the mutual consent of the parties.

Harold Howe

CPPollock
HLGoodenough
HEKelshaw, Jr.
TASnedden
RBMeen
JHCourtright

J.H.C
OCT 30 1968

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

October 28, 1968

Mr. T. A. Snedden
Building

SACATON PROSPECT
Application for Property Appropriation

Enclosed are original and seven copies of Sacaton Prospect Application for Property Appropriation No. 5 in the amount of $25,000 to cover the cost of acquiring from the present leaseholders State of Arizona Grazing Leases covering the SE1/4, Sec. 34, SW1/4, Sec. 35, and all of Sec. 36, T. 5 S., R. 5 E., G. & S. R. B. & M., Pinal County, Arizona.

The land in question will be required eventually for waste disposal and elbow room for a potential open pit copper mining operation. In order ultimately to secure commercial leases from the State, it is essential that ASARCO first acquire the existing grazing leases.

Under the terms of the proposed transfer agreement, ASARCO will pay the leaseholders $24,000 at such time as the State Land Department approves the transfer and assignment of the leases and will then lease back to them on a year to year basis for grazing purposes only these same lands and certain other lands currently controlled by ASARCO, the rental rate to be the same, on an acreage basis, as is charged to ASARCO by the State under the grazing leases being acquired. The proposed agreement in quadruplicate is included with Mr. Nelson's copy. When approved by the legal department and executed for the Company he should return all copies to this office.

Please approve and transmit the original and four copies to Mr. Nelson for processing, the designated copy to him for his file, and the designated copy to Mr. DiSanto.

ORIGINAL SIGNED BY
R. B. MEEN

R. B. MEEN
Manager

KvdS/cj
Encls.
cc: CENelson, w/attachs.
BJDiSanto, " "

CPPollock, no attachs.
JHCourtright, " "
SIBowditch, " "

T-4.5.7
Aa-16A.3.198

J.H.C
OCT 8 1968

October 8, 1968

Mrs. Alice M. Diffin, County Treasurer
Pinal County
Florence, Arizona, 85232

Dear Mrs. Diffin:

Further to our letter of October 1, 1968, Mr. Larry Laughlin sent us Pinal County 1968 Tax Notice No. 41610, covering the SE1/4, Sec. 35, T5S, R5E, which we purchased last April from the James Richard Heath estate and Mrs. Heath.

We are, accordingly, enclosing our check in the amount of $71.64 in payment of the taxes for the full year 1968. Please mail receipted tax bill to the undersigned.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encls. ck & Tax Notice

bcc: HLGoodenough, w/advice
Voucher

CENelson
CPPollock
TASnedden
JHCourtright
SIBowditch

Larry Laughlin - many thanks

October 8, 1968

J. H. C.
OCT 8 1968

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Transamerica Title Insurance Company
Att: Mrs. Beverly Hudson, Trust Clerk
P. O. Drawer S
Casa Grande, Arizona, 85222

TRUST NO. 16038

Gentlemen:

With reference to the captioned Trust, we are enclosing our check in the amount of $684.76 to cover (1) the $40.00 annual trust fee and (2) year 1968 property taxes as follows:

Tax Notice Number	Description of Property	Acres	1968 Assessed Valuation	1968 Property Taxes
41601	E1/2, Sec. 26, T5S, R5E	320	$1,440	$143.28
41602	W1/2, Sec. 26, T5S, R5E	320	1,440	143.28
41608	NW1/4, Sec. 35, T5S, R5E	160	1,440	143.28
41609	NE1/4, Sec. 35, T5S, R5E	160	720	71.64
52740	NW1/4 &N1/2S1/2, Sec. 34, T5S, R6E	320	1,440	143.28
	Total	1,280	$6,480	$644.76

Please pay these taxes promptly and provide us with copies of the official tax receipts.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encl - ck
bcc: HLGoodenough, w/advice
Voucher
CENelson
CPPollock
TASnedden
JHCourtright
SIBowditch

T-4.5.7
Aa-16A.3.198

J.H.C
OCT 2 1968

October 1, 1968

Transamerica Title Insurance Company
Att: Mrs. Susie Grady, Trust Clerk
P. O. Drawer S
Casa Grande, Arizona, 85222

RE: TRUST NO. 16038
Property Taxes

Gentlemen:

With reference to the captioned trust, which covers the land listed below, we note that year 1968 property taxes are now due and payable:

(1) E1/2, Sec. 26, T5S, R5E, Pinal County, Arizona
(2) W1/2, Sec. 26, T5S, R5E, " " "
(3) NE1/4, Sec. 35, T5S, R5E, " " "
(4) NW1/4, Sec. 35, T5S, R5E, " " "
(5) NW1/4 and N1/2S1/2, Sec. 34, T5S, R6E, Pinal County, Arizona

If you will provide us with copies of the official tax notices, we will send you our check to cover the amounts due so that you can make the payments.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
cc: JHCourtright
SIBowditch

T-4.5.7
Aa-16A.3.198

J.H.C

OCT 2 1968

October 1, 1968

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Transamerica Title Insurance Company
Att: Lynn E. Bizik, Trust Officer
P. O. Box 2832
Tucson, Arizona, 85702

RE: TRUST NO. RH27-095

Gentlemen:

If you will refer to your files, you will find that our letter of August 18, 1967, advised you that we wished to continue the arrangement whereby we provide you with the necessary funds and you make the actual payment of property taxes on the subject property. Your form letter of September 30, 1968, is, therefore, not in order.

We are enclosing our check in the amount of $214.92 to cover year 1968 property taxes as below and are also returning herewith the pertinent tax notices:

Pinal County Tax Notice No.	Description of Property	Acres	1968 Assessed Valuation	1968 Property Taxes
41598	NE1/4, Sec. 25, T5S, R5E	160	$ 720.	$ 71.64
41599	W1/2, Sec. 25, T5S, R5E	320	1,440.	143.28
	Total	480	$2,160.	$214.92

Please pay these taxes promptly and provide us with copies of the official tax receipts.

We assume you will bill us for your usual tax service fee in due course.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encls - ck & tax notices
bcc: HLGoodenough, w/advice
Voucher

CENelson JHCourtright
CPPollock SIBowditch
TASnedden

J. H. C.
SEP 16 1968

New York, N. Y., September 12, 1968

Mr. C. P. Pollock

At the meeting of the Advisory Committee held on August 21, 1968, there was approved Sacaton Project application for property appropriation - New York No. 1752, Plant No. Sacaton 4 - in the amount of $235,000 for additional drilling.

Harold Howe

FGHamrick
CENelson
HLGoodenough
TASnedden
REMeen
JHCourtright
KAvdSteinen

J. H. C.

SEP 4 - 1968

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

September 4, 1968

AIR MAIL
Mr. C. P. Pollock, Vice President
American Smelting and Refining Company
120 Broadway
New York, N. Y., 10005

SACATON PROSPECT
Application for Property Appropriation

Dear Sir:

In accordance with Mr. Howe's memorandum of August 21, 1968, to you, we are forwarding herewith original and three copies of Sacaton Prospect Application for Property Appropriation No. 4 in the amount of $235,000 to cover the cost of 25,800 feet of rotary and core development drilling as described in Mr. Courtright's estimate of September 3, 1968, and Mr. Saegart's letter to Mr. J. J. Collins dated August 13, 1968.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

ADC/cj
Encls.
cc: CENelson, w/attachs.
HLGoodenough, no attachs.
BJDiSanto, w/attachs.
TASnedden, " "
RBMeen, " "
JHCourtright, " "

FORM 302 (REVISED 1964)

N.I. Approp. No. .....
Plant No. Sacaton 4..

APPLICATION FOR PROPERTY APPROPRIATION

September 4, 1968

SACATON PROSPECT — Plant or Unit

DESCRIPTION:

Additional 14,500 feet of rotary and 11,300 feet of core drilling in 19 holes, all in accordance with Mr. J. H. Courtright's estimate of September 3, 1968.

If work contemplates replacement or improvement of structures or equipment now in place, insert:-1.Original cost $..... 2.Date erected or installed.....

Total estimated cost (FORM 302A ATTACHED)		$235,000.
Estimated annual net saving	$.....	
Estimated completion date	Dec. (MONTH) 1968 (YEAR)	

ADVANTAGES TO BE DERIVED:

This additional drilling is required to delimit the ore bodies to permit layout and design of mine workings.

Reviewed by /s/ K. A. von den Steinen (ACCT. MGR. OR CHIEF ACCN'T.)

Recommended by /s/ J. H. Courtright (Supervisor) XXXXXX

Approved by ..... (COMPTROLLER)

Account Chargeable to ..... (TO BE FILLED IN BY COMPTROLLER)

Approved by /s/ C. P. Pollock (VICE PRESIDENT)

Approved by Advisory Committee
..... 19.....

Approved by Board of Directors
.....19.....
..... (SECRETARY)

FORM 302A

COST ESTIMATE

JOB Rotary and core development drilling PLANT SACATON PROSPECT

JOB NO. AUTH. NO. DRAWING NOS.

MADE BY J. H. Courtright DATE Sept. 3, 1968 CHECKED BY K.A. v.d.Steinen DATE Sept. 4, 196

GROUP NO.	CLASSIFIED MATERIAL	QUANTITIES	EST'D. LIFE	EST'D. DATE OF COMPL.	UNIT PRICES		ESTIMATED COST		TOTAL ESTIMATED COST
					MATERIAL	LABOR	MATERIAL	LABOR	
	West (shallow) ore zone								
	Rotary drilling	1,300	ft. @ $ 4.50/ft.						$ 5,850.
	Core drilling	5,000	ft. @ $12.00/ft.						60,000.
	East (deep) ore zone								
	Rotary drilling	13,200	ft. @ $ 5.50/ft.						72,600.
	Core drilling	5,300	ft. @ $15.00/ft.						79,500.
	Core drilling	1,000	ft. @ $17.00/ft.						17,000.
	Total	25,800	ft.						$234,950.

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H. C.

July 3, 1968

JUL 3 1968

Mr. H.E. Kelshaw, Jr.
Chief Auditor
American Smelting and Refining Co.
New York

Dear Sir:

In a separate tube, we are sending the original tracing and two prints of the Sacaton Property Map. you requested in your letter to Mr. Meen of July 25, 1967. We hope this will prove satisfactory.

Yours very truly,

S. I. Bowditch

S.I. Bowditch

SIB:ir
cc: RBMeen
JHCourtright

J. H. C

MAR 28 1969

New York, N. Y., March 25, 1969.

Mr. C. P. Pollock

At a meeting of the Advisory Committee held March 19, 1969, there was approved Section application for property appropriation - New York No. 1763A - in the amount of $42,000, for over-expenditure costs, additional metallurgical work and miscellaneous expenses.

A. F. Gillespie, Jr.

CHEdison
JPHarrison
HLGoodenough
EFDiMaio
TASnodden
RBlaes
AOMarsh, Jr.
JHCourtright
KAvdMaine

STB

New York, N. Y., February 23, 1968

J. H. C.

READ AND RETURN .....

PREPARE ANSWERS ..... HANDLE .....

FILE ✓ INITIALS: .....

MAR 4 1968

Mr. C. E. Nelson

At the meeting of the Advisory Committee held on February 21, 1968, there was approved Bacaton Project application for property appropriation - New York No. 1668, Plant No. Bacaton 3 - in the amount of $920,000 for the purchase of 640 acres, consisting of four parcels each containing 160 acres, at the Bacaton Project in Arizona. This land will be used as a tailings disposal area.

S. I. B.

MAR 4 1968

Harold Howe

FCHarvick
CPPollock
JVHarrison
MGoodenough
EJDiffanto
TASnodden
HEMoen
ACMarsh, Jr.
JHCourtright ✓
EAvenianSteinson

T-4.5.7
Aa-16A.3.198

J. H. C.
OCT 4 1966

October 3, 1966

Transamerica Title Insurance Company
P. O. Box 2832
Tucson, Arizona, 85702

RE: TRUST NO. RH27-095
Property Taxes

Gentlemen:

With reference to the captioned trust, we are enclosing our check in amount of $264.56 to cover: (1) Tax Service Fee in amount of $8.00, and (2) year 1966 property taxes as follows:

Tax Notice Number	Description of Property	Acres	1966 Assessed Valuation	1966 Property Taxes
37293	NE 1/4, Sec. 25, T. 5 S., R. 5 E.	160	$ 800.	$ 85.52
37294	W 1/2, Sec. 25, T. 5 S., R. 5 E.	320	1,600.	171.04
	Total	480	$2,400.	$256.56

When you have paid the taxes, please provide us with the official tax receipts.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encl-ck.

bcc: HLGoodenough, w/advice
Voucher

CENelson
CPPollock
TASnedden
JHCourtright
SIBowditch

Note to Mr. Goodenough
Inasmuch as these items pertain to the Sacaton prospect and as all Sacaton authorizations have been closed, we are charging New York directly.

T-4.5.7
Aa-16A.3.19B

October 3, 1966

J. H. C.
OCT 4 1966

Transamerica Title Insurance Company
Att: Willia Allen, Trust Officer
P. O. Box 609
Florence, Arizona, 85232

TRUST NO. 16038

Gentlemen:

With reference to the captioned Trust, we are enclosing our check in the amount of $974.92 to cover year 1966 property taxes as follows:

Tax Notice Number	Description of Property	Acres	1966 Assessed Valuation	1966 Property Taxes
44129	E1/2, Sec. 26, T. 5 S., R. 5 E.	320	$3,200.	$342.08
44130	W1/2, Sec. 26, T. 5 S., R. 5 E.	320	3,200.	342.08
44132	NE1/4, Sec. 35, T. 5 S., R. 5 E.	160	800.	85.52
44133	NW1/4, Sec. 35, T. 5 S., R. 5 E.	160	320.	34.20
11152	NW1/4 & N1/2S1/2, Sec. 34, T. 5 S., R. 6 E.	320	1,600.	171.04
	Total	1,280	$9,120.	$974.92

When you have paid the taxes, please mail us the official tax receipts.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encl-ck.

bcc: HLGoodenough, w/advice
Voucher

CENelson
CPPollock
TASnedden
JHCourtright
SIBowditch

Note to Mr. Goodenough
Inasmuch as these items pertain to the Sacaton Prospect and as all Sacaton authorizations have been closed, we are charging New York directly.

T-4.5.7
Aa-16A.3.19B

September 28, 1966

J.H.C.

SEP 28 1966

Transamerica Title Insurance Company
Att: Willie Allen, Trust Officer
1207 Main Street
Florence, Arizona, 85232

RE: TRUST NO. 16038
Property Taxes

Gentlemen:

With reference to the captioned trust, which covers the land listed below, we note that year 1966 property taxes are now due and payable:

(1) E1/2, Sec. 26, T.5S., R.5E., Pinal County, Arizona
(2) W1/2, Sec. 26, T.5S., R.5E., " " , "
(3) NE1/4, Sec. 35, T.5S., R.5E., " " , "
(4) NW1/4, Sec. 35, T.5S., R.5E., " " , "
(5) NW1/4, and N1/2 S1/2, Sec. 34, T.5S., R.6E., " " , "

If you will provide us with copies of the official tax notices, we will send you our check to cover the amounts due so that you can make the payments.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
cc: JHCourtright
SIBowditch

T-4.5.7
Aa-16A.3.19B

J H C

September 28, 1966

SEP 28 1966

Transamerica Title Insurance Company
P. O. Box 2832
Tucson, Arizona

Re: Trust No. RH27-095
Property Taxes

Gentlemen:

With reference to Trust No. RH27-095, which covers the NE1/4 and the W1/2 of Section 25, Township 5 South, Range 5 East, G. & S. R. B. & M., Pinal County, Arizona, we note that 1966 property taxes are now due and payable.

If you will provide us with a copy of the official tax notice, we will send you our check to cover the amount due so that you can make the payment.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
cc: JHCourtright
SIBowditch

J. H. C.

AUG 1 1966

MR. ~~SIB~~
READ AND RETURN JHC
PREPARE ANSWERS ____ HANDLE ____
FILE ____ INITIALS ____

July 20, 1966

W.E.S.
JUL 21 1966

S. I. B.
JUL 21 1966

Transamerica Title Insurance Company
Att: Mr. Larry Seeber, Trust Administrator
P. O. Box 2832
Tucson, Arizona, 85702

RE: TRUST NO. RH27-095

Gentlemen:

With reference to the captioned trust, we are enclosing our check in the amount of $158.50 to cover your statement of July 11, 1966.

Please reflect in your records that our offices are no longer located 813 Valley National Building. We are now in our own building at 1150 North 7th Avenue and our mail should be addressed to Post Office Box 5795, Tucson, Arizona, 85703.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encl - ck
bcc: HLGoodenough, w/advice
Voucher

CENelson
CPPollock
TASnedden
JHCourtright

Note to Mr. Goddenough:
Inasmuch as this item pertains to the Sacaton Prospect and as all Sacaton authorizations have been closed, we are charging New York Office directly.

J.H.C.
JUN 16 1966

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

June 16, 1966

Mr. H. W. Grose, General Auditor
American Smelting and Refining Company
120 Broadway
New York, N. Y. 10005

Sacaton

Dear Sir:

Enclosed herewith for safekeeping are:

1) Thermofax copy of deed dated May 5, 1966, from Norman Wade as Guardian of the Estate of Maud A. Darrough, to Surety Title and Trust Company, as Trustee, under Trust #16038 covering the NW 1/2 and the N 1/2 S 1/2 of Section 34, T5S, R6E, Pinal County, Arizona.

2) Amendment to Trust Agreement No. 16038, between Transamerica, as successor to Phoenix Title and Trust Company, and Asarco dated June 14, 1966, including the above property in said Trust.

3) Policy of Title Insurance from Transamerica covering said parcel.

The first two items have been given Document Book numbers 44 and 44-A respectively in the Sacaton Document Book, and refer to land we purchased near Sacaton as a possible source of water.

Yours very truly,

S. I. Bowditch

SIB:bam
Enclosures
cc: Jack Pearcey - w/copies of 1 & 2
KvdSteinen - w/all copies
JHCourtright - wo/encs.

J. H. C.

MAY 11 1966

May 10, 1966

Transamerica Title Insurance Company
P. O. Box 609
Florence, Arizona 85232

Re: Escrow No. 1079-471
Trust No. 16038
DARROUGH

Gentlemen:

We acknowledge receipt of your letter of May 6, 1966.

Enclosed is our check to your order as escrow agent in the amount of $126,020.84.

You are authorized and instructed to deliver the proceeds of said check to the guardian of Maud A. Darrough, an incompetent person, provided that you are in a position to issue an owner's policy of title insurance insuring the title to the property described in your memorandum report dated March 14, 1966, subject only to Items 1 to 4 inclusive of Part Two of Schedule "B" as shown on said memorandum report.

