UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 991

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number_____

Operator's Monthly Reports in folder number _____

L. J. M. ✓

Reviewer's Initials

7973

To: Mr. George F. Temple, President
Tungsten-Hanging Valley Mining Company
6253 Hollywood Boulevard
Hollywood 28, California

Operator under Exploration Project Contract Idm-E149
Docket No. DMA-991, dated September 19, 1951

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds:

In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this tenth day of October, 1952.

UNITED STATES OF AMERICA

By H. C. Miller
H. C. Miller, Executive Officer,
DMEA Field Team, Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 6 1952

AMENDMENT NO. 1

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Exploration Project Contract Idm-E149

Tungstar - Hanging Valley Corporation

"Section 3 of Defense Minerals Administration Exploration Project Contract Idm-E149, dated September 19, 1951, between the United States of America and Tungstar - Hanging Valley Corporation, Room 705 Equitable Building, 6253 Hollywood Boulevard, Hollywood 28, California, is hereby amended by striking out the typed-in phrase 'Four (4) months' and substituting therefor the phrase 'Twelve (12) months'.

"This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

"Dated January 22, 1952

"UNITED STATES OF AMERICA

"By _____
Executive Officer - DMEA

"TUNGSTAR - HANGING VALLEY CORPORATION

"By _____"
President

Docket Copy

AMENDMENT NO. 1

Docket No. DMA-991 Mineral Tungsten

Exploration Project Contract Idm-E 149

Date of Contract Sept. 19, 1951

Date of Amendment January 22, 1952

Operator Tungstar-Hanging Valley Corporation

JUSTIFICATION

Due to the early and extra heavy snowfall in the Sierra Nevada mountains at the Tungstar-Hanging Valley mine, no work under the contract could be carried out in 1951. The completion date therefore was extended by this amendment to September 19, 1952, on the basis that the four-months work called for could be accomplished during the summer of 1952.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

SDS 7-22-52

MF-200
(June 1951)

Indexed
No. Card
Card
Reviewed

Docket No. DMA 991
Commodity Tungsten
Idm-E 149

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
SEP 2 8 1951
SAN FRANCISCO, CALIFORNIA

RECEIVED
OCT. 29 1951

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 19th day of September, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]
Tungstar-Hanging Valley Corporation
Room 705 Equitable Building
6253 Hollywood Boulevard
Hollywood 28, California
hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of California, County of Inyo described as follows: [3] Tungstar Mine comprising patented lode mining claims, Mount Tom 1, 2, 3 and 4, Mineral Survey No. 6261 A & B located in Sections 4, 9 & 15, T. 7S., R. 30E., Mt. Diablo B. & M. in Bishop Mining District, California.

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

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

None

(*b*) ~~That he is the lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] tungsten; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Four (4) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

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

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

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

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

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

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

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 75 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 52,500.00 which is 75 percent of the agreed estimated total cost of this project, $ 70,000.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Tungstar-Hanging Valley Corporation
(Operator)

By George J. Simpole
President

By C O Mitteudorf
Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

Docket No. DMA - 991
Tungstar Hanging Valley Corporation
Exploration Project Contract Idm-E149

EXHIBIT "A"

Exploration Project:

The project consists of driving an adit from the surface for a diatance of approximately 725 feet to cut the possible downward extensions of tungsten-bearing formations below old mine workings, purchase of equipment and construction of necessary facilities at a total estimated cost of $70,000.00.

Estimated Cost of Project

Fixtures and Improvements	$ 5,500.00
Operating equipment (to be purchased)	23,872.00
Labor	2,160.00
Supervision	1,800.00
Accounting	900.00
Contract drifting-725 ft. @ $22.00 per ft.	15,950.00
Materials and Supplies	5,080.00
Fuel Oil	2,250.00
Hauling	4,000.00
Compensation, Ins.,Payroll Taxes, etc.	400.00
Contingencies	8,088.00
	$70,000.00

Fixtures and Improvements:

Construction of approximately 1/2 mile of road	$ 1,000.00
Preparation of adit area	1,500.00
Housing and Boarding(Structures and Equipment)	3,000.00
	$ 5,500.00

Operating Equipment:

To be purchased:

1 - Motor Generator - 15 K.W.	$ 3,000.00
1 - Air Compressor, 500 cu. ft.	9,165.00
1 - Mucking machine	2,050.00
2 - Machine Drills	1,977.00
1 - Air Locomotive	1,730.00
1 - Mine car	700.00
1 - Jeep or command car(4-wheel drive)	1,750.00
Ventilation fan and pipe	3,500.00
	$23,872.00

Labor and Supervision:

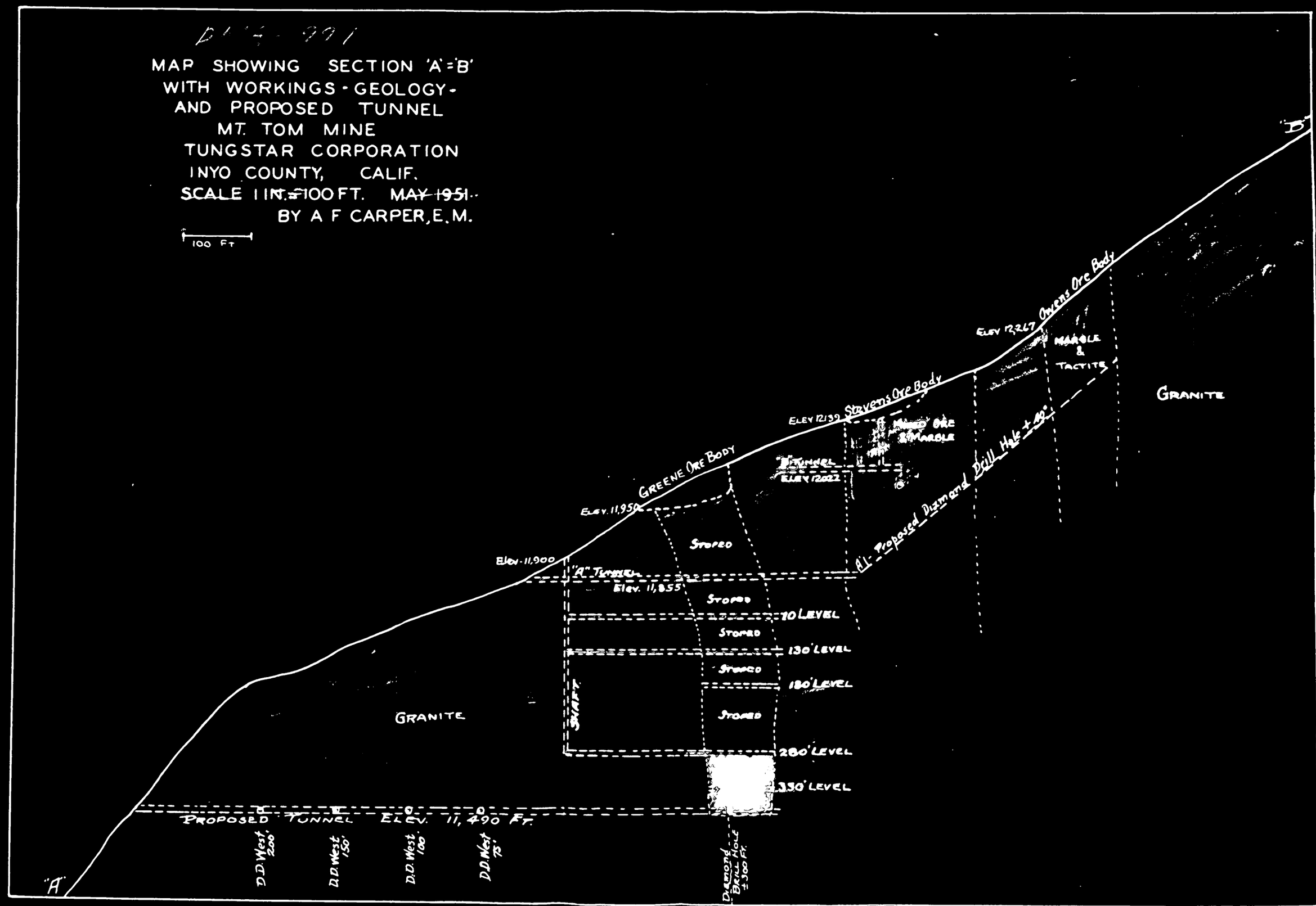
2 - Miscellaneous helpers @ $15.00 per day 6-day week for 12 weeks	$ 2,160.00
1 - Mine Superintendent 3 months @ $300.00 per month (time pro rated)	900.00
1 - Accountant 6 months @ $300.00 per month (time pro rated)	900.00
1 - Mine foreman 3 months @ $300.00 per month (time pro rated)	900.00
Contract drifting 725 feet at $22.00 per foot including labor, powder, caps, and fuse (Operator to furnish air, drill and steel).	15,950.00
	$20,810.00

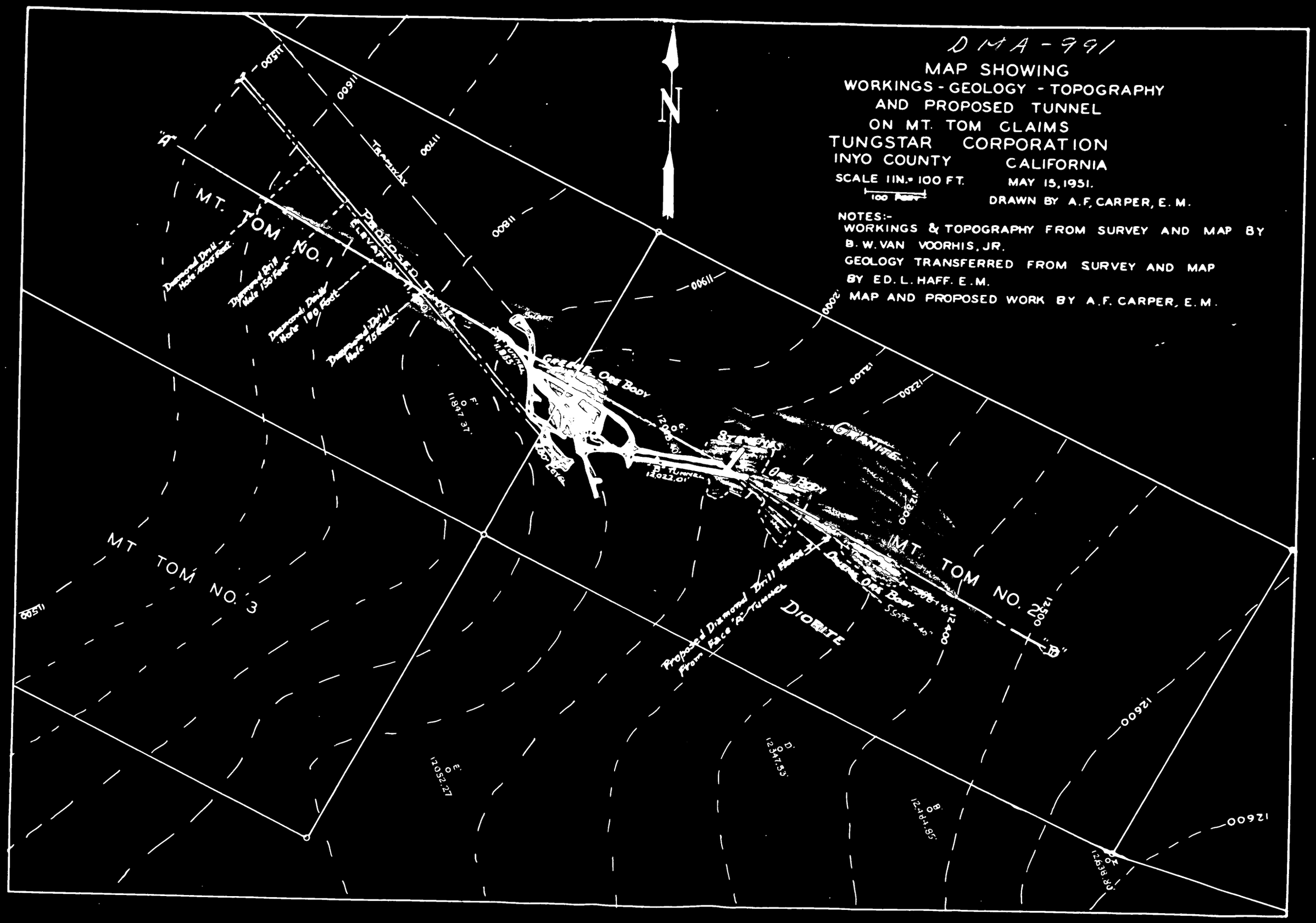
Rehabilitation and Repairs:

None chargeable to cost of project.

D 4-991

MAP SHOWING SECTION 'A'-'B'
WITH WORKINGS - GEOLOGY -
AND PROPOSED TUNNEL
MT. TOM MINE
TUNGSTAR CORPORATION
INYO COUNTY, CALIF.
SCALE 1 IN. = 100 FT. MAY 1951
BY A F CARPER, E.M.




DMA-991
MAP SHOWING
WORKINGS - GEOLOGY - TOPOGRAPHY
AND PROPOSED TUNNEL
ON MT. TOM CLAIMS
TUNGSTAR CORPORATION
INYO COUNTY CALIFORNIA
SCALE 1 IN. = 100 FT.
100 FEET
MAY 15, 1951.
DRAWN BY A.F. CARPER, E.M.
NOTES:-
WORKINGS & TOPOGRAPHY FROM SURVEY AND MAP BY B.W. VAN VOORHIS, JR.
GEOLOGY TRANSFERRED FROM SURVEY AND MAP BY ED. L. HAFF. E.M.
MAP AND PROPOSED WORK BY A.F. CARPER, E.M.
N
MT. TOM NO. 2
MT TOM NO. 3
Proposed Tunnel Elevation
Transit
Diamond Drill Hole 200 Feet
Diamond Drill Hole 150 Feet
Diamond Drill Hole 100 Feet
Diamond Drill Hole 75 Feet
Ore Body
Granite
Diorite
Proposed Diamond Drill Holes From Face of Tunnel
A
B
C
D
E
F
11500
11600
11700
11800
11900
12000
12100
12200
12300
12400
12500
12600

DOCKET COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
NOV 20 1952

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

November 19, 1952

Memorandum

To: DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-991 (Tungsten), Tungstar-Hanging Valley Mining Co., Tungstar Mine, Contract Idm-E149

Reference is to my memorandum, dated October 10, to Mr. Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, in which I wrote that "We are today sending the above notice of termination of exploration project contract, copies (2) of which are attached for your files."

I now have a letter, dated November 5, 1952, from Mr. George F. Temple, President (Shirley Temple's father), Tungstar-Hanging Valley Mining Co., acknowledging the termination of the captioned contract. A copy of Mr. Temple's letter is attached herewith, which explains why the Company did not go ahead with the contract.

Note in the third to last paragraph of Mr. Temple's letter that the Company may at some future date desire to ask for another exploration loan.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno, Nevada

Copy retained 400

C
O
P
Y

TUNGSTAR - HANGING VALLEY MINING CO.
6253 Hollywood Boulevard
Hollywood 28, California

HOllywood 9-2203
November 5, 1952

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
Flood Building
San Francisco, California

Re: Docket No. DMA-991
Exploration Project Contract Idm-E149

Dear Mr. Miller:

This will acknowledge your letter of October 10, 1952 in regard to termination of the above contract. We hereby acknowledge with considerable regret.

As to the technical information requested in the third paragraph, we feel that no reports will be necessary and that "no final accounting of operations under the contract and of expenditures of money on account thereof" will be necessary. It is true that we did spend some money in a preliminary way toward the exploration of the Tungstar mine, but as we did not make any request for reimbursement under the contract for such preliminary expenditures, we feel that insofar as the expenditures portion of the contract is concerned, your file is now closed.

In explanation of our failure to "prosecute operations," we wish to advise you that after the approval of the Exploration Project and the execution of the contract, new information was secured about the Tungstar Mine. This information indicated that even if the Exploration Project was fulfilled in accordance with the terms of the contract, we would then be faced with a very serious problem of attempting to raise funds for operations, and we rather feared that for various and sundry reasons we might not be able to secure financial aid for

A. Developmental Costs.
B. Rehabilitation of partially destroyed tramway facilities.

All of the above applies to that property known as the Tungstar Mine -- the subject of the Exploration Project Contract Idm-E149.

This corporation has control of another tungsten property known as the Hanging Valley Mine, but unlike the Tungstar Mine which is owned in fee, this Hanging Valley Mine is being purchased under "a bonded lease" and the owners of the claims of the Hanging Valley Mine refused to participate in an application for an Exploration Contract. They felt that they did not wish to sign a subordination agreement, which from our point of view, is regretable but fully understandable, particularly when the owners of the

mining claims have no control whatsoever, even in the slightest degree, as to the use of the Exploration money.