In view of the fact that the title to said property is to be vested in Surety Title and Trust Company, an Arizona corporation, as Trustee under Trust 16038, you may wish to keep the original title policy in your file. If this is done, however, a duplicate copy of said policy should be sent to our attorneys, Boyle, Bilby, Thompson & Shoenhair, Ninth Floor Valley National Building, Tucson, Arizona 85701, for approval and transmittal to us.

Very truly yours,

AMERICAN SMELTING AND REFINING COMPANY

By _____
S. I. Bowditch

SIB:bam

cc: Ray Bidegain JHCourtright
TKShoenhair KvdSteinen

Copy to Courtright 3/21/66

I assume Tucson will prepare and send formal application for Property appropriation?

New York, N. Y., March 16, 1966

J. H. C.

MAR 30 1966

Mr. C. P. Pollock

At the meeting of the Advisory Committee held today there was approved in principle (P-2097) application for property appropriation in the amount of $137,000 for the purchase of 320 acres of land near Casa Grande, Arizona, from Maud Darrough for the Sacaton Project.

Please submit formal application for this expenditure.

Harold Howe

Harold Howe

FGHamrick
CENelson
HLGoodenough
TASnedden
RBMeen
JHCourtright

Please copy for K and S

SHC 3-23-66

New York, N. Y., March 22, 1966

Mr. C. P. Pollock

At the meeting of the Advisory Committee held on March 16, 1966, there was approved Sacaton Prospect application for property appropriation - New York No. 1317, Plant No. Sacaton 1 - in the amount of $137,000 for the purchase of 320 acres of land near Casa Grande, Arizona, from Maud Darrough.

Harold Howe

FGHamrick
CENelson
HLGoodenough
TASnedden
RBMeen
JHCourtright

See

J. H. C.

MAR 17 1966

March 17, 1966

Surety Title Division
Phoenix Title and Trust Company
P. O. Box 609
Florence, Arizona

Attn: Mr. William Newhard

Your Trust No. 16038

Gentlemen:

Enclosed is our check in your favor in the amount of $10,000, which represents the amount that you, as Trustee under Trust No. 16038, are required to put into escrow in connection with the purchase of the NW 1/4 and N 1/2 S 1/2 Sec. 34, T5S, R6E, Pinal County, from Farmers and Merchants Trust Company of Long Beach, California, Trustee for Maud Darrough, in accordance with your offer of March 1, 1966, modified and accepted by the seller on March 11, 1966.

After the escrow has been established and after the ancillary guardianship in Arizona has been approved, so that you will be in a position to issue Title Insurance, we expect you to furnish us with your preliminary report for title insurance for our approval.

We presume that at the time of closing you will wish to modify our trust agreement to include this new parcel.

Yours very truly,

S. I. Bowditch

SIB:bam
Enclosure
cc: Ray Bidegain
T. K. Shoenhair
J. H. Courtright
K. von den Steinen

T-4.1.1

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

March 17, 1966

J. H. C.

MAR 17 1966

AIR MAIL
Mr. C. P. Pollock, Vice President
American Smelting and Refining Company
120 Broadway
New York, N. Y., 10005

SACATON PROSPECT
Application for Property Appropriation

Dear Sir:

Further to Mr. Richard's telegram of March 16, 1966, we are forwarding herewith original and three copies of Sacaton Prospect Application for Property Appropriation No. 1 in the amount of $137,000 to cover the cost of purchasing the NW-1/4 and the N-1/2 S-1/2 of Sec. 34, T. 5 S., R. 6 E., Pinal County, Arizona, which land is required for water supply for a possible future mining operation. Check for the $10,000 earnest money required is being drawn today.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/cj
Encls.
cc: HLGoodenough, no encl.
JHCourtright, w/copies of Forms 302 and 302A

FORM 302 (REVISED 1964)

N.Y. Approp. No. .....
Plant No. Sacaton J...

APPLICATION FOR PROPERTY APPROPRIATION

March 17, 1966

PLANT or UNIT: SACATON PROSPECT

DESCRIPTION:

Purchase of the NW-1/4 and the N-1/2 S-1/2, Sec. 34, T. 5 S., R. 6 E., G. & S. R. B. & M., Pinal County, Arizona.

If work contemplates replacement or improvement of structures or equipment now in place, insert: -1. Original cost $ .....2. Date erected or installed .....

Total estimated cost (FORM 302A ATTACHED) $.137,000.....
Estimated annual net saving $.....
Estimated completion date .May.. (MONTH) .1966. (YEAR)

ADVANTAGES TO BE DERIVED:

This land is required for water supply for a possible future copper mining operation.

Reviewed by /s/ K. A. von den Steinen (ACCT. MGR. OR CHIEF ACCNT)

Approved by ..... (COMPTROLLER)

Account Chargeable to ..... (TO BE FILLED IN BY COMPTROLLER)

Recommended by /s/ J. H. Courtright... Chief Geologist ~~XXXXXX~~

Approved by ..... (VICE PRESIDENT)

Approved by Advisory Committee

.....19...

Approved by Board of Directors

.....19.....

..... (SECRETARY)

COST ESTIMATE

FORM 302A

JOB Purchase of land in Pinal County PLANT Sacaton Prospect
JOB NO. AUTH. NO. DRAWING NOS.
MADE BY H. Courtright DATE 3/17/66 CHECKED BY DATE

GROUP NO.	CLASSIFIED MATERIAL	QUANTITIES	EST'D. LIFE	EST'D. DATE OF COMPL.	UNIT PRICES MATERIAL	UNIT PRICES LABOR	ESTIMATED COST MATERIAL	ESTIMATED COST LABOR	TOTAL ESTIMATED COST
	Purchase price of NW-1/4 and N-1/2 S-1/2, Sec. 34, T. 5 S., R. 6 E., G. & S. R. B. & M., Pinal County, Arizona								$136,000.
	Legal and other miscellaneous expense incidental to purchase								1,000.
	Total								$137,000.

1. Original copy of form 172 must be forwarded to the Comptroller promptly after the end of each month in which expenditures are made. A report for December must be submitted in any event. The report need not be typewritten and may be submitted in duplicating machine form. Amounts shall be reported to nearest dollar. Totals shall be shown in Columns 5 to 10, inclusive.
2. Total expenditures reported in Column 7 must agree with actual entries reflected on plant's or unit's books. For plants whose property is carried on the New York Office books the total reported in Column 7 of the December report must agree with the amount charged to the New York Office in December accounts.
3. If it becomes evident that an amount appropriated will not cover the anticipated cost a revised estimate shall be made. The difference between the revised estimate and the amount expended to date shall be entered in Column 10.

PROPERTY PROGRESS REPORT (FORM 172)

J.H.C.

PLANT OR MINE UNIT Sacaton Prospect

APR 15 1966

MONTH March, 1966

1 Appropriation No. Plant	1 Appropriation No. N. Y.	2 Date Appropn. Approved	3 Chargeable to	4 DESCRIPTION	5 Amount Appropriated	6 Amount Expended This Month	7 Amount Expended This Year (2)	8 Amount Expended To Date	9 Balance of Appropriation Unexpended	10 Estimated Amt. Required to Complete (3)	11 Estimated Date of Completion
1	1317	3/16/66	Land, Other Than Mineral	Purchase of NW-1/4 and N-1/2 S-1/2, Sec. 34, T. 5 S., R. 6 E., Pinal County, Arizona	$137,000.	$10,000.	$10,000.	$10,000.	$127,000.	$127,000.	5/31/66
Orig:	HLGoodenough, att: HShapiro CPPollock JHCourtright File-2										

Form 172 Revised 9/23/64
Printed in U.S.A.

~~April 13, 1966~~ Date

Correct

ORIGINAL INITIALED BY
K. v. d. STEINEN
Approved

Sacaton
Aa-16A.3.19B

J. H. C.

JUL 22 1965

July 22, 1965

Phoenix Title and Trust Company
Att: Mr. Larry Seeber, Trust Administrator
P. O. Box 2832
Tucson, Arizona

RE: TRUST NO. RH27-095

Gentlemen:

With reference to your letter of July 21, 1965, we are enclosing our check in the amount of $150 to cover the annual service fee specified in clause XV of our Real Estate Holding Trust Agreement of July 7, 1964, Trust No. RH 27-095.

Please note our new address as shown above.

Very truly yours,

ORIGINAL SIGNED BY
K. A. von den Steinen

K. A. von den Steinen
Chief Accountant

KvdS/ma
Encl-ck.
bcc: HLGoodenough, w/advice
Voucher

CENelson
CPPollock
TASnedden
JHCourtright

Note to Mr. Goodenough:
Inasmuch as this item pertains to the Sacaton Prospect and as all Sacaton authorizations have been closed, we are charging New York Office directly.

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

March 11, 1966

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

Sacaton Water Supply

Dear Sir:

Reference is made to your letter of February 18 with tentative approval for purchase of 1/2 section of land near Casa Grande, Arizona.

We now have a firm price of $136,000, which is $425 an acre. As stated in Mr. Bowditch's memorandum attached, the sum of $10,000 is to be put in escrow within 10 days of date (March 11, 1966) and the balance is to be paid at the time of closing.

A copy of the agreement drawn up by our lawyers is also attached.

To cover one-half of the escrow fee, taxes and other expenses, approximately $1,000 will be required in addition to the purchase price. If you approve, please request a property appropriation in the amount of $137,000.

Yours very truly,

J. H. COURTRIGHT

JHC:bam
Attachment
cc: TASnedden, w/att.
RBMeen, w/att.
KvdSteinen, w/att.

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

March 11, 1966

To: J. H. Courtright

From: S. I. Bowditch

Sacaton - Water Supply
Maude Darrough

We have come to an agreement with the Farmers & Merchants Trust Company of Long Beach, California, which is trustee for Maud Darrough, an incompetent, over the purchase of 320 acres of land near Casa Grande for use as a water supply at Sacaton. The agreed price is $136,000, which is $425 an acre. The sum of $10,000 earnest money is to be put in escrow within ten days, and the balance is to be paid at the time of closing, which should be in about two months. An ancillary guardianship in Arizona must be first initiated for purpose of the sale, but Mr. Shoenhair says two months is ample for this. If this should require more time, we would of course grant it.

A copy of the offer, made at our request by Surety Title and Trust Company of Florence, as Trustee under Trust No. 16038, is attached for your information. Trust No. 16038 is the trust under which the Sacaton Land is held by Surety for us, so that our name does not appear on the records.

We will pay one-half of the escrow fee, which will amount to about $80 for our one-half share, and also our pro rata share of the taxes, perhaps $300. The accounting department wants legal costs included in the appropriation, so I would suggest we ask for $137,000, which would cover the $80 escrow, $300 for taxes, and still leave $600 for legal costs.

S. I. Bowditch

S. I. Bowditch

SIB:bam
Attachment

STATE WIDE

Surety Title Division

PHOENIX TITLE and TRUST COMPANY

P. O. BOX 609 Florence, Arizona 1207 MAIN STREET

March 1, 1966

Farmers & Merchants Trust Company
302 Pine Avenue
Long Beach, California 90812

RE: Your Trust 1615
Maud Darrough

Gentlemen:

This letter refers to the Northwest quarter and the North half of the South half of Section 34, Township 5 South, Range 6 East, G. S. R. B. & M., Pinal County, Arizona, which we understand is part of the estate of the above named person who has been adjudicated an incompetent in the State of California. The undersigned, as Trustee of our Trust No. 16038, has been authorized by the beneficiaries in said trust to submit this offer to purchase said property upon the following terms and conditions:

1. The purchase price shall be ~~$128,000~~ 136,000 to be paid $10,000 upon the acceptance of this offer by you as guardian of said incompetent, said sum to be deposited in an escrow to be opened with our company and applied on the purchase price upon the close of escrow and otherwise to be forfeited and paid over to you as liquidated damages if for any reason the undersigned should fail to consummate said purchase. The balance of said purchase price, to wit, ~~$118,000~~ 126,000, shall be paid in cash upon the close of escrow.

2. The seller is to furnish at its expense an owner's policy of title insurance insuring that the purchaser is vested with fee simple title free and clear of liens and encumbrances except current taxes, said policy to be in the amount of the purchase price. Seller shall also pay the cost of revenue stamps to be affixed to the deed and one-half of the escrow charges. Taxes shall be prorated as of the close of escrow. Seller shall pay upon closing a commission of 6% of the total purchase price to Bridgeman Realty, Inc.

3. The sale contemplated by this offer shall be subject to confirmation by the Superior Court of the State of Arizona, in and for the County of Pinal in an ancillary guardianship proceeding to be initiated by you for that purpose.

A SUBSIDIARY OF TITLE INSURANCE CORPORATION OF AMERICA

PHONE UN 8-5871
AREA CODE 602

Your signature on a copy of this letter shall constitute your acceptance of the foregoing offer, and upon such acceptance this letter agreement shall become and be a binding agreement of sale, subject to the terms hereof, and within ten days after said acceptance an escrow shall be opened at Surety Title and Trust Company, Florence, Arizona, for the purpose of consummating said sale, and the undersigned shall forwith deposit in said escrow the sum of $10,000. The closing date of said sale shall be sixty days after acceptance of this offer.

Very truly yours,

SURETY TITLE AND TRUST COMPANY, as
Trustee under Trust No. 16038

By _____

The foregoing offer is hereby accepted this 11 day of March, 1966.

FARMERS & MERCHANTS TRUST COMPANY
of Long Beach, as Guardian of the
Estate of Maud Darrough, an Incompetent

By E. M. Ames Asst. V.P.

AMERICAN SMELTING AND REFINING COMPANY
EXPLORATION DEPARTMENT
120 BROADWAY, NEW YORK, N.Y. 10005

J. H. C.
FEB 21 1966

KENYON RICHARD
CHIEF GEOLOGIST

Air Mail
PERSONAL AND CONFIDENTIAL

February 18, 1966

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

Sacaton Water Supply

Dear Sir:

Reference is made to your letter of February 15 in which you recommend acquisition of the 320 acre Darrough Tract as a possible water supply for Sacaton, in the future.

Mr. Tittmann has approved this acquisition in principle. Therefore, will you have Mr. Bowditch complete negotiations for a firm price and prepare an agreement to send here for approval by our lawyers. At that time, also send in a request for a property appropriation for the proper amount including lawyer's fees and other expenses.

Yours very truly,

Kenyon Richard

Kenyon Richard

CC-TASnedden
RBMeen
SIBowditch

JKC

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

February 15, 1966

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

SACATON AREA
WATER SUPPLY

Dear Sir:

During the investigation of "in place leaching" of the Sacaton copper deposits, a study of possible water sources was also made. As determined by John Kinnison, the most productive basin lies 3 to 4 miles east of the Sacaton prospect (map attached). The main basin of the Santa Cruz Valley lies to the southwest, but the distance to the area of demonstrated high yield is much greater and the land much higher priced (cotton farms) than in the area to the east.

During the past year Sam Bowditch has investigated the availability of various land parcels, and recently determined that the best situated is a 320 acre block in Section 34 (shown on attached map).

Due to the wide spacing (550' to 700') of the drill holes, the Sacaton ore reserves can be classed no better than "indicated" or "inferred". As stated in my letter of February 5, 1964 transmitting Mr. Wojcik's report of the same date, "the interspaced drilling necessary to provide an acceptably firm estimate of tonnage amounts to $120,000. This drilling could result in a considerable revision, either upward or downward of tonnage and grade." The 1964 estimate was:

		Tons		Grade,% Cu	Waste/Ore
West Deposit		8,600,000		1.40	8.3/1
East Deposit		13,300,000		1.18	
	Total	21,900,000	Average	1.27	

At 34¢ copper, a return on capital of 14% (present value method) is indicated over a 10 year life. Considering the probability of a future operation, it is recommended that an adequate water supply be secured now. Due to the rapid rate of development in the vicinity of Casa Grande, suitable land may soon become unavailable at any reasonable price.

We have as yet been unable to obtain a firm price, but expect it will be around $500 per acre. Please advise as to whether or not we should proceed with negotiations.

It should be noted that the ground adjoining the highway on the east is higher priced cotton land, and that the one-half section

proposed for purchase lies within an area which is closed to pumping, except for industrial or domestic purposes.

We have not investigated the status of land that may be required for dumps and tailings disposal.

Yours very truly,

J. H. Courtright

J. H. COURTRIGHT

JHC/kw
Attachments: 2 maps
cc: TASnedden, w/atts.
RBMeen, w/atts.
SIBowditch
JRWojcik
JEKinnison

Margaret
ries
/476

IT 7 8
5 6
3 4
1 2

ASARCO (Thomson) Option

(Betz) ASARCO Option 12-1-63

M.S. Wallis

Desert Vista Nos 3 & 4
Surety Title & Trust

Lawyers Title of Phoenix

Joseph M. & Helen Molinow & Betty Jenkins

Morris & Gertrude Margolin

Peterson
A.S. & L. Marks

Gerthruth Currie

Charles E Rhor

Expired
PP 124
Doc 16

VAL VISTA ROAD

Herbert F. & Naomi G. Bloom
(Option 7-1-63)
Doc 24
1
3

25

Cyril M. & Lilac Cron
2
(Option 12-31-63)
Doc 25

ASARCO Option
3-15-64
Mrs Glendora C. Megna

30

Viner Enterprises
(Option 11-1-63)
Doc 28

(25% all mineral- Buchanan)
Whole section
Option 11-1-63 Doc 29

Phoenix Title & Trust Co T 6048
(Cort) Option 3-15-64 Doc 33
(Wehr) Option 1-1-64 Doc. 31

Phoenix Title & Trust

Irene M. Jungbaur

29

PP 622
(PP 60-expired)
~~Doc. 10~~
4-19-63

City of Casa Grande

Small Lots

Phoenix Title & Trust Co.
Trust No. 2843VQ

28

Surety Title & Trust Co.
Trust 1035 A

Surety Title & Trust Co.
Trust 1035 A

Elizabeth Pearl Davis

Elmer L. Godwin

Mrs Celia M. Pearson

Mrs. E. M. Robbins

27

Heirs of Helen McIntear Smith

Mrs M.C. Spaulding

1/2 Helen L. Shaw & 1/2 Katherine C. Learson

NO ROAD

Fabricant)
14
purchase
oc 2
rd Heath
15
Option
1-63

PP 59
36
8-14-63
16
Doc 9

Mrs Glendora Megna

31

PP 623
~~Doc. 11~~
? 4-19-63

32

(Sec. 32 - PP 61 - Expired)
Possible Limits, Alt. Zone
(Kinnison & Blucher - Feb. '61)

Surety
33
Title & trust Co.

Same trust

Maude H. Darrough

34

Simon & Fanny Marcus

Christopher & Gloria Guarino

Daniel H. Long

Phoenix Title & Trust Co.
Trust RH 26,807

Kane & Kane Inc. 1/2
Chas. Senderhoff 1/2

Roy S. McCartney

T 5 S
T 6 S

PP 63
24
Doc 13
8-14-63

2

PP 62
Doc. 12
8-14-63

1

Mobile City, Arizona Inc.

6

5

Surety Title & Trust Co.

State

Roy S. and Ju
Mc Cartney

4

Surety Title & Trust

Winnie 1 2 9 10
3 4 11 12
5 6 13 14
Woolsey Fed. Claims
7 8 15 16
20 19 18 17

Gale & Gladys A. Smith

City of Casa Grande

Ernest W. Mc Farland

? Mi Casa Builders Inc.

Sub-divided

Stewart Title & Trust Co.
Trust 0163

Lapsed
ASARCO
Gila Claims
Fed
Frank J. Nelson
Lapsed

11

12

State

7

8

9

Margaret
ffries
0/476

IT 7 8
5 6
3 4
1 2

ASARCO
(Thomson)
Option

(Betz)

ASARCO
Option
12-1-63

M.S. Wallis

Desert Vista
Nos 3 & 4
Surety Title & Trust

Lawyers Title
of Phoenix

Joseph M. & Helen
Molinow &
Betty Jenkins

Morris & Gertrude
Margolin

Inderl
McCorville
Peterson
A.S.& L. Marks

Gerthruth
Currie

Charles E.
Rhon

~~Expired,~~
~~PP 124~~
~~Doc 16~~

VAL VISTA ROAD

t)

Herbert F. &
(Option 7-1-63)
Doc 24

3

Naomi G. Bloom
1

25

Cyril M. & Lilac
Cron
2
(Option 12-31-63)
Doc 25

ASARCO Option
3-15-64
Mrs Glendora C.
Megna

Viner
Enterprises
(Option 11-1-63)
Doc 28

30

(25% all mineral- Buchanan)
Whole section
Option 11-1-63 Doc 29
Phoenix Title & Trust Co T6048
(Cort)
Option 3-15-64
Doc 33
(Wehr)
Option 1-1-64
Doc. 31

Phoenix Title & Trust

Irene
M.
Jungbaur

29

PP 622
(PP 60 - expired)
~~Doc. 10~~
4-19-63

City
of
Casa Grande

Phoenix Title
& Trust Co.
Trust No. 2843VQ

28

Small Lots

Surety
Title
&
Trust Co.
Trust 1035 A

Surety Title
& Trust Co.
Trust 1035 A

Elizabeth Pearl Davis

Elmer L. Godwin

Mrs Celia M.
Pearson

Mrs. E. M. Robbins

27

Heirs of
Helen McIntear Smith

Mrs M.C. Spaulding

½ Helen L.
Shaw
&
½ Katherine C.
Learson

4A

Doc 1

t Fabricant)
14
CO purchase
Doc 2

ard Heath
15
RCO Option
7-1-63

PP 59
36
8-14-63
16
Doc 9

Mrs Glendora Megna

31

PP 623
~~Doc 11~~
? 4-19-63

32

(Sec. 32 - PP 61 - Expired)
Possible Limits,
Alt. Zone
(Kinnison & Blucher - Feb. '61)

Surety
33
Title & trust
Co.

Same trust

Maude H.
Darrough

34

Simon & Fanny Marcus

Christopher & Gloria Guarino

Daniel
H.
Long

Phoenix
Title & Trust Co.
Trust RH 26,807

Kane & Kane Inc. 1/2
Chas. Senderhoff 1/2

Roy S.
McCartney

T 5 S
T 6 S

PP 63
24
Doc 13
8-14-63

2

PP 62
Doc. 12
8-14-63

1

Mobile City, Arizona Inc.

6

Surety
Title
&
Trust Co.

5

State

Roy S. and
Ju
Mc Co ey

enix Title
& Trust
22

Surety Title & Trust

Winnie 1 2 9 10
3 4 11 12
5 6 13 14
Woolsey Fed. Claims
7 8 15 16
20 19 18 17

Gale & Gladys A.
Smith

City of
Casa Grande

Ernest W.
Mc Farland

?

Mi Casa
Builders
Inc.

Sub-divided

Stewart
Title & Trust
Co.
Trust 0163

Lapsed
ASARCO
Gila Claims
Fed
Frank J Nelson
Lapsed

11

12

State

7

Way 187

8

9

172

FARMERS & MERCHANTS TRUST COMPANY
OF LONG BEACH
302 PINE AVE., LONG BEACH, CALIFORNIA 90812
TELEPHONE 437-0011

J. H. C.
FEB 15 1966

January 21, 1966

Sacaton
Land for water
Supply

Mr. Raymond Bidegain
Bidegain Realty, Inc.
40 North Swan, Suite 205
Tucson, Arizona

Re: Trust 1615
Maud Darrough

Dear Mr. Bidegain:

In response to our inquiry for an appraisal on the Darrough property, which did not indicate the amount of your offer, we received the following:

> "Casa Grande has "growing pains" and this property may well be worth a considerable larger amount of money within a very short period. I would say that this property would be valued at least $500.00 per acre."

In view of the above appraisal, there appears to be no rush for us to enter into a contract of sale, and certainly, no contract for less than $500.00 per acre.

We will appreciate hearing from you and the best offer of your clients.

Very truly yours,

E. M. Amos
Ass't. Vice President

EMA:js

Harold

Bidegain suggest making an offer of $350 and see if they make a counter offer. However, we should be prepared to pay $500/acre = $160,000 for the 320 acres. I think $400 would be a more realistic offer

T-4.19

J. H. C.

SEP 28 1964

Personal file

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

September 28, 1964

Mr. H. L. Goodenough, Comptroller
American Smelting and Refining Company
120 Broadway
New York, N. Y., 10005

SACATON PROSPECT
Cancellation of Options

Dear Sir:

With reference to your letter of September 4, 1964, File Reference H-138, we are attaching a tabulation giving the nature and amount of expenditure for each parcel of property examined at the Sacaton Prospect to August 31, 1964. As compared to the tabulation submitted March 26, 1964, showing expenditures to December 31, 1963, this tabulation reflects additional legal expenses incurred on one parcel expired in 1963 and four parcels expired in 1964.

Another tabulation will be submitted showing expenditures to December 31, 1964, if there are any additional expenses on the expired parcels.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. A. von den Steinen
Chief Accountant

WGK/mm
attach.
cc: FGHamrick, w/attach.
CEHelson, " "
CPPollock, " "
HLGoodenough, " "
TASneddon, " "
JHCourtright, " "

SACATON PROSPECT

ALLOCATION OF EXPENDITURES AS OF AUGUST 31, 1964

Document No.		(1) Acquisition of Property or Prospecting Rights: Property Study	Prospecting Permit Fees, Rents, Etc.	Location Work	Option Payments	Property Purchases	Legal	Total	(2) Geological Examination	(3) Geophysical Examination	(4) Exploratory Drilling	(5) Total
	(1) Parcels expired or dropped to Dec.31, 1963:											
	Mining Claims S1-S18	$ 80.11	$ -	$1,041.44	$ -	$ -	$ 19.75	$ 1,141.30	$ 73.03	$ 502.49	$ -	$ 1,716.82
0,11	State Prospecting Permits 56,60,61	204.64	1,975.00	-	-	-	2.13	2,181.77	186.57	1,283.66	-	3,652.00
,9,12,13	State Prospecting Permits 57,58,59,62,63	316.25	3,131.32	-	-	-	8.53	3,456.10	288.32	1,983.81	45,109.02	50,837.25
	Mining Claims S19-S28	44.50	-	369.45			11.75	425.70	40.58	279.16	1,259.13	2,004.57
	State Prospecting Permit 110	137.86	15.00	-	-	-	-	152.86	125.69	864.78	-	1,143.33
	Mining Claims S29-S46	80.11	-	1,615.37	-	-	18.00	1,713.48	73.03	502.49	17,800.80	20,089.80
	State Prospecting Permit 536	81.36	321.00	-	-	-	-	402.36	29.46	202.68	-	634.50
	Arizona Land Title Trust No. 6020-T	202.43	-	-	13,000.00	-	129.75	13,332.18	62.85	432.39	40,229.67	54,057.09
	Heath	167.96	-	-	16,000.00	-	232.00	16,399.96	31.42	216.20	-	16,647.58
	Bloom	103.39	-	-	46,000.00	-	206.89	47,110.28	94.27	648.59	212,672.60	260,525.74
	Cron	160.11	-	-	13,000.00	-	101.73	13,261.84	31.42	216.20	6,515.96	20,025.42
	Bruton	169.41	-	-	4,800.00	-	91.50	5,060.91	31.42	216.20	4,010.57	9,319.10
	Vimar Enterprises, Inc.	25.85	-	-	4,800.00	-	112.43	4,938.28	23.56	162.15	9,125.51	14,249.50
	Buchanan	34.39	-	-	1,600.00	-	35.00	1,669.39	31.36	215.75	-	1,916.50
	Betz	25.85	-	-	3,600.00	-	59.50	3,685.35	23.56	162.15	43,409.71	47,280.77
	Section 19, T5S, R6E	137.86	-	-	-	-	-	137.86	125.69	864.78	17,902.94	19,031.27
	Totals	$1,972.08	$ 5,442.32	$3,026.26	$103,600.00	$ -	$1,028.96	$115,069.62	$1,272.23	$ 8,753.48	$398,035.91	$ 523,131.24
	(2) Parcels dropped or allowed to expire in 1964:											
	Phoenix Title-Trust No. 6048-Mehr	$ 29.41	$ -	$ -	$ 4,800.00	$ -	$ 67.50	$ 4,836.91	$ 26.81	$ 184.44	$ -	$ 5,108.16
	Phoenix Title-Trust No. 6048-Cort	22.29	-	-	4,800.00	-	69.25	4,891.54	20.33	139.85	-	5,051.72
37	State Prospecting Permits 622,623	103.39	1,005.00	-	-	-	-	1,108.39	94.27	648.59	-	1,851.25
	Magna	25.64	-	-	4,800.00	-	92.77	4,918.41	23.37	160.82	37,368.10	42,470.70
	Thompson	8.62	-	-	1,200.00	-	64.67	1,273.29	7.85	54.05	9,450.12	10,785.31
43	State Prospecting Permits 657-661	516.97	4,925.00	-	-	-	-	5,441.97	471.33	3,242.93	23,435.13	32,591.36
	Mining Claims S57-S77	89.00	-	2,824.11	-	-	16.00	2,929.11	81.15	558.33	-	3,568.59
	Totals	$ 795.32	$ 5,930.00	$2,824.11	$ 15,600.00	$ -	$ 310.19	$ 25,459.62	$ 725.11	$ 4,989.01	$ 70,253.35	$ 101,427.09
	(3) Parcels retained by Purchase to Aug. 31, 1964:											
	Fabricant	$ 595.64	$ -	$ -	$ 13,000.00	$ 55,000.00	$ 576.61	$ 69,172.25	$ 40.44	$ 221.89	$ 20,978.30	$ 90,412.88
	Surety Title-Trust No. 2052	788.25	-	-	26,000.00	110,000.00	849.47	137,637.72	80.87	443.78	216,468.81	354,631.18
	Arizona Land Title-Trust No. 5993-T	595.64	-	-	15,000.00	53,000.00	621.86	69,217.50	40.44	221.89	27,975.66	97,455.49
	Surety Title-Trust Nos. 2052 and 2095	746.27	-	-	1,000.00	83,000.00	128.24	84,874.51	40.43	221.90	14,774.75	99,911.59
	Surety Title-Trust Nos. 2052 and 2096	746.28	-	-	17,000.00	63,000.00	537.48	81,283.76	40.44	221.90	71,599.74	153,145.84
C	Phoenix Title-Trust No. RH27-095	-	-	-	-	235,390.08	75.00	235,465.08	27.05	17.09	156.24	235,665.46
	Totals	$3,472.08	$ -	$ -	$ 72,000.00	$599,390.08	$2,788.66	$677,650.82	$ 269.67	$ 1,348.45	$351,953.50	$1,031,222.44
	GRAND TOTAL ABOVE	$6,239.48	$11,372.32	$5,850.37	$191,200.00	$599,390.08	$4,127.81	$818,180.06	$2,267.01	$15,090.94	$820,242.76	$1,655,780.77
	* Mining Claims Biddy 1-18											$ 257.65
	Taxes not included above											$ 7,070.05
	GRAND TOTAL EXPENDITURES TO AUGUST 31, 1964											$1,663,108.47

* Transferred in September, 1964, account to Santa Cruz Prospect

ASARCO

LEGAL DEPARTMENT

J. H. C.
JUL 23 1964

U. S. MINING DEPT.
JUL 16 1964
TUCSON

New York, July 15, 1964

AIR MAIL - CONFIDENTIAL

Mr. A. C. Hall, Assistant Manager
Tucson

Re: Sacaton Area, Bloom Property in Section 25, T-5S, R-5E, Pinal County, Ariz.

Dear Sir:

Referring further to your letter of July 7, 1964, I enclose two certified copies of the resolutions adopted by the Advisory Committee today. As I previously stated, if the bank wishes to have these ratified by our Board of Directors, which will meet on July 28, 1964, I shall be glad to arrange it.

Very truly yours,

/s/ R. Worth Vaughan

Enclosures

cc: TASnedden
RBMeen
KERichard
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

July 14, 1964

J. H. C.
JUL 24 1964

CONFIDENTIAL
Mr. J. H. Courtright
General Delivery
Suquamish, Washington

Pinal County, Arizona
Sacaton Area

Dear Harold:

The purchase of the Bloom property was completed July 6 and 7. Purchase price was $192,000 or $400.00 per acre.

Barnes has been contacted and agrees to commence drilling July 20.

Farley initiated I.P. exploration July 7. He has nothing of consequence to report to date.

We plan to initially drill holes P-2 and P-3 (in that order) using the locations you had previously laid out (P-1, you will recall, was drilled as hole G-3 of the Gila prospect). P-2 does not effect property acquisition southwest of the Maricopa Highway. When we are ready to drill P-3, Bowditch will supervise staking of Federal Mining Claims on the following ground: NE¼ Section 12, SW¼ Section 23, and 120 acres in SW part of Section 29 (all above in R.4.E. - T.6.S.). These claims cover the proposed drill sites for holes P-3, P-4 and P-7. All of these claims will be located on uncultivated ground.

We hold a State Prospecting Permit in Section 17 (site of proposed hole P-5).

I think we should again consider application for a State Prospecting Permit in Section 35 which was one of the original proposed drill sites (P-6). After reviewing the gravity and magnetic maps, I don't believe bedrock will be substantially deeper here than at site P-4 to the north. A hole in Section 35 would give us greater prospecting width across this area paralleling the Boundary Fault. A decision regarding this additional prospecting permit can be deferred until your return about the twenty-third.

Very truly yours,

Bill

W. E. SAEGART

WES/jk
cc: KERichard

ASARCO

LEGAL DEPARTMENT

W.E.S. JUL 27 1964

J.H.C. "file" JUL 23 1964

New York, July 9, 1964

AIR MAIL - CONFIDENTIAL

Mr. A. C. Hall, Assistant Manager
Tucson

Re: Sacaton Area, Bloom Property in Section 25
T-5S, R-5E, Pinal County, Ariz.

Dear Sir:

This is to acknowledge receipt of your letter of July 7, 1964, and enclosures with regard to the above matter. I have no comments on the form of the Real Estate Holding Trust Agreement with Phoenix Title and Trust Company, and agree with you that the matter appears to be in good shape. I will present the Agreement to the Advisory Committee next Wednesday and ask for a resolution in the form enclosed with your letter. I hope this will be acceptable to the Phoenix Title and Trust Company. As I pointed out on the 'phone, the next meeting of our Board of Directors is July 28. If desired, we can have the Advisory Committee resolution ratified at that time.

In the last paragraph of your letter, you state that there is urgent need to resume work in the field. Since Phoenix Title and Trust Company is now the legal owner of the property, holding it for our account, I see no reason why you need delay your work pending execution of the Trust Agreement.

Very truly yours,

/s/ R. Worth Vaughan

cc: TAWedden
RBMeen
KERichard
JHCourtright

J.H.C. Desk

J. H. C.
JUL 23 1964

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

July 7, 1964

W.E.S.
JUL 13 1964

CONFIDENTIAL

Mr. R. Worth Vaughan, Vice President and General Counsel
American Smelting and Refining Company
120 Broadway
New York, New York 10005

SACATON AREA
BLOOM PROPERTY IN SECTION 25,
T-5S, R-5E, PINAL COUNTY, ARIZ.

Dear Sir:

This morning I spoke separately with Mr. Richard and with you regarding the mechanics of the conveyance of the above noted property from Mr. and Mrs. Bloom to American Smelting and Refining Company.

In accordance with the Agreement of April 30, which he accepted on May 4th, acting as our Nominee, Mr. Horne effected the purchase of 480 acres comprising the West Half and the Northeast Quarter of Section 25, Township 5 South, Range 5 East, Gila and Salt River Base and Meridian, Pinal County, Arizona, in the amount of $192,000. The sale contract was signed by Mr. and Mrs. Bloom and Mr. Horne on July 3, at which time Mr. Horne gave his check in the amount of $1,000 earnest money, which check was cashed that day. The terms of the sale specified: (1) A 4-day closing period from the acceptance of the offer by seller; (2) "Notwithstanding anything to the contrary, the seller covenants that the Memorandum Report issued by Surety Title and Trust Company, attached to and made a part hereof, is correct to this date (date of report, June 3, 1964)"; (3) "The required instruments for the closing of this sale shall be in form as customarily used by the escrow company escrowing this sale in like closings."

Escrow statements and instructions, together with signed deed dated July 6, 1964, covering conveyance of the property from Mr. and Mrs. Bloom to Mr. Horne, accompanied by a cashier's check in the amount of $191,190.08, endorsed by Mr. Horne to the Phoenix Title and Trust Company for account of Mr. and Mrs. Bloom, together with the Disclaimer Deed from Mrs. Shirley B. Horne, also dated the 6th of July, were accepted in escrow by the Phoenix Title and Trust Company, Escrow Agent, this morning. This deed will be recorded without delay in Florence, Arizona.

Also delivered to the Phoenix Title and Trust Company, but to a Trust Officer, was a deed signed by Howard S. Horne and dated July 7th, whereby title was conveyed to said Title and Trust Company as Trustee, as well as a Real Estate Holding Trust Agreement for Trust No. RH 27-095, naming American Smelting and Refining Company as beneficiary.

All of the above instruments were examined and approved as to form by Mr. T. K. Shoenhair, one of our local attorneys.

It is my understanding that all of the above procedure is in order and that the property is reasonably secured. The Phoenix Title and Trust Company has requested a resolution from American Smelting and Refining Company to the effect that it has the right to enter into, and authorizes entrance into, the Trust Agreement RH 27-095, and that said Company authorizes Arthur Curtis Hall and any other persons as may be appointed by said beneficiary to issue instructions regarding said Trust to the Trustee. I have asked Mr. Shoenhair to get the suggested wording of the resolution from the Trust Company. If same is available before today's mail closes, it will be included as an attachment to this letter. Otherwise, kindly use your own judgment.