As the funds of this corporation were definitely limited and as a choice had to be made as to the use of our capital, either for exploration at the Tungstar Mine where, even if ore was discovered in quantity a major finance problem would still be present; or, at the Hanging Valley Mine where, if new ore bodies were discovered, the serious financing problem of developmental and operational costs would not be present, a final decision was made to spend our money at the Hanging Valley Mine.

We feel that eventually we will definitely undertake exploration at the Tungstar Mine largely following the program as outlined in Docket No. DMA-991, and when that time comes, we hope to again reinstate an Exploration Contract.

We have opened a new tunnel at the Hanging Valley Mine. This new tunnel is 115 feet lower in elevation than the upper tunnel and is now 550 feet into the mountain. You may be interested to know that we have cut ore bodies that are not in evidence on the upper tunnel and have apparently arrived at the first important ore body appearing on the upper tunnel. You might also be interested in knowing that we sold the ore, produced in drifting on the tunnel, to the United States Vanadium Corporation -- a total of approximately 195 tons, and they paid us on their assay value of 1.18 percent for that ore, which we feel speaks well for the intersected ore bodies. In view of the fact that this new tunnel should be extended an additional six hundred fifty to seven hundred fifty feet, we may make another attempt to induce our landlords, the claim owners, to participate with us in a new exploration contract for the Hanging Valley Mine.

All of the officers and directors wish to thank you for your very great cooperation in connection with the contract, the subject of this letter.

Sincerely,

TUNGSTAR-HANGING VALLEY MINING COMPANY

/s/ GEORGE F. TEMPLE

George F. Temple, President

GFT:rp

FILE COPY 400
SURNAME:

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

Mr. John L. Hoffland, Chief Counsel, DMEA

Oct. 22, 1952

Rutledge
G. C. Selfridge

Iron and Ferro-Alloy Division, DMEA

Termination of Contract
Docket No. DMA 991X - Tungsten
Tungstar-Hanging Valley Corporation
Tungstar Mine
Inyo County, California
Exploration Project Contract Idm-E149

The subject contract was terminated October 10, 1952, by the field team before work had been started. The contract, dated September 19, 1951, originally expired January 19, 1952, but was extended by Amendment No. 1 until September 19, 1952.

The field team in terminating the contract used the form "Notice of Termination of Exploration Project Contract, under The Terms of the Contract, before The Completion of the Work" and on the following grounds: "In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract".

Since no funds were expended under the contract, it is questioned if a fourth form should not be drawn up for cases in which no work is started, and termination is by the Government and not by mutual agreement.

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

FARutledge:lm
10/22/52

cc: Admn. Reading File
Docket
G. C. Selfridge
F. A. Rutledge

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 14 1952

October 10, 1952

Memorandum

To: Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Contract Idm-E149, Docket DMA-991 (Tungsten), Tungstar-Hanging Valley Corp., Tungstar Mine, Inyo County, California

Reference is made to your letter of September 25 with regard to the status of the subject contract.

We are today sending the above notice of termination of exploration project contract, copies (2) of which are attached for your files.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to A. C. Johnson, Reno, Nevada (with copy of notice)
Finance Officer, Reg. III (with copy of notice)
E. H. Bailey, USGS
G. Mavor, DMEA, San Francisco

cae 10-14

FILE COPY
SURNAME:

400

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

Rutledge
Selfridge by Martin
F. A. Johnson

Mr. N. G. Miller
Executive Officer, DMEA Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 991X - Tungsten
Tungstar-Hanging Valley Corp.
Tungstar Mine
Inyo County, California
Exploration Contract Idm-R-149

Dear Mr. Miller:

Reference is made to the subject contract docket. It has been noted that no monthly reports have been received and that the expiration date of the contract was September 19, 1952. Your letter of June 12, 1952, to the Operator denied an additional extension of 24 months but indicated a shorter extension period would be considered if proof was given that the Operator had diligently carried out the provisions of the contract to September 19, 1952.

It would be appreciated if you would advise us of the present status of this contract in order that we may close it out if the contract has expired.

Sincerely yours,

9-25-52

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

C. H. Johnson
Member, Bureau of Mines

A. R. Finkelman
Member, Geological Survey

FARutledge:ls 9/22/52

Copy to: Docket
Admn. Read. File
Field Team, Reg. 3
G. C. Selfridge
F. A. Rutledge
Operating Committee
D. M. Lemmon, USGS
R. W. Geehan, USBM

Office of
Executive Officer
DMEA Field Team
Region III

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

September 24, 1952

Memorandum

To: A. C. Johnson, Bureau of Mines, Reno, Nevada

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA 991 (Tungsten), Tungstar-Hanging Valley Corporation, Exploration Project Contract Idm-E149

Paul Bateman reports that the subject corporation has done no work under its exploration contract on the Tungstar property, even though I was requested and drew up an amendment, dated January 22, 1952, extending the completion date to September 19, 1952. Some work has been done on the Hanging Valley property but that work is not covered by a DMEA contract.

As the amended completion date has now passed and since, in our opinion, the operator has failed to prosecute the operations pursuant to the terms of the contract, is there any reason why I should not terminate the contract?

H. C. MILLER

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to DMEA, Interior Building, Washington 25, D. C.
E. H. Bailey, USGS

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco, Calif.