In accordance with your request, enclosed please find a copy of Real Estate Holding Trust Agreement covering the proposed Trust No. RH 27-095. Also attached are copies of the Deed of conveyance from Howard S. Horne to Phoenix Title and Trust Company, as Trustees; and Disclaimer Deed executed by Mrs. Horne.

As explained to you on the telephone, there is urgent need to resume work in the field. However, we do not wish to jeopardize the closing of this complicated affair by acting prematurely. Therefore, I will appreciate your expediting the issuance of the requested resolution as may be possible.

Very truly yours,

ORIGINAL SIGNED BY
A. C. HALL

A. C. HALL
Assistant Manager

ACH:cmr
Attachments:
Copy Real Estate Holding Trust Agreement
" Deed
" Disclaimer Deed
Suggested Resolution

cc: TASnedden
RBMeen
KERichard
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H. C.
MAY 6 1964

May 6, 1964

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. H. W. Grose, General Auditor
American Smelting and Refining Company
120 Broadway
New York, New York 10005

BLOOM PROPERTY - SACATON

Dear Sir:

With his letter to me of May 1st Mr. Pollock forwarded in triplicate the Agreement with Mr. Howard S. Horne covering his services as Agent in connection with the purchase of the above noted property. This Agreement was accepted and signed by Mr. Horne on May 4th. For purposes of this Agreement the May 4th date will be the effective one as related to the 90-day period.

Mr. Horne retained the original for his file; one copy duly executed by both parties is enclosed for safekeeping; the third copy also executed has been placed in the safe here in the Tucson Office. While I had originally intended that this Agreement be made a document entry, because of its short duration this is probably not necessary.

Very truly yours,

ORIGINAL SIGNED BY
A. C. HALL

A. C. HALL

ACH:cmr
Encl.
cc: CPPollock
RBMeen
JHCourtright

J.H.C. - your file

Aa-16A.3.19B

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

May 4, 1964

J. H. C.
MAY 4 1964

MR. S I B
READ AND RETURN
PREPARE ANSWERS HANDLE
FILE INITIALS

S. I. B.
MAY 4 1964 J.H.C. file

CONFIDENTIAL

File Memorandum

Bloom Property - Sacaton

With his letter of May 1 Mr. Pollock returned in triplicate the executed form of Agreement with Howard S. Horne and Associates for their services as Agent in the acquisition of the above noted property. Today Mr. Horne signed the Agreement on his part, and the copy of said Agreement, duly executed, is being temporarily held in the safe of the Tucson office.

Inasmuch as Mr. Horne signed the Agreement as of today, May 4th, this then will be the date of the Agreement rather than the April 30th date on which Asarco's officers executed the instrument.

In due course document book entries will be made and circulated.

ORIGINAL SIGNED BY
A. C. HALL

A. C. HALL

ACH:cmr

J. H. C.

APR 28 1964

JHC File — Sacaton

West Sacaton Project

Federal and State Owned Mineral Land

T5S, R3E

Section 16 - Arizona State Surface & Mineral
The E 1/2 - Agricultural lease to Edward C. Pratt
The W 1/2 - Agricultural lease to Ray Trappman

Section 19
The SE 1/4 - Federal Mineral but surface owned by Paul M. Brophy

Section 20
The W 1/2 - Federal Mineral but surface owned by Bagle Farms, Inc.

Section 21
The SW 1/4 - State Surface & mineral. Agricultural lease to Bagle Farms, Inc.

Section 30
The W 1/2 - State Surface & mineral. Agricultural lease to Paul M. Brophy

Section 32
All - State surface & mineral. Agricultural lease to J. B. Johnston

T5S, R4E

Section 11
E 1/2 - Federal mineral. Surface owned by William J. Crouch

Section 12 - State surface & mineral
SW 1/4 SE 1/4 SE 1/4 - Grazing lease to James C. Dobson
Balance of Section - Grazing lease to Guy Whitten

Section 13
The NW 1/4 - Federal surface & mineral with a grazing lease to Lou Parks.
The E 1/2 - State surface & mineral with a grazing lease to Guy Whitten
The SW 1/4 - State surface & mineral with an agricultural lease to Guy Whitten

Section 14
The E 1/2 - Federal mineral. Surface owned by Wm. J. Crouch, 135 Robson, Mesa
The NW 1/4 - Federal mineral. Surface owned by Wm. J. Crouch (owns whole section)

Section 15
The NE 1/4 - Federal mineral. Surface owned by Phil Taber, Jr.

Section 22
The SE 1/4 - State surface & mineral. Agricultural lease to Carl Mumme

Section 23
N 1/2 SW 1/4 - State surface & mineral. Agricultural lease to Cooper Ranches, Inc.

Section 26
Lots 1 & 2 - State surface & mineral. Agricultural lease to E. C. Grasty

T5S, R4E (continued)

Section 27

Lots 1 & 2 - State surface & mineral. Agricultural lease to Carl Mumme

Section 28

In the S 1/2 - State surface & mineral. Lease of 48 acres for grazing & 253 acres for agricultural to Bob Simmons

Section 31

W 1/2 (except lot 4) - Federal mineral. Surface owned by Helen Dragoon (1/2) and Helen Grableck (1/2)

Section 36

All - State surface & mineral. Grazing lease issued to Rufus Sikes

T5S, R5E

Federal & state ownership of this township was reported in the original property study of the Sacaton Area. State mineral leases & federal land locations by ASARCO & others have been reported.

T6S, R2E

Section 1

SW 1/4 - Fed. Min, surface as follows:
S3/4 W 1/2 SW 1/4 - Vincent J. & Katherine Davis
SE 1/4 SW 1/4 - Melvin A. & Bernice Green
N 1/2 NW 1/4 SW 1/4 - Grant Moffet
N 1/2 N 1/2 NE 1/4 SW 1/4 } Ira Ralph Osborn et ux
S 1/2 NE SW }
S 1/2 N 1/2 NE SW - Frank J. Burke

Section 2

S 1/2 - State mineral & surface. Grazing lease issued to Casa Grande Farms, Inc.
N 1/2 - State mineral & surface. Grazing lease issued to Earl Thode

Section 4

Following tracts are in the NE 1/4 and E 1/2 NW 1/4. These are privately owned excepting mineral rights were retained by Federal government:
NE 1/4 NE 1/4 - Anita Roberts
SE 1/4 NE 1/4 - Elizabeth Bratton
E 1/2 NW 1/4 NE 1/4 - Hilda T. Blabon
W 1/2 NW 1/4 NE 1/4 - Martha Trask
W 1/2 SW 1/4 NE 1/4 - Ed Le Gendre
E 1/2 SW 1/4 NE 1/4 - Earl J. Pourchat
NE 1/4 NW 1/4 - Paul Faris
SE 1/4 NW 1/4 - John August Bodle

Section 5

The N 1/2 and the N 1/2 SE 1/4. Federal mineral. Surface is privately owned by Arizona Land Title and Trust, Trustee

T6S, R2E (continued)

Section 9

E 1/2 SE 1/4 & E 1/2 W 1/2 SE 1/4 - Federal mineral. Surface is privately owned by Hascal Schneider.

W 1/2 W 1/2 SE 1/4 & E 1/2 SW 1/4 - Federal mineral. Surface is privately owned by Arizona Title Guarantee & Trust, Trustee

Section 10

The S 1/2 - Federal mineral. Surface is owned by Manning E. Grimes

Section 11

The S 1/2 - Federal mineral.Surface is owned by Litchfield Properties, Inc. & the county records are noted: "See Phoenix Title & Trust (now subdivided)."

Section 12

The E 1/2 of W mile - Federal mineral & surface ownership or Lots 5-8, 17-20 R. J. Roesling & Co.

The W 1/2 - Federal mineral. Surface ownership was not detailed, but at least ten owners were listed.

Section 14

The W 1/2 - Federal mineral. Surface is owned by Litchfield Properties, Inc.

Section 16

State surface & mineral with a grazing lease issued to Casa Grande Farms, Inc. Purchase No. 1008 has been issued to S. A. Wren, however no action has been taken, as yet.

Section 24

S 1/2 S 1/2 of West mile of section - Federal mineral. Surface
S 1/2 SW 1/4 & Lots 19 & 20 owned by Hidden Valley Estates Unit 1, Phoenix Title & Trust Co., Trustee

Section 25

N 1/2 N 1/2 of W mile = N 1/2 NW 1/4 & Lots 5 & 6 - Phoenix Title & Trust Co., Trustee

Lots 9-16 - Federal mineral. Surface Hidden Valley Unit 8

Section 26

The N 1/2 & SE 1/4 - Federal mineral. Surface is designated as Hidden Valley Estates, Unit #1

Section 35

The SW 1/4 - Federal mineral. Surface is owned by Lily Sodena Ford.

N 1/2 SE 1/4 - Federal mineral. Surface owned by Emma Margaret Miles

S 1/2 SE 1/4 - Federal mineral. Surface owned by Frances Alma Werner.

Section 36

W 1/2 Lot 10, Lots 15 to 22 - State surface & mineral with a grazing lease issued to Casa Grande Farms, Inc.

Lots 1,2,11,14,23 & 24 - State surface & mineral with a grazing lease issued to Arizona Grape Industries

T6S, R2E (continued)

As indicated on the attached map the major portion of this township is Federal Surface & Mineral, and open to location. Grazing leases have not been issued for these tracts.

T6S, R3E

Section 1

The N 1/2 NW 1/4 - Federal mineral. Surface is privately owned by Murray Marcus

Section 7

The NE 1/4 - Federal mineral. Surface is privately owned by Bagle Farms, Inc.

The SE 1/4 - Federal mineral. Surface is privately owned by Westover Co.

The S 1/2 SW 1/4 - As above

The N 1/2 SW 1/4 - Federal mineral. Surface is privately owned by Maude Lambert

Section 16

All - State mineral & surface with an agricultural lease to Aulton Harris

Section 17

Part of S 1/2 North of railroad - Federal mineral. Surface owned by Marilyn Orme

Part of S 1/2 South of railroad - Federal mineral. Surface owned by Milton P. Smith

Section 18

S 1/2 - Federal mineral. Surface owned by Milton P. Smith

Section 19

N 1/2 - As above

S 1/2 - Federal mineral. Hidden Valley Estates Unit #4 (Phoenix Title & Trust, Trustee) is the owner of the surface.

Section 22

The SW 1/4 - Federal mineral with surface controlled by Colari Land Corp.

Section 27

All - State surface & mineral with an agricultural lease to Red River Land Co.

Section 30

N 1/2 - Federal mineral. Surface is controlled by Hidden Valley Estates No. 4

Section 31

W 1/2 - As above (Unit No. 3)

Section 32

All - State surface & mineral. 20 Acre lease to Pinal County and 620 acre lease (type?) to E. C. Rutherford

Section 33

NE 1/4 - Federal mineral with surface privately owned by Hidden Valley Estates, Unit No. 5

S 1/2 & NW 1/4 - Federal surface & mineral & open to location.

T6S, R3E (continued)

Section 34
N 1/2 + SE 1/4 + SE 1/4 SW 1/4 - Federal mineral with surface owned by Willard T. Golston

Section 36
All - State surface & mineral with a lease (type?) to Red River Land Co.

T6S, R4E

Section 2 State surface & mineral on irregular tracts - see map. Leases have not been issued.

Section 3
The S 1/2 - Federal Mineral. Surface owned by Del Monte Mortgage Co. except 2 1/2 acres owned by Earl Lane in the SE 1/4 SW 1/4.

Section 4
The W 1/2 SE 1/4 - Federal mineral. Surface owned by Anderson Brothers Farm Corp.

Section 6
N 1/2 - Federal mineral with surface owned by H & M Farms, Inc.

Section 8
E 1/2 SW 1/4 - State surface & mineral with agricultural lease to Martin P. Talla

Section 12
NE 1/4 - Federal mineral with surface owned by Burgess W. Murdock
NW 1/4 - Federal mineral with surface owned by Paul A. Ollerton

Section 17
E 1/2, E 1/2 NW 1/4 - State mineral & surface with agricultural lease to Martin P. Talla

Section 20
The NW 1/4 NE 1/4 - State surface & mineral with an agricultural lease to Martin P. Talla

Section 21
All - State surface & mineral with an agricultural lease to Marvin N. Palmer

Section 23
W 1/2 - Federal mineral with surface rights of N 1/2 W 1/2 owned by Walter W. Ritchey & S 1/2 W 1/2 owned by Fred E. Warren

Section 24
W 1/2 - Federal mineral with surface rights of N 1/2 W 1/2 owned by Walter W. Ritchey & S 1/2 W 1/2 owned by Edith Reinhard Turk

Section 27
W 1/2 - State surface & mineral with an agricultural lease to Buckshot Farms, Inc.
NE 1/4 - State surface & mineral with agricultural lease to Benedict Feeding Co.
SE 1/4 - As above except for a commercial lease

T6S, R4E (continued)

Section 28

S 1/2 - State surface & mineral. No leases except for r/w & easements??

Section 29

SW 1/4 NW 1/4 & NW 1/4 SW 1/4 - Federal mineral with surface owned by Stanfield School No. 24

E 1/2 SW 1/4, SE 1/4 NW 1/4 & NW 1/4 NW 1/4 - Federal mineral with surface owned by Producers Cotton Oil Co.

SW 1/4 SE 1/4 & portion of SW 1/4 - Federal mineral with surface owned by N. S. Cooper

Other irregular lots in SW 1/4 - Federal mineral with surface ownership by School District #24 and Acuno Rocha.

Section 32

S 1/2 & NW 1/4 - State land with agricultural lease to C.J. & L. Farms, Inc.

NE 1/4 - State land with agricultural lease to N.S. Copper

Section 33

All - State land with "A" lease of 590 acres & "G" lease of 50 acres to Valley National Bank

Section 34

E 1/2 & SW 1/4 (except SE 1/4 SW 1/4) - State land with "A" lease to Buckshot Farms

Section 35

S 1/2 & 280 acres in N 1/2 as indicated - State land with 260 acres of "G" lease & 340 acres "A" lease to Roger G. Goff

T6S, R5E

Section 1 - Previously reported

Section 2 - Previously reported

Section 11 -

NW 1/4 - Federal mineral with N 1/2 N 1/2 NW 1/4 owned by Surety Title & Trust, Trust & balance of NW 1/4 owned by Ralph H. Scott

Section 12

NW 1/4 - Federal mineral with N 1/2 N 1/2 NW 1/4 owned by Estelle R. Sinofsky & balance NW 1/4 owned by Ralph H. Scott

Section 36

SW 1/4 SW 1/4 - State land surface & mineral. However, Pinal County records show this to be private land of James E. Briggs.

T7S, R2E

Section 1 - Federal fissionable mineral. State other minerals and surface with a grazing lease to Casa Grande Farms, Inc.

Section 2 -

All - State surface & mineral with a grazing lease to Casa Grande Farms, Inc.

Section 3

All - As for section 2

T7S, R2E (continued)

Section 9

SW 1/4 NE 1/4 - State surface & mineral with a grazing lease to F. A. Brig

Section 10

The N 1/2 - Federal mineral and state surface with a grazing lease to Casa Grande Farms, Inc.

The SW 1/4 - Federal surface & mineral

Section 11

N 1/2 NW 1/4 & NW 1/4 NE 1/4 - State surface & mineral with a grazing lease to Casa Grande Farms, Inc.

S 1/2 S 1/2 & NE 1/4 SE 1/4 - Federal surface & mineral

Section 12

All - Federal surface & mineral

Section 16

All - Federal surface & state mineral.

T7S, R3E

Section 1

Lot 1 - Federal mineral & surface of E. Richard Erickson

Lot 2 - Federal mineral & surface of Anslie & Lowe

Lots 3 & 4 - Federal mineral & surface of Arizona Title Guarantee and Trust

Section 2

All - State land with "A" lease to Buckshot Farms, Inc

Section 5

Lots 1 to 4 - Federal mineral & surface of Treasure Land Co.

N 1/2 S 1/2 - Federal mineral & surface

Section 13

W 1/2 Federal mineral & surface of Arizona Land Title & Trust, Trustee

Section 16

All - State land with grazing lease to E. C. Rutherford

Section 36

E 1/2 SE 1/4 - State land with grazing lease to E. C. Rutherford

Balance of land in township as indicated on map is Federal land. Free land use permits are noted.

T7S, R4E

Section 1

NW 1/4 - Federal mineral. Surface rights are owned by Louis L. Johnson

Section 2

All - State surface & mineral with an agricultural lease to Buckshot Farms, Inc.

Section 3

The S 1/2 - Same as for Section 1, above

Section 4

The N 1/2, and E 1/2 SE 1/4 - Federal mineral. Surface rights are owned by W. T. Galston

T7S, R4E (continued)

Section 10

The SW 1/4 - Same as for Section 4 above

The NW 1/4 & N 1/2 NE 1/4 - Federal mineral with surface rights owned by Louis J. Johnson

The SE 1/4 & S 1/2 NE 1/4 - Federal surface & mineral, however, an application for public sale has been made, and a portion is a material site Grazing rights to G.L. Kimbro & Rutherford.

Section 12

The NE 1/4 NW 1/4 - Federal mineral with surface rights owned by William M. Saylor

The SW 1/4 SW 1/4 - Federal mineral. Surface rights owned by William M. Saylor (who owns whole W 1/2)

Lots 5 & 6 - Federal mineral with surface owned by Wm. M. Saylor

Lots 11,13,14,23,24 - Federal mineral with surface owned by Agnes K. Beggs (who owns all of East mile)

Section 13

The N 1/2 NW 1/4 & Lots 7,8,17,18 - Federal mineral with surface owned by William M. Saylor

S 1/2 NW 1/4 - Federal mineral with surface owned by Brewster Hall and Bersheeba Macey

Lots 1,2 - Federal mineral. Surface owned by Agnes K. Beggs.

Lot 12 - Federal mineral. Surface owned by Phoenix Title and Trust Co., Trustee

Section 15

NE 1/4 SE 1/4 - Federal mineral & surface - application for public sale

SW 1/4 - Federal mineral with surface owned by Harriet Elenor Strand

E 1/2 SE 1/4 & SE 1/4 SE 1/4 - Federal mineral with surface owned by Arizona Land Title & Trust Co., Trustee

Section 16

All except N 1/2 NW 1/4 & NW 1/4 SW 1/4 - State surface & mineral. Agricultural lease to Jack Connelly.

Section 17

All - Federal mineral with surface owned by W. & J. Farms, Inc.

Section 20

All - Federal mineral. Surface owned as follows:

The W 1/2 NW 1/4 - Robert J. Mueller & Edward L. Hedgar

The E 1/2 NW 1/4 & NE 1/4 & N 1/2 SW 1/4 & W 1/2 NW 1/4 SE 1/4 - Lena M. Roberts, widow

N 1/3 S 2/3 SW 1/4 & all SW 1/4 (except above & S 1/3 S 2/3)- Phoenix Title & Trust Co., Trustee

S 1/3 S 2/3 S 1/2 - Grayce Goodman

Section 21

N 1/2 & E 1/2 SW 1/4 & NW 1/4 SE 1/4 & N 1/2 NE 1/4 SE 1/4 - Federal mineral and surface owned by Arizona Land Title & Trust Co., Trustee under Trust 475

S 1/2 SE 1/4 & S 1/2 NE 1/4 SE 1/4 - Federal mineral but surface owned by David and Theodore Bloom

W 1/2 SW 1/2 - Federal mineral and surface. Grazing lease to Kimbro & Rutherford.

T7S, R4E (continued)

Section 22	
All -	Federal mineral. Surface as follows:
W 1/2 -	Arizona Land Title & Trust Co., Trust No. 475
E 1/2 -	Producers Cotton Oil Company
Section 23	
W 1/2 -	Federal mineral. Surface owned by Harriet Elenor Strand
Section 26	
W 1/2 -	Federal mineral. Surface owned by Producer Cotton Oil Company.
Section 27	
All -	Federal mineral & Surface. Grazing lease to Kimbro & Rutherford.
Section 28	
W 1/2 -	As above
E 1/2 -	Federal mineral. Surface owned by: NE 1/4 - Marion H. & Polly Getzwiller SE 1/4 - Four owners
Section 29	
All -	Federal mineral. Surface owned as follows:
N 1/2 & N 1/2 S 1/2 -	Edith P. Auwerter
SW 1/4 SW 1/4 -	Charles & Alice Lynch
SE 1/4 SW 1/4 -	George F. & Jean Trotter
SW 1/4 SE 1/4 -	Leyontine Dunn
SE 1/4 SE 1/4 -	Jadienne A. Coster & Frances M.A. Atkinson
Section 30	
NE 1/4 NW 1/4 -	Federal mineral. Surface owned by Universa Investments, Inc.
W 1/2 (except above)	- Federal mineral & surface. Grazing lease to Kimbro & Rutherford
Section 31	
All -	As above
Section 32 -	State mineral & surface. Grazing lease to E. C. Rutherford
Section 33	
E 1/2 -	Federal mineral. Surface owned as follows:
W 1/2 NW 1/4 NW 1/4 NE 1/4 -	George L. Kimbro
NE 1/4 NW 1/4 NE 1/4 & N 1/2 NE 1/4 NE 1/4 & NE 1/4 SE 1/4 NE 1/	- Lloyd Jean Morrison
Rest of NE 1/4 -	S. Howard & June Pearlman
SE 1/4 -	Sam G. Shackleford et ux Marcia Norton
Section 34	
All -	Federal mineral & surface. Grazing lease to Kimbro & Rutherford
Section 35	
W 1/2 -	Same as above
Section 36 - 1286 acres	
All -	State mineral & surface. Grazing lease to M. C. Cash Estate

T7S, R5E

Section 7

W 1/2 -	State mineral and surface. Grazing & agricultural leases to Estrella Land and Cattle Company

Section 11

E 1/2 SW 1/4 -	State mineral & surface. Grazing lease to Jay Dee Amburigay

Section 12

E 1/2 SE 1/4 -	State mineral & surface. Grazing lease to Herbert Hanna

Section 19

SW 1/4 -	Federal mineral with surface owned by Margaret Plenz Mercer (who also owns most of N 1/2)
SE 1/4 -	Federal mineral with surface owned by R. R. Mitchell

Section 20

SW 1/4 -	as above (Mitchell)
N 1/2 -	Federal mineral. Surface owned by Peter, Paul, Joseph, Vincent Blanco

Section 21

N 1/2 and SE 1/4-as above

Section 23

E 1/2 -	State mineral & surface. Grazing lease to R. J. Conner & A. R. Brady.

J.H.C.

APR 22 1964

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

April 21, 1964

CONFIDENTIAL

Mr. Kenyon Richard, Chief Geologist
Exploration Department
American Smelting and Refining Company
120 Broadway
New York, New York 10005

SACATON AREA
BLOOM PROPERTY IN
SEC. 25, T-5S, R-5E

Dear Sir:

In accordance with our telephone conversation of this morning, enclosed please find in triplicate form of Agreement which has been tentatively reached with Howard S. Horne in connection with his services as agent.

As mentioned on the telephone, the salient features of the proposed Agreement are:

1. A 10% commission is payable to the agent if he effects the sale and delivery of the property. In addition to the commission the agent will receive 25% of any amount less than $600 per acre which may be paid for the property.

2. A ceiling price of $600 per acre is established.

3. If the property is purchased, it will be made in the name of either Howard S. Horne or Mr. Harold Howe. Should those concerned there prefer some other nominee, this is entirely in order. Mr. Horne requested that the nominee be specified by name should such detail assist him at the time of consummating the sale. The names mentioned were my selection.

4. A period of 90 days is established as the life of the Agreement, and should the purchase not be effected within that time nothing survives the Agreement other than liability concerning expenses incurred by the agent together with daily compensation, the aggregate of which expenses and compensation shall not exceed $1000.

As mentioned to you, the total commitment under this Agreement would then be $316,800 exclusive of any legal charges, although of course it is to be hoped that Mr. Horne can effect the purchase for a lesser amount.

Kindly advise at the earliest possible if this Agreement meets with the approval of those concerned. Assuming approval is given, please return the executed copies in triplicate so that we may obtain Mr. Horne's signature, and thereby start the clock running.

Very truly yours,

ORIGINAL SIGNED BY
A. C. HALL

A. C. HALL

ACH:cmr
Encl. (trip)
cc: CPPollock
RBMeen
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

March 27, 1964

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

Sacaton Prospect

Dear Sir:

Enclosed are three signed copies of an agreement submitted to Mr. Hall by Howard S. Horne, real estate agent, involving the purchase of the Bloom ground, 3/4 of Section 25 adjoining on the east ASARCO owned Section 26. About 25% of the "East ore body" lies within the Bloom property (see plan map, Att. C, Sacaton Ore Reserve, February 5, 1964).

This agreement, covering a period of 6 months, would commit ASARCO to purchase of the ground at a price of $600.00 per acre, or less, plus 10% commission to the real estate dealer. Horne advised Mr. Bowditch that he would expect to make the deal at around $500.00 per acre, but has refused to limit the purchase price to this amount, and has also refused to lower the 10% commission.

We could attempt to make a better agreement with another dealer, but in so doing would make it apparent to Bloom that there was a demand for this particular parcel and thus would risk having to pay a higher price. Actually, the maximum price of $600.00 plus commission amounts to just $10.00 more per acre than our previous option price of $650.00, or a total cost of $316,800 for the 480 acres.

The west half of Section 25 is all that appears to be needed; however, Horne insists on including the NE quarter as he feels that to offer to buy only the west half would indicate to Bloom that ASARCO might be the interested party, and would therefore raise his price accordingly.

In view of the fact that neither mining nor leaching of the east ore zone would be practical without additional ground, it is recommended that we agree to Horne's terms. The alternative would be to wait six months or a year and then attempt to acquire the ground through another agent. This would involve the possibility that the ground might be included in a residential subdivision during

the interim. Currently a new subdivision is being organized in an area just 3 miles south of the Seceton prospect. In an actively developing area such as this, the best plan is, I believe, to purchase now that ground which is definitely needed and then to move quickly with exploratory drilling and determine what additional ground might be required.

Yours very truly,

Original signed by
J. H. Courtright

J. H. COURTRIGHT

JHC/jk
Enclosures
cc: KERichard - 1 extra
ACHall
SIBowditch

T-4.19
AA.164.3.198

JEK 3/27/64 3/27/64
MR. JEK, ~~JRW~~, WES

READ AND RETURN ..... AMERICAN SMELTING AND REFINING COMPANY
PREPARE ANSWERS ..... HANDLE ..... Tucson Arizona
FILE ✓ INITIALS .....

March 26, 1964

J. H. C.
MAR 27 1964

W.E.S.
APR 24 1964

AIR MAIL
Mr. Robert Richter, Assistant Comptroller
American Smelting and Refining Company
120 Broadway
New York, N. Y. 10005

SACATON PROSPECT
Cancellation of Options

Dear Sir:

With reference to your letter of December 12, 1963, File Reference S-6, we are attaching a tabulation giving the nature and amount of expenditure for each parcel of property examined at the Sacaton Prospect to December 31, 1963. Some of the totals will differ from those in our prior tabulation because of additional expenditures during November and December.

We are also attaching a copy of the formal letter relinquishing each option, and a map showing the location of each parcel of property.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. von den Steinen
Chief Accountant

VGK/ma
attach: tabulation, 8 letters, map
cc: FGHamrick, w/tabulation
CENelson, " "
CPPollock, " "
HLEcodenough, " "
TASnedden, " "
JHCourtright, " "

SACATON PROSPECT

ALLOCATION OF EXPENDITURES AS OF DECEMBER 31, 1963

Document No.		(1) Acquisition of Property or Prospecting Rights: Property Study	Prospecting Permit Fees, Rents, etc.	Location Work	Option Payments	Property Purchases	Legal	Total	(2) Geological Examination	(3) Geophysical Examination	(4) Exploratory Drilling	(5) Total
	(1) Parcels expired or dropped to Dec. 31, 1963:											
3	Mining Claims S1-S18	$ 80.11	$ -	$1,041.44	$ -	$ -	$ 19.75	$ 1,141.30	$ 73.03	$ 502.49	$ -	$ 1,716.82
6,10,11	State Prospecting Permits 56,60,61	204.64	1,975.00	-	-	-	2.13	2,181.77	186.57	1,283.66	-	3,652.00
7,8,9,12,13	State Prospecting Permits 57,58,59,62,63	316.25	3,131.32	-	-	-	8.53	3,456.10	288.32	1,983.81	45,109.02	50,837.25
19	Mining Claims S19-S28	44.50	-	369.45	-	-	11.75	425.70	40.58	279.16	1,259.13	2,004.57
14	State Prospecting Permit 118	137.86	15.00	-	-	-	-	152.86	125.69	864.78	-	1,143.33
20	Mining Claims S-29-S46	80.11	-	1,615.37	-	-	18.00	1,713.48	73.03	502.49	17,800.80	20,089.80
27	State Prospecting Permit 536	81.36	321.00	-	-	-	-	402.36	29.46	202.68	-	634.50
22	Arizona Land Title Trust No. 6020-T	202.43	-	-	13,000.00	-	129.75	13,332.18	62.85	432.39	40,229.67	54,057.09
23	Heath	167.96	-	-	16,000.00	-	232.00	16,399.96	31.42	216.20	-	16,647.58
24	Bloom	103.39	-	-	46,800.00	-	206.89	47,110.28	94.27	648.59	212,672.60	260,525.74
25	Cron	160.11	-	-	13,000.00	-	101.73	13,261.84	31.42	216.20	6,515.96	20,025.42
26	Bruton	169.41	-	-	4,800.00	-	91.50	5,060.91	31.42	216.20	4,010.57	9,319.10
28	Vimer Enterprises, Inc.	25.85	-	-	4,800.00	-	112.43	4,938.28	23.56	162.15	9,125.51	14,249.50
29	Buchanan	34.39	-	-	1,600.00	-	35.00	1,669.39	31.36	215.75	-	1,916.50
35	Betz	25.85	-	-	3,600.00	-	14.50	3,640.35	23.56	162.15	43,409.71	47,235.77
—	Section 19, T5S, R6E	137.86	-	-	-	-	-	137.86	125.69	864.78	17,902.94	19,031.27
	Totals	$1,972.03	$ 5,442.32	$3,026.26	$103,600.00	$ -	$ 983.36	$115,024.62	$1,272.23	$ 8,753.48	$398,035.91	$ 523,086.24
	(2) Parcels to be dropped or allowed to expire in 1964:											
31	Phoenix Title-Trust No. 6048-Wehr	$ 29.41	$ -	$ -	$ 4,800.00	$ -	$ 17.50	$ 4,846.91	$ 26.81	$ 184.44	$ -	$ 5,058.16
31	Phoenix Title-Trust No. 6048-Cort	22.29	-	-	4,800.00	-	17.50	4,839.79	20.33	139.85	-	4,999.97
36,37	State Prospecting Permits 622,623	103.39	1,005.00	-	-	-	-	1,108.39	94.27	648.59	-	1,851.25
34	Magna	25.64	-	-	4,800.00	-	41.02	4,866.66	23.37	160.82	37,368.10	42,418.95
38	Thompson	8.62	-	-	1,200.00	-	2.92	1,211.54	7.85	54.05	9,450.12	10,723.56
39-43	State Prospecting Permits 657-661	516.97	4,925.00	-	-	-	-	5,441.97	471.33	3,242.93	23,435.13	32,591.36
—	Mining Claims S57-S76	89.00	-	2,824.11	-	-	16.00	2,929.11	81.15	558.33	-	3,568.59
	Totals	$ 795.32	$ 5,930.00	$2,824.11	$ 15,600.00	$ -	$ 94.94	$ 25,244.37	$ 725.11	$ 4,989.01	$ 70,253.35	$ 101,211.84
	(3) Parcels retained by Purchase to Dec. 31, 1963:											
2	Fabricant	$ 437.50	$ -	$ -	$ 13,000.00	$ 55,000.00	$ 576.61	$ 69,014.11	$ 31.42	$ 216.20	$ 19,798.90	$ 89,060.63
1	Surety Title-Trust No. 2052	471.98	-	-	26,000.00	110,000.00	849.47	137,321.45	62.84	432.39	214,110.01	351,926.69
21	Arizona Land Title-Trust No. 5993-T	437.50	-	-	15,000.00	53,000.00	621.86	69,059.36	31.42	216.20	26,796.26	96,103.24
5	Surety Title-Trust Nos. 2052 and 2095	588.13	-	-	1,000.00	83,000.00	128.24	84,716.37	31.42	216.20	13,595.35	98,559.34
4	Surety Title-Trust Nos. 2052 and 2096	588.15	-	-	17,000.00	63,000.00	537.48	81,125.63	31.42	216.20	70,420.34	151,793.59
	Totals	$2,523.26	$ -	$ -	$ 72,000.00	$364,000.00	$2,713.66	$441,236.92	$ 188.52	$ 1,297.19	$344,720.86	$ 787,443.49
	GRAND TOTAL ABOVE	$5,290.66	$11,372.32	$5,850.37	$191,200.00	$364,000.00	$3,792.56	$581,505.91	$2,185.86	$15,039.68	$813,010.12	$1,411,741.57
	TAXES NOT INCLUDED ABOVE											$ 6,890.69
	GRAND TOTAL EXPENDITURES TO DECEMBER 31, 1963											$1,418,632.26

February 24, 1964

CERTIFIED MAIL

Phoenix Title and Trust Company
Phoenix Title Building
P. O. Box 2832
Tucson, Arizona

Attn.: Errit T. Jackson

Ref.: Your Escrow No. 922138-09

Gentlemen:

We are enclosing herewith a Relinquishment of the Option Agreement dated March 15, 1963, between American Smelting and Refining Company and Glendora C. Magna. Will you please have this relinquishment recorded in Pinal County. The charges for this will be for our account.

Now that this Agreement and escrow have been terminated we will expect a statement from you for your charges in connection therewith.

Very truly yours,

AMERICAN SMELTING AND REFINING COMPANY

Original signed by
J. H. Courtright

J. H. Courtright

JHC:bem
Enclosure - 1
cc: Glendora C. Magna w/o enc.
blcc: KvdSteinen
SIBowditch

February 24, 1964

CERTIFIED MAIL

Phoenix Title and Trust Company
Phoenix Title Building
P. O. Box 2832
Tucson, Arizona

Attn.: Errit T. Jackson, Escrow Department

Ref.: Your Escrow No. 922137-OB

Gentlemen:

We are enclosing herewith a Relinquishment of the Option Agreement dated March 19, 1963, between American Smelting and Refining Company and Phoenix Title and Trust Company, Trustee under Trust No. 6048. Will you please have this relinquishment recorded in Pinal County. The charges for this will be for our account.

Now that this Agreement and escrow have been terminated we will expect a statement from you for your charges in connection therewith.

Very truly yours,

AMERICAN SMELTING AND REFINING COMPANY

Original signed by
J. H. Courtright

J. H. Courtright

JHC:bam
Enclosure - 1
blcc: KvdSteinen
SIBowditch

February 24, 1964

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Glendora C. Megna
2906 E. 3rd Street
Tucson, Arizona

Dear Mrs. Megna:

We are enclosing herewith a Relinquishment of the Option Agreement dated March 15, 1963, between you and the American Smelting and Refining Company.

Very truly yours,

Original signed by
J. H. Courtright

J. H. Courtright

JHC:bam
Enclosure - 1

blcc: KvdSteinen
SIBowditch

T-4.19

FEB 2 - 1964

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

February 20, 1964

J. H. C.
FEB 24 1964

AIR MAIL
Mr. Robert Richter, Assistant Comptroller
American Smelting and Refining Company
120 Broadway
New York, N. Y. 10005

SACATON PROSPECT
Cancellation of Options

Dear Sir:

With reference to your letter of February 12, 1964, (File Reference 5-6), we wish to advise that we expect to complete our re-analysis of Sacaton Project costs within the next two to three weeks. You probably are not aware that a breakdown of the expenditures according to the nature of the work performed, such as you have requested, requires a complete reworking of our costs and this involves re-examination of every charge incurred over a period of several years.

Our letter of January 12, 1962, to Mr. Pollock, a copy of which is attached, suggested that our system of gathering and reporting exploration costs be changed, so that costs by nature of work (surveying & mapping, geological examination, geophysical examination, exploratory drilling, etc.) rather than by type of expense (labor, salaries, traveling expense, automobile expense, supplies, etc.), would be readily available. This would greatly facilitate the extraction of the sort of information you have requested and would eliminate the present exploration cost reports which are of little benefit to anyone.

Messrs. Pollock, Richard, Kent, and other exploration personnel concurred in our proposals and Mr. Pollock passed them on to Mr. Goodenough. However, more than two years have now elapsed without any action and one of the results is our inability to give you promptly the information you want.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. A. von den Steinen
Chief Accountant

KvdS/ma
Attach.
cc: FGHaurick * no attach.
CENelson " "
CPPollock " "
HLGoodenough " "
TASnedden " "
RBMean " "
JHCourtright " "

Mr. J. H. Courtright

RECEIVED

FEB 18 1964

AMERICAN SMELTING AND REFINING COMPANY

Comptroller's Department - Tax Section

J. H. C.

FEB 24 1964

S-4

New York, N. Y.
February 12, 1964

Sacaton Project
Cancellation of Options

Sacaton

Mr. K. A. von den Steinen, Chief Accountant
Southwestern Department

With our letter of December 12, 1963, we requested certain information with respect to the cancellation of mining options at the Sacaton project.