June 12, 1952

Mr. Gayle Green, General Manager
Tungstar-Hanging Valley Mining Co.
6253 Hollywood Boulevard
Hollywood 28, California

RE: Docket No. DMA 991 (Tungsten)
Tungstar Mine, Inyo County,
California, Exploration Project
Contract Idm-E-149

Dear Mr. Green:

We acknowledge your letter of June 6, requesting us to extend the above-captioned Exploration Project Contract to September 19, 1953.

Although we appreciate the fact that the snow fall during the past winter was abnormally heavy, we can not grant your request for a twenty-four months' extension when only four months of work are involved. We have already extended your contract twelve months by an amendment, dated January 22, 1952, which gives you until September 19, 1952 to complete the four months' work. If, however, after September 19 you need a short extension to complete the proposed work for this summer and fall, we will gladly consider such a request upon proof that you have diligently carried out the provisions of your contract between now and then.

Very truly yours,

H. C. MILLER

H. C. Miller
Executive Officer
DMEA Field Team, Region III

HCMiller:hdj
Copy to: DMEA, Washington, D. C.
E. H. Bailey, USGS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 16 1952

FILE COPY
SURNAME:

Selfridge

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

MAY 8 1952

Mr. Gayle Green, General Manager
Tungstar-Hanging Valley Mining Co.
6253 Hollywood Boulevard
Hollywood 28, California

Re: Docket No. DMA 991 - Tungsten
Tungstar Mine
Inyo County, California
Exploration Proj. Contract Idm-E199

Dear Mr. Green:

This is to acknowledge receipt of your letter of April 28, 1952, in which you request us to transfer the monies of the subject exploration project contract for the Tungstar Mine to the Hanging Valley Mine.

We regret to inform you that we are unable to do this and that it will be necessary for you to file an application for exploration aid for the Hanging Valley Mine. Please return to us four completed copies of the enclosed form MF-103.

Sincerely yours,

C. O. Mittendorf (fw) 5/8

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures

GCSelfridge:ls 5/5/52

cc: Admn. Reading File
Docket
Field Team, Region III
G. C. Selfridge
D. M. Lemmon, USGS
R. W. Geehan, USBM

TUNGSTAR - HANGING VALLEY MINING CO.
6253 HOLLYWOOD BOULEVARD
HOLLYWOOD 28, CALIFORNIA
HOllywood 9-2203

April 25, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 28 1952

Mr. C. O. Mittendorff
Acting Administrator
Interior Building
Washington, D. C.

Re: Docket DMa-991 - Exploration
Project Contract Idm-E149

Dear Mr. Mittendorff:

The original application for the Exploration Loan which has been granted was for exploration work in connection with our Tungstar Mine.

As stated in our letter requesting an extension for the completion of our exploratory program, we have been snowed off the top of Mt. Tom by what is now very evidently one of the worst snow winters for many decades. Consequently, no progress has as yet been made on the Exploration Loan.

We have come to the conclusion that we should request you to permit us to transfer the Exploration Loan from our Tungstar Mine to the "Hanging Valley Mine."

We have already started a tunnel one hundred feet below our present tunnel. Our objective for this new tunnel is to explore an area beyond a fault at the extreme end of our present tunnel. We have had this fault examined by competent engineers and they have recommended that we explore beyond it for additional ore bodies. We feel that the money for the Exploration Loan would be spent to much better advantage here than at the Tungstar Mine.

We are mailing to you under separate cover a map prepared by Charles Herron and also a tabulation of distances and estimated costs.

I discussed the probability of this transfer briefly with Mr. Miller here in Los Angeles and he suggested that I write you so that you might be able to discuss the matter with him next week when he arrives in Washington.

Sincerely yours,

Gayle Green

Gayle Green
General Manager

GG:BR

OFFICE OF THE ADMINISTRATOR

Contracts & Audits Copy.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 6 1952

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

February 1, 1952

Memorandum

To: Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-991, Tungstar-Hanging Valley Mining Company, Exploration Project Contract Idm-E149, Amendment No. 1

Due to the early and extra heavy snowfall in the Sierra Nevada Mountains at the Tungstar-Hanging Valley Mine, work had to be suspended almost before any progress whatsoever was made on the subject contract. Furthermore, because of the unprecedented snowfall, resumption of work probably cannot be effected until May 15 at the earliest, and possibly not until June 15.

As the contract dated September 19, 1951 called for completion of the work within four months, the company asked for an extension which has been granted by amending the contract so that the completion date will be 12 months after September 19, 1951, or September 19, 1952.

The original and three copies of the executed agreement are attached herewith. The applicant has retained one copy, and another copy is being retained for our files. We will expect to receive the finance officer's copy from you shortly.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to A. C. Johnson
E. H. Bailey, USGS

OK. GCS

400 FILE COPY
SURNAME:

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

OCT 26 1951

G.E.C.

Contract Service Section
General Accounting Office
4th Floor, New GAO Building
Washington 25, D. C.

Re: Docket No. DMA-991
Tungstar-Hanging Valley Corp.
Exploration Project Contract
Idm-E-149

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

(signed) FRANK E. JOHNSON (for)
Acting Director,
Production Expansion Division

J 10/26

Enclosure-1
FLKnouse/hmj

cc to: Reports and Records
Adm. Reading File
Messrs. Mittendorf, Olund
Mr. Knouse
Docket

Mr. Johnson

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.
OCT 19 1 38 PM '51

UNITED STATES
DEPARTMENT OF THE INTERIOR

~~BUREAU OF MINES~~

~~REGION III~~

DEFENSE MINERALS ADMINISTRATION

OFFICE OF
~~REGIONAL DIRECTOR~~
Executive Officer
DMA Field Team
Region III

1012 FLOOD BUILDING
870 MARKET STREET
SAN FRANCISCO 2, CALIFORNIA

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 2 2 1951
Defense Minerals Administration,
Production Expansion Division.

October 15, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, DMA, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-991, Tungstar-Hanging Valley Mining Company Exploration Project Contract Idm-E149

Reference is to your subject letter dated September 25. Attached are the original and three copies of the subject exploration contract.

The terms and conditions of the contract have been approved by Mr. George F. Temple, president, and the six copies of the contract sent to me have been signed by Mr. Temple.

One copy of the contract has been retained in the office of the Tungstar-Hanging Valley Mining Company and one copy is being retained in this office. We will expect to receive the Finance Officer's copy from you shortly.

H. C. Miller
Executive Officer, DMA Field Team
Region III

Attachment

Copy to: E. H. Bailey, USGS

OFFICIAL FILE COPY

To	Init.	Date
400	hl	10-22-51
210		

FILE COPY
SURNAME:

410

FE Johnson
Mittendorf

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

A.E.C.

Mr. H. C. Miller
Executive Officer
Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

SEP 25 1951

Re: Docket No. DMA - 991
Tungstar-Hanging Valley Corporation
Exploration Project Contract Id-E149

Dear Mr. Miller:

There is enclosed an original and five copies of the captioned Exploration Project Contract with attached Exhibit "A" and plan and section maps showing the proposed work.

The contract has been dated (Sept.19, 1951), and signed by me. Please contact the Operator and if the contract is satisfactory arrange for its execution by the Operator. On completion of the contract, the original and three copies with all attachments should be returned to my office. One copy should be given to the Operator and one copy retained in your files. The Washington Finance Section of the Bureau of Mines will forward a copy of the contract to the Field Finance Office with its instructions.

If you have any questions regarding this contract, please feel free to call on me.

Sincerely yours,

C. O. Mittendorf S.F. 9-25

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

APPROVED:

Tom Lyon

Chairman, Coordinating Committee

S Kayes

Member, Geological Survey

Member, Bureau of Mines

FEJohnson/meb
9/19/51
cc to: Admr's Reading Files
Reports & Records
Messrs.Mittendorf/Olund
Moon
Rove
Lyon
Miss Terry
FEJohnson
Docket

FILE COPY
SURNAME: 110

Guthrie

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

September 17, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: Tungstar-Hanging Valley Corporation exploration contract -- Docket No. DMA-991

The proposed exploration contract in this case is approved as to legal form and sufficiency for signature on behalf of the Government, subject to:

1. Proper signature by the applicant.

2. Proper dating before delivery.

3. Government approval of any subcontracts as required in paragraph 4.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/ema

Copy to: Reports & Records
R. R. Guthrie
J. L. Hofflund
Chron.

TUNGSTAR CORPORATION

6253 HOLLYWOOD BOULEVARD
HOLLYWOOD 28, CALIFORNIA
~~GRANGEXXXXX~~
Ho. 9- 2203

30 July 1951

George B. Holderer
Chief, Tungsten Branch
United States Dept. of the Interior
Defense Minerals Administration
Washington 25, D. C.

Re: DMA-991 - Tungsten

Dear Mr. Holderer:

Mr. H. B. Chessher, Post Office Box 889, Reno, Nevada, is the contractor who we referred to in our previous communications and conversations as being the contractor willing to undertake the job at $20.00 to $22.00 per foot of tunnel construction depending upon certain facilities furnished by us or by him. This is an informal contract due to our inability to give him a starting date.

Yesterday I had a personal interview with Mr. Chessher. He will not give us a firm price per foot until and unless he knows the financial setup is ready for him to begin and complete his contract. In other words, he will not give a firm figure until we have a contract in our hands for exploration.

The men he had lined up to do the job for Tungstar-Hanging Valley exploration tunnel have been put on other jobs. They cannot stand around without being paid. Yesterday he indicated that within a reasonable time, either those other jobs will be completed or he could re-call them for this job.

I trust I have made myself clear in this letter. The bid of $20.00-$22.00 per foot is tentative and is contingent upon a reasonably early starting date in 1951 which starting date is contingent upon the exploration contract.

We have been anxiously awaiting the papers to execute the contract-as time is running short.

Cordially,

TUNGSTAR-HANGING VALLEY MINING COMPANY

Ira L. Thomason

Ira L. Thomason

DEPARTMENT OF THE INTERIOR
Defense
AUG 1
Executive

ILT/d

FILE COPY
SURNAME:

340
Holderer
Selfridge

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

July 24, 1951

Mr. Ira L. Thomason
Tungstar-Hanging Valley Corporation
Room 705, Equitable Bldg.
6253 Hollywood Blvd.
Hollywood 28, California

In reply please refer to:
DMA-991 — Tungsten

Dear Mr. Thomason:

Reference is made to your telephone conversation of July 5 with Mr. Dwight M. Lemmon. He informed us that you had received an offer from a Reno contractor for driving the proposed adit at the Tungstar Mine. Were you able to secure a reasonable bid from him? We are holding in abeyance final decision on the Tungstar application until we hear from you.

Very truly yours,

George B. Holderer

jam

George B. Holderer
Chief, Tungsten Branch

GCSelfridge:awj

cc:File
Adm. Reading File
Reports & Records Unit
Mr. Holderer

DMA 991

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

Office of
Executive Officer
DMA Field Team
Region III

Air Mail

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 12, 1951

Memorandum

To: George N. Holderer, Defense Minerals Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: DMA-991 - Tungstar and Hanging Valley Mines, Inyo County, California.

Reference is made to my memorandum to you dated June 26, concerning subject docket.

Attached are four copies of a report "Tungstar and Hanging Valley Mines, Inyo County, California", by E. J. Matson, J.D. Warne, and Paul C. Bateman, dated June 27, 1951, giving the results of a field examination made at the request of Mr. P. R. Bradley, Jr., formerly Chief, Tungsten Branch, Defense Minerals Administration.