It does not appear as yet that we have received this information and we would appreciate your attention to this matter at your earliest convenience.

S R.R
ROBERT RICHTER

JF:RR

cc - JGHamrick
CWNelson
EFrollock
MLGoodenough
RHSen
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

February 5, 1964

J. H. C.
FEB 5 1964

Memorandum for J. H. Courtright

SACATON PROJECT
State Land - Water Wells

State Land

The status of State Land in the immediate Sacaton area remains essentially the same as at the time of the initial property investigation (1961).

Grazing leases have been renewed, when required, and to the same persons. Prospecting permits have been issued to ASARCO on various parcels and were allowed to lapse (one exception).

A Mr. Woolsley applied for prospecting permits on Sections 1 and 2, T 6S, R 5E, after expiration of ASARCO permits. Woolsley applications were dated September 9, 1963, and were rejected October 10, 1963 for non-completion. Albert Wilson applied for these same permits and his application was rejected on December 2, 1963 for non-completion.

Section 36, T 5S, R 5E, has had the same movement as above.

An application for a prospecting permit for the S/2, Sec. 32, T 5S, R 6E, by James L. Sullivan (Minerals Exploration) was made on September 17, 1963. Since this has not been denied, it is assumed to be in force. This parcel and the N/2 Sec. 32 (also State Land) is in the water basin as reported by John Kinnison.

Water Wells

Drilling of water wells for industrial purposes are not restricted by the State of Arizona. This applies to either State or private land whether in a "critical" area or not. Restrictions are made only on agricultural lands.

Application to drill an industrial well is not needed but the location and drill hole data are requested by the Land Department.

J. V. Desvaux

J. V. DESVAUX

JVD:cmr

File: Aa-16A.3.19B

J.H.C.
JAN 22 1964

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona
January 21, 1964

MEMORANDUM FOR J. H. COURTRIGHT:

Water Development
Sacaton Prospect

Summary

As you requested, I have compiled preliminary data pertaining to the subject heading. Water can be developed for the daily tonnage now under consideration by Mr. Wojcik in his preliminary mining design. The attached map shows 3 aquifer areas, any one of which will yield the desired quantity, but by preference on all counts, I suggest area "A" and preferably sections 28 or 33, T5S, R6E; or sections 6 or 7, T6S, R6E. Wells 500 to 800 feet deep in this area can be expected to yield about 1,000 gpm. Depth to the static water level is 150 to 200 feet. Annual drop in level is minimal.

The entire Casa Grande area is designated as a "critical ground water region" by the State, and as I understand it, no new wells may be drilled -- only replacements for existing wells may be drilled. Development is subject, therefore, to negotiation with the State regulations as well as the usual acquisition of land and right of ways.

Comments

Area "A" is limited to the west by a thick clay "channel", demonstrated by drill holes and corresponding probably to a resistivity low (as suggested by Mr. Moss of Salt Lake). The aquifer itself is outlined approximately by the reconnaissance IP surveys made for mineral exploration ("ionic response"). Since it is desirable to drill as far west in area "A" as possible, thereby placing the wells closer to the prospect, geophysical surveys especially made to delineate the west boundary of the water-gravels against the clay channel may be desirable. The boundary shown on the attached sketch is approximate only.

Wells range from 500 to 800 feet deep. Some yields measured in 1962 by the U.S.G.S. (Tucson Office) are:

T5S R6E	Sec 27	1692 gpm
" "	Sec 28	1323 gpm
T6S R6E	Sec 5	1400 gpm
" "	Sec 7	1535 gpm
" "	"	663 gpm

Area "B", south of the prospect, yields modest quantities of water, all from the upper 200 feet of alluvial fill. It is not pumped heavily at this time, and so the drop in water level is not great. Sustained pumping would deplete the supply more rapidly.

Some yields measured by the U.S.G.S. in 1962 are:

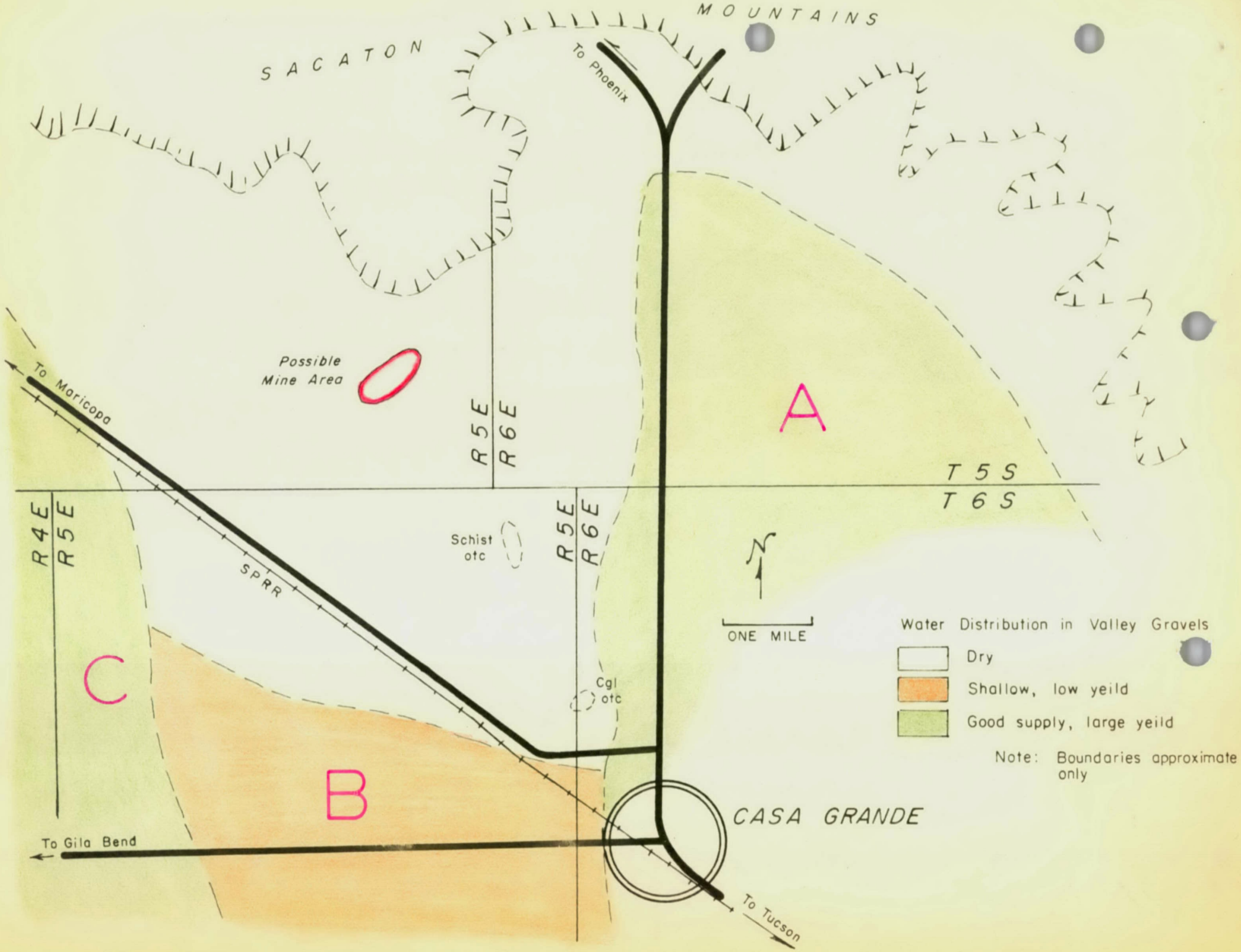
T6S R5E	Sec 16	857 gpm
" "	Sec 17	585 gpm

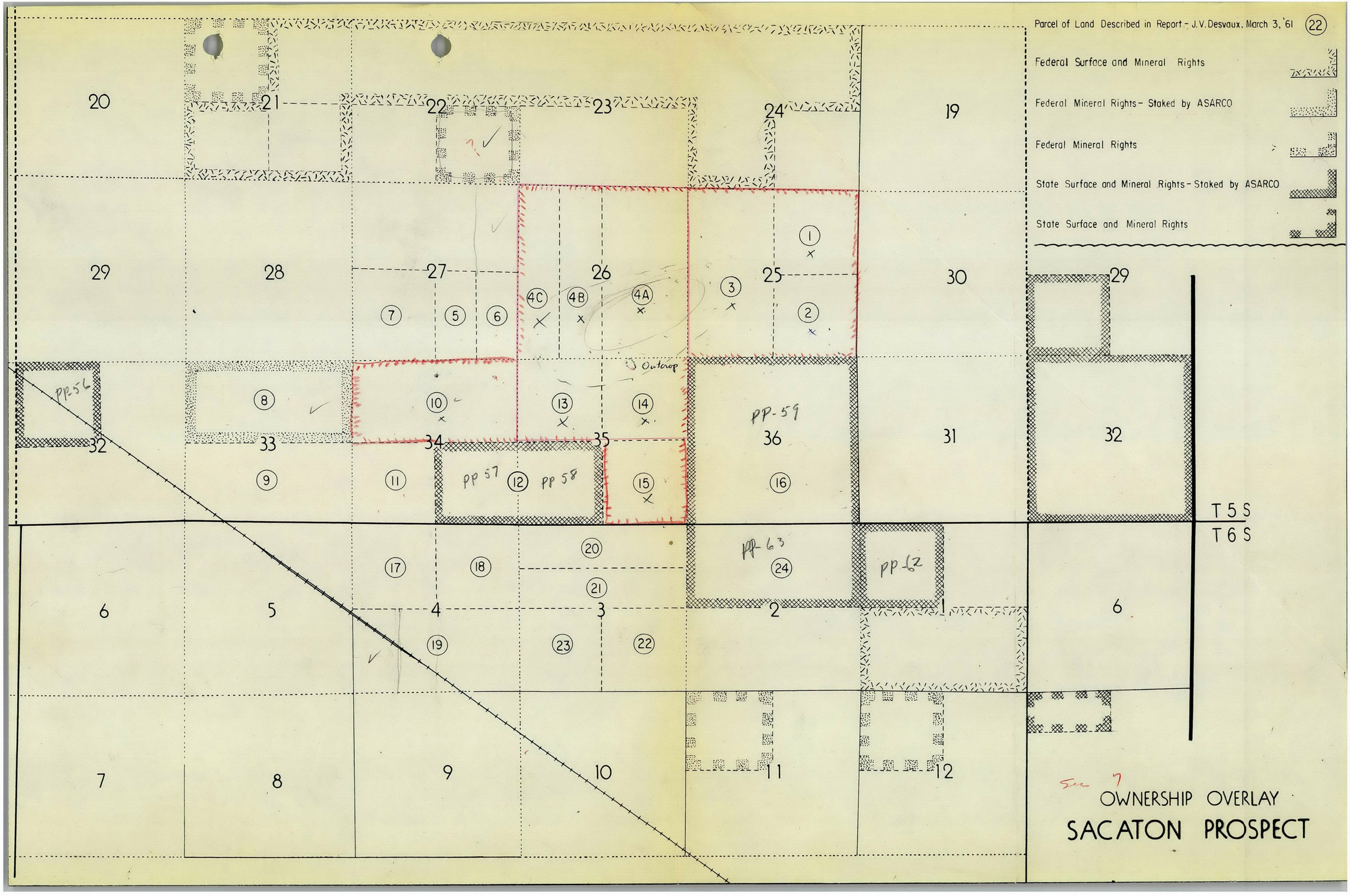
Area "C" is the most heavily pumped aquifer area, and the annual drop in static water level is critical. Yields from 1,000 feet-plus wells are fairly large. Near the east boundary of area "C", a 1962 pumping test in T6S, R5E, Sec 18, showed 1,525 gpm. Greater yields are obtained further out to the SW in the central portion of the basin.

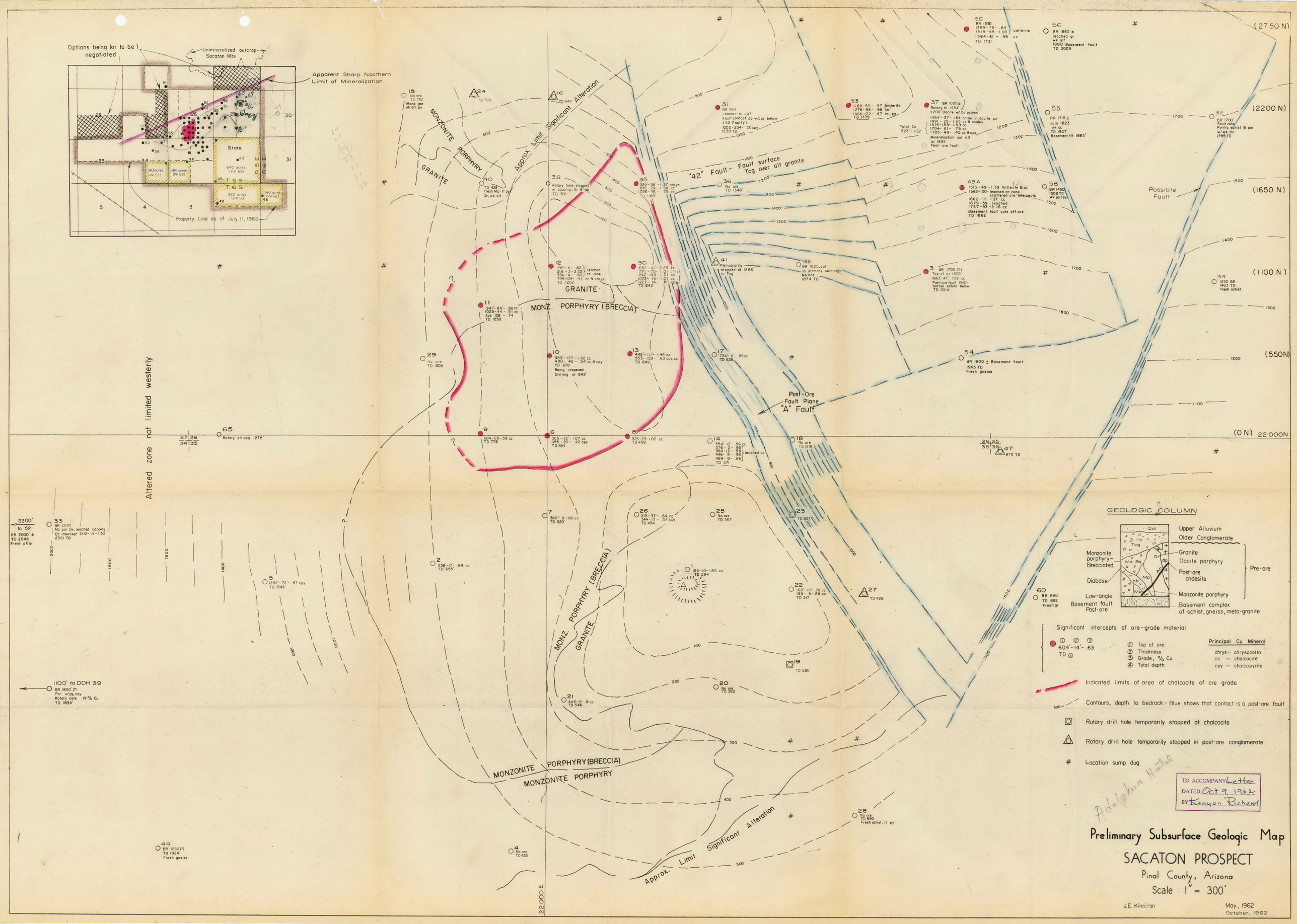
John E. Kinnison

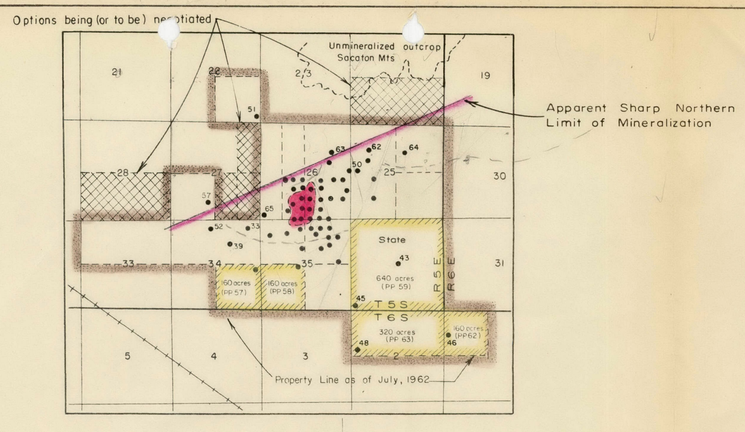
JOHN E. KINNISON

JEK/jk
Attachment
cc: JRWojcik - w/att.
JEKinnison - w/att.
1 extra - w/att.