As a result of the examination by the Field Team, the Tungstar-Hanging Valley Corporation amended their original request for an exploration and development loan of $278,000. The amended application is in two parts: (1) a request for a $75,083.14 loan for equipment to begin operation of the Hanging Valley mine, and, (2) a request for Government participation of a $70,000 exploration program to reopen the Tungstar mine.

The report, however, does not contain any specific recommendations as to whether the loans should be granted.

H. C. Miller
Executive Officer, DMA Field Team
Region III

Attachment

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno

Copy by regular mail

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington
JUL 16 1951
Executive Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMA-991, Tungstar and Hanging Valley Mines

✓ 2068

Inyo County, California

(Tungsten)

E. J. Matson and J. D. Warne
U. S. Bureau of Mines

Paul C. Bateman
U. S. Geological Survey

June 27, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 16 1951
LABOON F. STROBEL
Executive Secretary

DMA-991, Tungstar and Hanging Valley Mines
Inyo County, California

(Tungsten)

In a letter dated May 14, 1951 to Mr. H. C. Miller, Executive Officer DMA Field Team, Region III, Mr. P. R. Bradley, Chief of the Tungsten Branch, requested a field examination of theTungstar and Hanging Valley mines, Inyo County, California. Mr. Bradley listed 7 questions which he requested the field team to answer. Included with the request for a field examination was a copy of an application by the Tungstar-Hanging Valley Corporation for a loan of $279,000 to explore and bring into production the Tungstar and Hanging Valley mines.

After conversations on May 28 between Mr. Ira L. Thomason of the Tungstar Corporation and Mr. Paul C. Bateman of the Geological Survey, and on June 6 between Mr. Thomason, Mr. Bateman and Mr. Gayle Green of Hanging Valley Tungsten Mines, the applicants amended their original request. The amended application is in two parts: (1) a request for a $75,083.14 loan for equipment to begin operation of the Hanging Valley mine, and (2) a request for government participation in a $70,000 exploration program to re-open the Tungstar mine.

The field examination of the deposit was made on June 20, 1951 by E. J. Matson and J. D. Warne of the Bureau of Mines and Paul C. Bateman and Howard Imholz of the Geological Survey. Mr. Mike Millovitch, discoverer of the Hanging Valley deposit, accompanied the engineers and geologists on the field examination.

Of Mr. Bradley's 7 questions, answers to questions 1, 2, 3, 4, 6, and 7 were prepared by the Bureau of Mines engineers. The reply to question 5 was prepared by Paul C. Bateman, and he has also posed and replied to the additional question: "What information can you develop bearing on the ore reserves in the Tungstar mine?"

---

1. Is the proposed Tungstar adit site suitable, in bedrock, with adequate shield from snow slides?

A suitable adit site can be found in an area of quartz schist bedrock sufficiently high on the side of a steep draw to be free from danger of snow slides. Nearby tram towers have stood unharmed by slides for several years, testifying to the safety of the site. An accurate survey has not been made and is requisite to selecting the exact location of the portal.

2. Is it preferable to drive an adit rather than re-open the shaft?

We recommend driving an adit rather than re-opening the shaft, because the cost of driving an adit is comparable to the cost of rehabilitating the shaft and would be more valuable in operating the mine. At the present time the shaft is inaccessible, and it can be examined only from the surface. Heavy metal plates, boards, and corrugated sheets cover the shaft, and only the upper portion can be seen. A concrete collar set extends about 5 feet below the surface, beneath which a caved area exists. Soundings made with a 100-foot tape indicate that the shaft is at least partly open to 100 feet, although at 50 feet some obstructions, perhaps pipes, project within the shaft. "Red" Johnson of Bishop states that the shaft was originally timbered from top to bottom. We saw no timbering in the visible part of the shaft, and it seems probable that part of the timber has burned and part sloughed into the bottom of the shaft.

A brief comparative summary of estimates of costs of driving an adit, and re-opening the shaft, sinking an additional 80 feet, and drifting 200 feet from it to the ore zone, are as follows:

Exploration from shaft. (Exclusive of headframe, hoist, etc.)

(a)	Retimbering and rehabilitating shaft from collar to 280-foot depth (280' @ $35.00 ft.)	$ 9,800.00
(b)	Deepening shaft from 280' to 360' (80' @ $100.00 ft.)	8,000.00
(c)	Driving 200' of cross-cut from shaft to ore body (200' @ $40.00 ft.)	8,000.00
	Total	$25,800.00

Exploration from adit.

(a)	Driving of 725 feet of cross-cut "adit" (725' @ $35.00 ft.)	$25,375.00

It was also learned from Mr. Carper, superintendent of the company, that a private firm has been negotiating for a contract to drive the adit. It would be desirable to acquire the actual contract cost from the applicant before final consideration.

3. What equipment, housing, labor, and supplies are necessary to re-open the Tungstar mine to explore for extension of the ore body, and what are the estimated costs?

The total estimate made by the applicant in the revised application seems to be of a reasonable order of magnitude. Some of the items listed in the docket appear to be high, while others are low. In order to arrive at a definite itemized statement the Tungstar management should be requested to supply bids by contractors for the work, including lists of materials furnished by each contractor and other necessary supplies and equipment not furnished by the contractor. By following this procedure, duplication of costs can be avoided.

4. If the tramway were repaired, what would the approximate cost be? How would ore from the Hanging Valley deposit be delivered to the tram?

Repair of the tramway is not requested in the amended docket.

5. What are the ore reserves in the Hanging Valley mine? Is it likely that they can be increased materially by exploration?