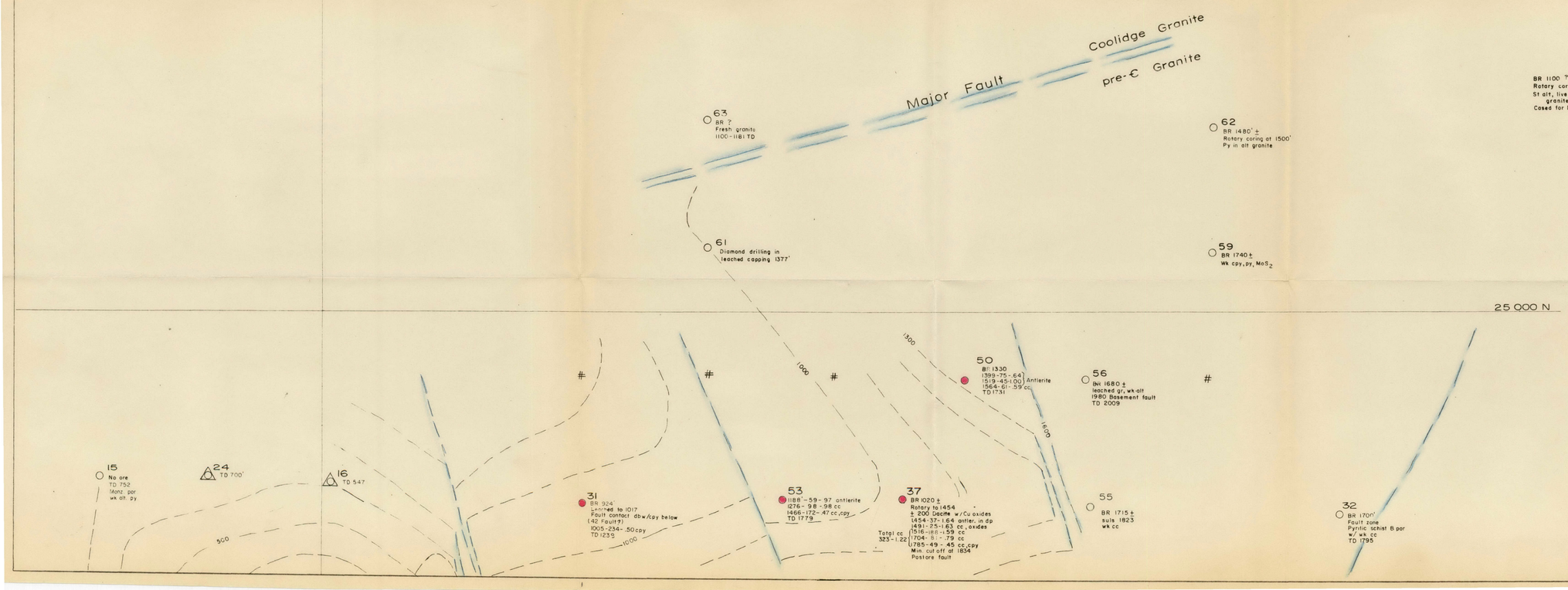

SACATON MOUNTAINS
To Phoenix
Possible Mine Area
To Maricopa
R5E
R6E
A
T 5 S
T 6 S
R4E
R5E
Schist otc
R5E
R6E
SPRR
N
ONE MILE
Water Distribution in Valley Gravels
Dry
Shallow, low yeild
Good supply, large yeild
Note: Boundaries approximate only
C
Cgl otc
B
CASA GRANDE
To Gila Bend
To Tucson


Parcel of Land Described in Report - J.V. Desvaux, March 3, '61
22
Federal Surface and Mineral Rights
Federal Mineral Rights - Staked by ASARCO
Federal Mineral Rights
State Surface and Mineral Rights - Staked by ASARCO
State Surface and Mineral Rights
T 5 S
T 6 S
PP-56
PP-57
PP-58
PP-59
PP-63
PP-62
Outcrop
See 7
OWNERSHIP OVERLAY
SACATON PROSPECT

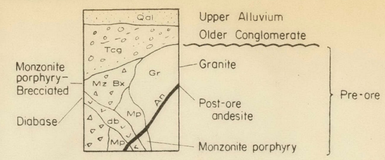

Options being (or to be) negotiated
Unmineralized outcrop Sacaton Mts
Apparent Sharp Northern Limit of Mineralization
State
640 acres (PP 59)
160 acres (pp 57)
160 acres (pp 58)
T5S
T6S
R5E
R6E
320 acres (PP 63)
160 acres (pp 62)
Property Line as of July 11, 1962
MONZONITE PORPHYRY
GRANITE
Approx. Limit Significant Alteration
"42" Fault - Fault surface Tcg over alt granite
Possible Fault
Post-Ore Fault Plane "A" Fault
MONZ. PORPHYRY (BRECCIA)
GRANITE
MONZONITE PORPHYRY (BRECCIA)
MONZONITE PORPHYRY
Altered zone not limited westerly
(2750 N)
(2200 N)
(1650 N)
(1100 N)
(550N)
(0 N) 22 000N
22 000 E
GEOLOGIC COLUMN
Upper Alluvium
Older Conglomerate
Granite
Dacite porphyry
Post-ore andesite
Monzonite porphyry
Basement complex of schist, gneiss, meta-granite
Monzonite porphyry-Brecciated
Diabase
Low-angle Basement fault Post-ore
Pre-ore
Significant intercepts of ore-grade material
① Top of ore
② Thickness
③ Grade, % Cu
④ Total depth
Principal Cu Mineral
chrys- chrysocolla
cc — chalcocite
cpy — chalcopyrite
Indicated limits of area of chalcocite of ore grade
Contours, depth to bedrock - Blue shows that contact is a post-ore fault
Rotary drill hole temporarily stopped at chalcocite
Rotary drill hole temporarily stopped in post-ore conglomerate
Location sump dug
TO ACCOMPANY Letter
DATED Oct 9, 1962
BY Kenyon Richard
Adolphus Hotel
Preliminary Subsurface Geologic Map
SACATON PROSPECT
Pinal County, Arizona
Scale 1" = 300'
J.E. Kinnison
May, 1962
October, 1962



22 000 E



GEOLOGIC COLUMN



BR 1100 ?
Rotary core at 1143
St alt, live limonite, antlerite in granite
Cased for D.D. at 1204'

64

Significant intercepts of ore-grade material

① ② ③
604'-14'-.63
TD ④

① Top of ore
② Thickness
③ Grade, % Cu
④ Total depth

Principal Cu Mineral

chrys- chrysocolla
cc — chalcocite
cpy — chalcopyrite

Indicated area of high-level chalcocite of ore grade

500 Contours, depth to bedrock- Blue shows that contact is a post-ore fault

○ Rotary drill hole temporarily stopped at chalcocite

○ Rotary drill hole temporarily stopped in post-ore conglomerate

\# Location sump dug

TO ACCOMPANY Letter
DATED Oct 9, 1962
BY Kenyon Richard

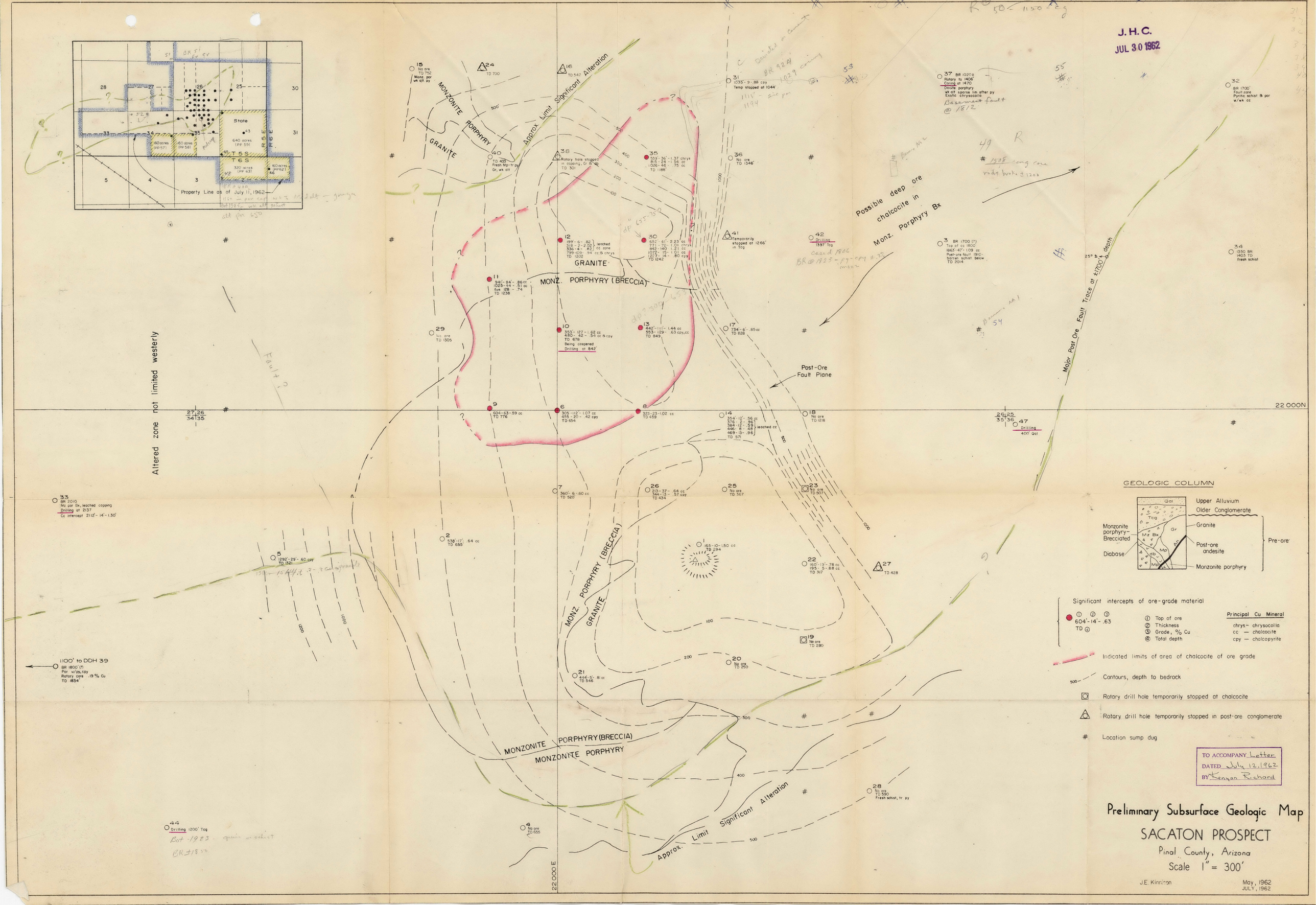
SACATON PROSPECT

Pinal County, Arizona

Scale 1" = 300'

J.E. Kinnison

October, 1962


J. H. C.
JUL 30 1962
State
640 acres (PP 59)
160 acres (PP 57)
60 acres (PP 58)
320 acres (PP 63)
160 acres (PP 62)
T 5 S
T 6 S
R 5 E
R 6 E
Property Line as of July 11, 1962
MONZONITE PORPHYRY
GRANITE
Approx. Limit Significant Alteration
GRANITE
MONZ. PORPHYRY (BRECCIA)
Possible deep ore chalcocite in Monz. Porphyry Bx
Post-Ore Fault Plane
Major Post Ore Fault Trace at ±1700' depth
Altered zone not limited westerly
MONZ. PORPHYRY (BRECCIA)
MONZONITE PORPHYRY (BRECCIA)
MONZONITE PORPHYRY
Approx. Limit Significant Alteration
22 000N
22 000E
1100' to DDH 39
BR 1800' (?)
Por w/py, cpy
Rotary core .19 % Cu
TD 1834'
GEOLOGIC COLUMN
Qal
Upper Alluvium
Older Conglomerate
Tcg
Monzonite porphyry-Brecciated
Granite
Post-ore andesite
Diabase
Monzonite porphyry
Pre-ore
Significant intercepts of ore-grade material
604'-14'-.63
TD
① Top of ore
② Thickness
③ Grade, % Cu
④ Total depth
Principal Cu Mineral
chrys- chrysocolla
cc — chalcocite
cpy — chalcopyrite
Indicated limits of area of chalcocite of ore grade
Contours, depth to bedrock
Rotary drill hole temporarily stopped at chalcocite
Rotary drill hole temporarily stopped in post-ore conglomerate
Location sump dug
TO ACCOMPANY Letter
DATED July 12, 1962
BY Kenyon Richard
Preliminary Subsurface Geologic Map
SACATON PROSPECT
Pinal County, Arizona
Scale 1" = 300'
J.E. Kinnison
May, 1962
JULY, 1962

File: Aa-16A.3.19B

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H. C.
DEC 31 1963

December 27, 1963

MEMORANDUM FOR MR. J. H. COURTRIGHT

SACATON PROJECT
Pinal County, Arizona

The following options come up for renewal in the next three months. Although I fully hope to be back by at least the middle of February, I thought it wise to alert you about these in case I am delayed.

1. Glendora C. Megna - Lots 1 & 2 and E 1/2 NW 1/4, Section 30, T5S, R6E, all of surface and 75% of mineral rights - 158.76 acres. Renewal date: March 15, 1964. Payment $4800. If renewed, option runs to March 15, 1965. Purchase price $750 per acre, total $119,017.50. Agreement in Escrow with Phoenix Title and Trust Company, Escrow No. 922138 OB.

2. Phoenix Title and Trust Company, Trust No. 6048 (Cort) - SW 1/4 less E363 feet, Section 30, T5S, R6E, all of surface and 75% of mineral rights - 138 acres. Renewal date: March 15, 1964. Payment $4140. If renewed, option runs to March 15, 1965. Purchase price $750 per acre, total $103,500. Agreement in escrow with Phoenix Title and Trust Company, Escrow No. 922137 OB.

3. Quentin R. and Nihla H. Thomson - NE 1/4 SE 1/4 Section 24, T5S, R5E - surface and mineral rights-40 acres. Renewal date: April 15, 1964, payment $1200. If renewed, option runs to April 15,1965-purchase price $500 per acre, total $20,000. Agreement in escrow with Arizona Land Title and Trust Company, Escrow No. 79938 RTB.

The following Prospecting Permits for State land are due for renewal on May 23, 1964; Prospecting Permits 657-661 inclusive. We must have spent $10 an acre by that time in order to renew, but no further rental is required, as the rental for the first two years was paid at the time the permits were issued. The permits cover a total of 2400 acres, but my recollection is that we drilled only three holes in this area, which is east of the highway, and work must have been done on each permit we wish to renew, so at best only three permits can be renewed, unless we do more work.

These permits cover the following land:

657 -	all of Section 14	T5S	R6E
658 -	N 1/2 Section 15	"	"
659 -	all Section 16	"	"
660 -	E 1/2 Section 22	"	"
661 -	E 1/2 & SW 1/4 Section 23	"	"

S. I. Bowditch

S. I. Bowditch

SIB:bam

T-4.19
Ag.16A.3.190

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

December 10, 1963

J. H. C.
DEC 11 1963

AIR MAIL
Mr. Robert Richter, Assistant Comptroller
American Smelting and Refining Company
120 Broadway
New York, N. Y. 10005

SACATON PROSPECT

Dear Sir:

Please refer to the tabulation attached to our letter of November 22, 1963, which tabulation shows $19,353.92 expended to October 31, 1963, on the parcel described as Document No. 25, Cron. We have now incurred an additional charge of $71.50 in connection with the relinquishment of the Cron option, bringing the total for this parcel to $20,025.42 Please note your records accordingly.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. A. van den Steinen
Chief Accountant

KvdS/mm
cc: FGHamrick
CEHelson
CFFellock
HLGoodenough
TASnadden
JHCourtright
Voucher

T-4.19
AA. 16A. 3.198

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

December 9, 1963

AIR MAIL
Mr. Robert Richter, Assistant Comptroller
American Smelting and Refining Company
120 Broadway
New York, N. Y. 10005

SACATON PROJECT
Cancellation of Options

Dear Sir:

Please refer to the tabulation attached to our letter of November 22, 1963, which tabulation shows $14,176.50 expended to October 31, 1963, on the parcel described as Document No. 23, Vimar Enterprises, Inc. We have now incurred an additional expense of $73.00 in connection with the relinquishment of the Vimar Option, bringing the total for this parcel to $14,249.50. Please note your records accordingly.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. A. von den Steinen
Chief Accountant

KvdS/mo
cc: FGHamrick
CENelson
CPPollock
HLGoodenough
TASnodden
JHCourtright
Voucher

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

November 27, 1963

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. H. F. Grose, General Auditor
American Smelting and Refining Company
120 Broadway
New York, New York 10005

SACATON PROSPECT
RELINQUISHMENT OF
PURCHASE OPTION

Dear Sir

Attached are a signed and a conformed copy of Company's Relinquishment (dated November 22, 1963) of its interest in Option Agreement with Cyril M. and Lila C. Cron dated April 20, 1962, for lands described as: The Southeast Quarter of Section 25, Township 5 South, Range 5 East, Gila and Salt River Base and Meridian, Pinal County, Arizona.

The above has been entered in the Sacaton Prospect Document Book as No. 25-8.

Very truly yours,

ORIGINAL SIGNED BY
A. C. HALL

A. C. HALL

cmr
Att.
cc: DJHope - w/att.
TAHegener - "

SUPPLEMENTAL

[illegible] BY THESE PRESENTS

[illegible] MINING AND [illegible]

[illegible] Lessor, [illegible]

[illegible] Lessee, [illegible]

[illegible] April 29, 1962 and recorded in [illegible]

[illegible] Pinal County, Arizona and

[illegible] Lessee [illegible] from and [illegible]

[illegible] the options granted in said [illegible] agreement

[illegible] its right, title and interest in and to the [illegible]

[illegible] in said agreement, to wit:

The [illegible] quarter of Section [illegible] Township [illegible] North, Range [illegible] East, Gila and Salt River [illegible] Meridian, Pinal County, Arizona.

Dated this 22nd day of March, 1963.

[illegible] MINING AND REFINING COMPANY

By [illegible]

Authorized Signer

STATE OF ARIZONA }
COUNTY OF PIMA } ss

[illegible] 1963, before me the undersigned [illegible] A. C. [illegible], who acknowledge [illegible] the authorized signer of [illegible] MINING AND REFINING COMPANY, a New Jersey corporation, and that he, in such capacity, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

[illegible] WHEREOF, I hereunto set my hand and official seal.

[illegible]

Notary Public

[illegible]

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

November 27, 1963

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. N. V. Grove, General Auditor
American Smelting and Refining Company
120 Broadway
New York, New York 10005

SACATON PROSPECT
RELINQUISHMENT OF
PURCHASE OPTION

Dear Sir,

Attached are a signed and a conformed copy of Company's Relinquishment (dated November 22, 1963) of its interest in Option Agreement with Wellington G. and Lida L. Hess dated February 28, 1963, for lands described as: The Southeast Quarter of the Southeast Quarter and the West Half of the Southeast Quarter of Section 24, Township 5 South, Range 5 East, Pinal County, Arizona.

The above has been entered in the Sacaton Prospect Document Book as No. 35-B.

Very truly yours,

A. C. HALL

car
Att.
cc: DJPope - w/atts
TAWegener - "

[illegible]

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation, does hereby relinquish all its interest, if any, in and to that certain Option Agreement dated February [illegible], 1963 and recorded in Docket 340 at page 373, Records of Pinal County, Arizona, and the undersigned does further surrender possession of said said rights to Wellington G. Hess and Lila L. Hess, husband and wife, the optionor named in said Option Agreement, all of the rights, title and interest in and to the property described in said Agreement, to wit:

The Southwest Quarter of the Southwest Quarter and the West Half of the Southeast Quarter of Section 24, Township 3 South, Range 5 East, Pinal County, Arizona.

Dated this [illegible] day of December, 1963.

AMERICAN SMELTING AND REFINING COMPANY

By /s/ A. C. Hall
Assistant Manager

STATE OF ARIZONA }
COUNTY OF PINA } ss

On this 20th day of December, 1963, before me the undersigned officer, personally appeared A. C. Hall, who acknowledged himself to be the Assistant Manager of AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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

/s/ Louise H. Churchel
Notary Public

My commission expires:

My Commission Expires Oct. 16, 1966

Nov 26 63

T-4.19
AA.16A.3.1B

MR. ~~[illegible]~~

READ AND RETURN

PREPARE ANSWERS ..... HANDLE .....

FILE ..... INITIALS .....

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

November 22, 1963

J. H. C.
NOV 22 1963

AIR MAIL
Mr. Robert Richter, Assistant Comptroller
American Smelting and Refining Company
120 Broadway
New York 5, New York

SACATON PROSPECT
Cancellation of Options

Dear Sir:

With reference to your letter of September 30, 1963, to Mr. J. H. Courtright, we are attaching a tabulation showing gross Sacaton Project expenditures to October 31, 1963, the amount of taxes included therein, the net expenditures, and the amount of the net expenditures applicable to each parcel of property examined. Section (B) (1) of the tabulation lists the parcels which have already been dropped or allowed to expire, section (B) (2), the parcels which will be dropped or allowed to expire in the next several months, and section (B) (3), the parcels which have been retained through purchase.

Expenditures for section (B) (1) parcels are final, insofar as we now know; those for section (B) (2) parcels are substantially complete except for nominal amounts of legal and similar expense which will be incurred in connection with the dropping of options and escrows; those for section (B) (3) parcels will continue as further experimental work is done in connection with a possible leaching-in-place operation.

If you need additional information or detail, please advise us.

Very truly yours,

K. A. von den Steinen
Chief Accountant

KvdS/ma
attach: Tabulation in triplicate
cc: FGHamrick, w/attach
CEHalsen, " "
CPPollock " "
HLGoodenough " "
TASneddon " "
JHCourtright, " "

Sacaton Project
October 31, 1963

Summary of Expenditures:

Total Expenditures to October 31, 1963	$1,415,690.62
Less Taxes included therein	6,862.51
Net Expenditures less Taxes to October 31, 1963	$1,408,828.11

(B) Summary of Expenditures by Parcel:

Document No.	Description	Date of expiration or abandonment		
(1) Parcels expired or dropped:				
3	Mining Claims S1-S18	8/31/63	$ 1,716.82	
6-13	State Prospecting Permits 56-63			
	56,60,61	8/14/62		
	57,58,59,62,63	8/14/63	54,489.25	
19	Mining Claims S19-S28	8/31/63	2,004.57	
14	State Prospecting Permit 118	8/14/62	1,143.33	
20	Mining Claims S29-S46	8/31/62	20,089.80	
27	State Prospecting Permit 536	8/14/63	634.50	
22	Arizona Land Title-Trust No. 6020-T	10/30/62	54,057.09	
23	Heath	6/27/63	16,647.58	
24	Bloom	6/30/63	260,525.74	
26	Bruton	1/10/63	9,319.10	
28	Vimer Enterprises, Inc.	10/31/63	14,176.50	
29	Buchanan	10/31/63	1,916.50	
-	Section 19, T5S, R6E	-	19,031.27	455,752.05
(2) Parcels to be dropped or allowed to expire:				
25	Cron	12/31/63	19,953.92	
31	Phoenix Title-Trust No. 6048:			
	Wehr	1/ 1/64		
	Cort	3/15/64	10,058.13	
36-37	State Prospecting Permits Nos. 622-623	4/18/64	1,851.25	
35	Betz	12/ 1/63	47,235.77	
34	Megna	3/15/64	42,418.95	
38	Thomson	4/15/64	10,723.56	
39-43	State Prospecting Permits Nos. 657-661	5/22/64	32,591.36	
-	Mining Claims S57-S76	8/31/64	3,568.59	168,401.53
(3) Parcels retained by purchase:				
2	Fabricant		88,599.14	
1	Surety Title-Trust No. 2052		351,003.70	
21	Arizona Land Title-Trust No. 5993-T		95,641.75	
5	Surety Title-Trust Nos. 2052 and 2095		98,097.85	
4	Surety Title-Trust Nos. 2052 and 2096		151,332.09	784,674.53
		Total		$1,408,828.11

W.H. Kellogg
CORRECT

October 22, 1963

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. and Mrs. Ralph H. Buchanan
16939 Knapp Street
Sepulveda, California

Dear Mr. and Mrs. Buchanan:

We are enclosing a Relinquishment of the Option Agreement dated November 15, 1962, between you and the American Smelting and Refining Company.

Since we did not record this option, it is not necessary that we record the relinquishment of same.

Yours very truly,

Original signed by
J. H. Courtright

J. H. COURTRIGHT

JHC:cmr
Encl.

cc w/encl: Charles R. Hilton, Atty.
Victor-Mammoth Building
13743 Victory Blvd.
Van Nuys, California

bcc: KvdS

RELINQUISHMENT

KNOW ALL MEN BY THESE PRESENTS.

The undersigned, [illegible] relinquish its interest, as optiones, in that certain Option Agreement dated November 15, 1962, and the undersigned does further surrender [illegible] of and quit claim in Ralph H. Buchanan and [illegible] Buchanan, Husband and [illegible], the optioner named in said Option Agreement, [illegible] right, title and [illegible] in and to the property [illegible]

An undivided 25% interest in and to all coal, oil, gas and other minerals in Section 30, Township 5 [illegible] 6 East [illegible] Pinal County, Arizona

Dated this 18th day of October 1963

AMERICAN [illegible]

By A C Hall
Assistant Manager

STATE OF ARIZONA)
COUNTY OF PIMA)

On this 18th day of October 1963, before me the undersigned officer, personally appeared A. C. Hall, who acknowledged himself to be the Assistant Manager of AMERICAN SMELTING AND REFINING COMPANY, a New Jersey 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

Louise M. Chumchal
Notary Public

My commission expires:
Oct 18, 1966

October 22, 1963

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. R. T. Burney
Arizona Land Title & Trust Co.
199 North Stone Avenue
Tucson, Arizona

Your Escrow 77604 RTB
American Smelting and Refining Company
and
Vimer Enterprises, Inc.

Dear Sir:

We are enclosing three copies of a Relinquishment of the Option Agreement dated October 30, 1962, between American Smelting and Refining Company and Vimer Enterprises, Inc. Will you please have this relinquishment recorded in Pinal County and return the recorded copy to this office. The charges for this will be for our account.

Now that this Agreement and escrow have been terminated, we will expect a statement from you for your charges in connection therewith.

Yours very truly,

J. H. COURTRIGHT

cmr
Encl. (3)

cc: Vimer Enterprises, Inc.
P. O. Box 1295
Stuart, Florida

bcc: KvdS

RELINQUISHMENT

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation, does hereby relinquish its interest, as optionee, in that certain Option Agreement dated October 30, 1962, and recorded in Docket 336 at page 498, Records of Pinal County, Arizona, and the undersigned does further surrender possession of and quit claim to VIMER ENTERPRISES, INC., a Florida corporation, 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:

Northeast Quarter of Section 30, Township 5 South, Range 6 East, Gila and Salt River Base and Meridian, Pinal County, Arizona.

Dated this 18th day of October, 1963.

AMERICAN SMELTING AND REFINING COMPANY

By _____ /s/ A. C. H.
Assistant Manager

STATE OF ARIZONA)
COUNTY OF PIMA) SS

On this 18th day of October, 1963, before me the undersigned officer, personally appeared A. C. Hall, who acknowledged himself to be the Assistant Manager of AMERICAN SMELTING AND REFINING COMPANY, a New Jersey 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

Louise M. Churchal
Notary Public

My commission expires:

My Commission Expires Oct. 18, 1966

T-4.5.7
Aa-16A.3.19B

J. H. C.
3 1963

October 4, 1963

J. H. C.
OCT 3 1963

Surety Title and Trust Company
Att: Willia Allen, Trust Officer
1207 Main Street
Florence, Arizona

TRUST NO. 16038

Sacaton

Gentlemen:

With your memorandum of October 1, 1963, addressed to our Mr. S. I. Bowditch, you sent us Pinal County 1963 Tax Notices Nos. 34448, 34449, and 34451, covering the E 1/2, Sec. 26, the W 1/2, Sec. 26, and the NE 1/4, Sec. 35, all in T. 5 S., R. 5 E.

You did not, however, send us a notice on the NW 1/4, Sec. 35, which parcel was also conveyed to you under Trust No. 16038. If this was an oversight, please send us the notice; if otherwise, please advise.

Very truly yours,

ORIGINAL SIGNED BY
K. V. D. STEINEN

K. A. von den Steinen
Chief Accountant

KvdS/ma
bcc: JHCourtright

DOMESTIC SERVICE			
Check the class of service desired; otherwise this message will be sent as a full rate telegram			
FULL RATE TELEGRAM	✓	SERIAL	
DAY LETTER		NIGHT LETTER	

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1206

INTERNATIONAL SERVICE			
Check the class of service desired; otherwise this message will be sent at the full rate			
FULL RATE		DEFERRED	
CODE		NIGHT LETTER	

WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			American Smelting & Ref. Co.-Mining Dept. 813 Valley National Bldg.	

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

September 26, 1963

Dr. E. Koepf, Manager
Technical Services
Core Laboratories, Inc.
Box 10185
Dallas, Texas

Sacton

Due to convention had to make reservations at Ramada Inn.

T. A. Snedden
Manager-American Smelting & Ref. Co.

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

To guard 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 rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The 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 unrepeated-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 repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether 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 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 agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.

3. The 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. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of 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. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.

5. No responsibility attaches to this 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 Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the 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 between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.

7. It is agreed that in any action by the 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 employee of the Company is authorized to vary the foregoing.

1-49

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Messages sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in cipher.

CODE (CDE)

A fast message service consisting of code words not exceeding 5 letters each. Minimum charge for 5 words applies.

DEFERRED (LC)

Plain language messages, subordinated to full rate and code messages. Minimum charge for 5 words applies.

NIGHT LETTER (NLT)

Overnight plain language messages. Minimum charge for 25 words applies.

MR. ~~ZEK~~ JK 9/26/63

READ AND RETURN

PREPARE ANSWERS ____ HANDLE ____

FILE ✓ INITIALS

J. H. C.

SEP 24 1963

New York, N. Y., September 23, 1963

Mr. C. P. Pollock

The following is an extract from the minutes of the meeting of the Advisory Committee held September 18, 1963:

SAMATON

Samaton Project,
Pinal County, Arizona

It was reported that as the following five parcels of land held under option by Anaconda are located outside the mineralized outcrop at the Samaton Project, Pinal County, Arizona, it is recommended that the options be dropped:

(1) Ralph H. and Helen M. Buchanan - 25% interest in the mineral rights in Section 30, T5S, R6E. Option expires November 1, 1963.

(2) Vimer Enterprises, Inc. - NE 1/4 Section 30, T5S, R6E, except 25% mineral rights. Option expires November 1, 1963.

(3) Wellington S. and Lila L. Betz - SE 1/4 SE 1/4 and W 1/2 SE 1/4, Section 24, T5S, R5E. Option expires December 1, 1963.

(4) Phoenix Title & Trust Co., Trustee under Trust No. 6048 - SE 1/4 and E 363 feet of E 1/2 SW 1/4, Sec. 30, T5S, R6E, except 25% of mineral rights. Option expires January 1, 1964.

(5) Cyril M. and Lila C. Cron - SE 1/4 Sec. 25, T5S, R5E. Option expires December 31, 1963.

Cancellation of the options on the above parcels of land was authorized.

Harold Howe

FGHamrick
CEMelson
HLGoodenough
TAEnedden
JHCourtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

September 13, 1963

Mr. Kenyon Richard, Chief Geologist
American Smelting and Refining Company
120 Broadway
New York 5, New York

SACATON PROJECT

Dear Ken:

Attached is a memo by Mr. Bowditch listing five options which will expire on dates ranging from October 10, 1963 to January 1, 1964.

These options cover ground lying about 2 miles northeast of the mineralized outcrop; therefore, there appears to be no valid reason for holding them.

Since Union Oil is preparing to explore Woolsey's ground to the north, something might develop which would change the picture. However, assuming nothing of interest turns up, we would like permission to drop these options as they become due.

Yours very truly,

J. H. COURTRIGHT

JHC/jk
Attachment
cc: SIBowditch w/o attachment

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

J. H. C.

SEP 4 1963

3 September 1963

MEMORANDUM TO MR. J. H. COURTRIGHT

SACATON

In view of my coming sojourn in Georgia, I am listing below the options at Sacaton that expire in the next few months. These are:

1) Ralph H. and Helen M. Buchanan - 25% interest in the mineral rights in Section 30, T5S, R6E. Expires Nov. 1, 1963. Can be renewed for one year on payment of $1,600 on or before Nov. 1, 1963. Total purchase price $16,000. There is no escrow involved in this, so the relinquishment should be recorded and then mailed to the Buchanans, whose address is in the file.

2) Vimer Enterprises, Inc. - NE 1/4 Section 30, T5S, R6E, except 25% mineral rights. Option expires Nov. 1, 1963. Can be renewed for one year on payment of $4,800, but price goes up from $80,000 to $88,000 ($500 to $550 per acre). Escrow 77604-RTB at Arizona Land Title and Trust Co.

3) Wellington G. and Lila L. Betz - SE 1/4 SE 1/4 and W 1/2 SE 1/4, Section 24, T5S, R5E. Option expires Dec. 1, 1963. Can be extended to Sept. 1, 1964 upon payment of $3,600, but price goes up from $69,000 to $75,000 ($575 to $625 an acre). Escrow 236131-4, Tucson Title Insurance Co.

4) Phoenix Title & Trust Co., Trustee under Trust No. 6048 - SE 1/4 and E 363 feet of E 1/2 SW 1/4, Sec. 30, T5S, R6E, except 25% of mineral rights. Option expires Jan. 1, 1964. Can be extended for one year on payment of $5,460, but price increases from $91,000 to $104,000 ($500 to $575 an acre). Escrow 922103-OB, Phoenix Title & Trust Co., Tucson.

5) Cyril M. and Lila C. Cron - SE 1/4 Sec. 25, T5S, R5E. Option expires December 31, 1963. Escrow 75190-RTB, Arizona Land Title and Trust Company.

This takes care of all our property matters until next year.

S. I. Bowditch

S. I. Bowditch

SIB:bam

J H Courtright

AMERICAN SMELTING AND REFINING COMPANY
Tucson Arizona

March 24, 1961

J. H. C.

MAR 27 1961

Mr. C. P. Pollock, Exploration Manager
American Smelting and Refining Company
120 Broadway
New York 5, New York

SACATON PROSPECT
Pinal County, Arizona

Dear Sir:

Reference is made to your letter of March 9 to me and to Mr. Desvaux's letter of March 3 to me on land ownership.

We are planning to proceed along three lines of endeavor, more or less contemporaneously. We will begin these activities promptly, depending on first obtaining authorization.

I. Under the newly enacted Arizona law for obtaining prospecting permits on State-owned land, we will apply for those two square miles included within the blue-lined area on Mr. Desvaux's map. Also, for the purpose of camouflaging our real target (the files containing our applications with the Land Office are accessible to the public), we will apply for prospecting permits on those parcels of State mineral rights shown on Mr. Desvaux's map to the east and west of the blue-lined area. These latter may be dropped within a few months. The applications will total 3 3/4 square miles, or about 2400 acres. We will send in these applications immediately upon receiving authorization for the program outlined herein. Approximately two months after filing we will be obligated to pay a year's rental of $2 per acre, or approximately $4800. In order to maintain any prospecting permit beyond the first year, we must do $10 per acre in work on the ground during the first year.

II. Geophysical surveys (principally IP) can be started within a week or two. This work would be of a reconnaissance nature involving ½ and ¼ mile spacing of traverse lines and totaling approximately 60 line miles. Although both the total area covered and the line-spacing used will depend somewhat on results, Mr. Seegart estimates this work will cost $5000. Included in this cost is $500 for conducting geochemical tests on trace elements from water samples which will be taken from various wells in cultivated areas to the south and west of areas of interest. (Recent work by the USGS suggests that molybdenum and copper anomalies in well water may reflect nearby, buried porphyry copper deposits.) In addition, $600 will be needed for aerial photography to be used for map making and for traverse alignment in the field.

In the unlikely event that the IP surveys obtain no anomalies, it should not be assumed that the project then would be abandoned. It is to be hoped that these surveys will produce indications of mineralization trends (and limits?) which then can be used in orienting our program of acquiring mineral rights. It

is pointed out again that the blue-lined area of interest is an arbitrary selection of exploration elbow room, or protection, which is needed because of the present lack of real knowledge of mineralization limits. Though geophysical results may change the shape, they should not be expected necessarily to reduce the size of the area in which mineral rights would be needed.

III. Mr. Hall has suggested that we should approach the owners of the various parcels with a single formula for a deal, although, eventually, certain details might be negotiated differently with individual owners. Principal factors seem to be:

1. The area of interest is subject to real estate speculation. Except for grazing, the present owners, presumably, would now attach no other value to the land.

2. No property sales have been made for a couple of years, but sales activity with attendant upward price movement will no doubt take place with any general improvement in business conditions.

3. For real estate considerations, property values now may range within $150 and $450 per acre, depending on location.

4. We can expect the real estate speculators to let us tie up their ground for perhaps as much as 18 months, only if we offer a purchase price that is well above the value as real estate, and if we offer option payments which, as Mr. Hall suggests, might represent something like interest on the real estatevalue of the land. We are thinking, then, of a formula along the following lines:

a. Initial payment of $10 per acre for first 6 months option.

b. Second option payment $10 per acre at the end of 6 months if an additional 6-months option period is desired.

c. Third option payment $15 per acre at the end of first year covering final 6 months option period, if needed.

d. All option payments to apply on a purchase price of $500 (or more?) per acre payable 10 or 15% upon exercise of the option with the remainder spread in payments over about 5 years.

e. As an alternative to method d., we might pay out the purchase with a minimum advance royalty of, say, $5 per acre per month. However, the complexity of an ordinary mining lease and option like this might make it difficult to negotiate with the average real estate speculator.

There are at least 18 ownerships and nearly 4000 acres involved within the blue-lined area. In this circumstance we here feel that we should have

$60,000 authorized in order to take care of initial option payments, with some flexibility for negotiating up or down in individual cases. In setting this figure we are, of course, involved with some rather intangible aspects. It would seem unlikely that the amount needed would be less, but it well could be more.

To recapitulate, we would like to have the following money authorized:

Early option payments	$ 60,000.00
Aerial Photography	600.00
Geophysical & Geochemical Surveys	5,000.00
Legal Fees & Title Searches	4,000.00
Mineral rights on State-owned land -- 3 3/4 sections -- Filing & Rental 1st year	5,000.00
Total	$ 74,600.00

We will have work obligations of $10 per acre on the State land within the first year. Geophysical work will partly take care of this, but we would expect for the most part to use drilling. No recommendations for drilling are included here because we would prefer first to have the geophysical results.

In Mr. Pollock's absence I would be appreciative if those in New York receiving copies would, if they approve, obtain authorization for the amount recommended; and in any case I would like to have comments from anyone concerned.

Yours very truly,

Original Signed By
K. Richard

KENYON RICHARD

KR/ds
cc: EHcLTittmann
AABrown
DJPope
ACHall
JHCourtright
JVDesvaux
RJLacy

File Copy Routed to:
TASnedden