The Hanging Valley mine contains good-grade ore in small discontinuous segments bounded by easterly tremding bedding planes and by northerly trending fractures. Enclosed is a map (figure 1) of the Hanging Valley mine prepared in 1948 by Paul C. Bateman and showing the relation of the ore to fractures. The obscure bedding is not shown but may be assumed to strike easterly and dip steeply or vertically. Stoping since Bateman's map was prepared suggests that the ore segments have greater vertical than horizontal continuity.

The ore reserves as calculated by Van Vorhees seem to be of the right order of magnitude. Apparently he has calculated the ore tonnage by assuming that each ore segment extends upward to the surface and, where diamond drill holes intersect the segment at depth, downward to the drill hole. The grade is reasonably well established by milling to be about 1.20 percent WO_3. Following the procedure used by Van Vorhees, Bateman computes the ore reserves to be 7,000 tons containing about 8,500 units of WO_3. Obviously the mining of small ore segments such as these is costly, and considerable discrepancy may exist between the reserve tonnage and the tonnage of ore that can be profitably mined.

The mineralized beds are cut off to the west by quartz monzonite, and the quartz monzonite exposed in the west end of the adit may be the main mass. Judging from exposures northwest and southeast of the mine area the quartz monzonite contact trends northwesterly, but in detail is irregular both in trend and in dip. Exploration at depth may be expected to result in finding downward extensions of the ore exposed on the adit level, and the ore zone also may extend beneath talus farther east than the point where it is exposed on the adit level. However, no ore has been found in the bedrock exposed 2,000 feet east of the mine area beyond the talus. No reason is known for postulating greater continuity of the ore or higher scheelite content with depth.

6. Is the road construction which is requested actually a requirement of the Hanging Valley mine lease?

No, the requested road construction is not a requirement of the Hanging Valley mine lease.

7. Can ore be shipped over the present caterpillar trail from the Hanging Valley mine?

Yes, the ore can be shipped over the present caterpillar trail from either the Hanging Valley mine, or from the Tungstar mine.

8. What information can you develop bearing on the ore reserves in the Tungstar mine?

The accompanying figure 2, prepared by Paul C. Bateman, shows the geology of the Tungstar mine above the 280-level. All of the ore in this block is mined out. In 1946, before the mine installations burned, Bateman examined the ore on the 280-level but did not map the level. The approximate limits of the ore on the 280-level are shown on the plate. Bateman estimated at the time of his examination that the ore on this level contains less than 1.00 percent WO_3, and that the WO_3 content may be as little as 0.5 percent WO_3.

In 1949 Bateman also examined the cores of 6 diamond drill borings reportedly drilled from a "322-level". The exact position of these diamond drill holes is not established, but has been approximated from company sketches. According to these sketches and accompanying descriptions, the borings were drilled from a single station and in a plane across the ore body. Sketch Y in the original application shows the approximate position of the drill station and of the plane of the borings. The approximate positions of the drill station and the plane of the borings is also shown on the accompanying plate in connection with the map of the 280-level. Inasmuch as the plane of the borings nearly coincides with Section B-B' in the accompanying plate, the borings are shown in that section. The cores were logged by Bateman, and samples split from the cores under his direction were analyzed in the Bureau of Mines laboratories in Reno. The appended table summarizes the results of the drilling and of the analyses of the samples.

The weighted average of the analyses is 0.73 percent, which may be taken to represent the grade of the ore beneath the "322-level". In the plane of the drilling the ore body extends 30 feet beneath the "322-level". Conceivably the ore body could rake north or south, but the drill section is well centered with respect to the longer horizontal axis of the ore body, and no reason is known for believing that the rake of the ore body beneath the drill station is different from the near-vertical rake existing above the 280-level. The borings further show that in the plane of the diamond drilling the footwall of the ore body lies only a few feet west of the drill station. The thickness of ore at the drill station seems to be about 10 feet.

If the ore on the 280-level is 100 feet long and averages 15 feet wide, and on the "322-level" is 86 feet long, as stated by the applicant, and 10 feet wide, the block between the two levels will be about 5,000 tons of ore of unknown grade, but probably containing less than 5,000 units. If the ore continues beneath the "322-level" to an average depth of 30 feet and maintains the same horizontal dimensions assumed on the "322-level", beneath the level are 2,600 tons containing 1,900 units of WO_3. Thus the total reserves in the mine are calculated to be 7,600 tons containing not more than 6,900 units. The possibility that additional ore exists in downward extension of the ore body is thought to be small.

Tungstar mine
Drill holes from "322-level"

	Scheelite Fluorescence
Drill Hole No. 1 (80° dip)	
0-27 pyrite-feldspar-chlorite rock, containing some quartz	Fair to 20, 20-27 weak
27-57 med.-grained diorite	nil
Drill Hole No. 2 (Vertical)	
0-4 pyrite-feldspar rock	moderate
4-6½ diorite	nil
6½-8 pyrite-feldspar rock	weak
8-12 diorite containing pyrite	very weak
12-23 diorite	nil
Drill Hole No. 3 (70° dip)	
0-29 pyrite-feldspar rock	moderate to good
29-320 diorite	nil
Drill Hole No. 4 (60° dip)	
0-17 pyrite-feldspar rock	spotty, locally good
17-29 white silicate rock	nil
29-35 pyrite-feldspar rock	fair
35-39 diorite	nil
39-52 pyrite-feldspar rock	weak
52-65 diorite	nil
Drill Hole No. 5 (65° dip)	
0-27 pyrite-feldspar rock	moderate to 18, weak 18-27
27-107 diorite	nil
Drill Hole No. 6 (75° dip)	
0-30 pyrite-feldspar rock	moderate
30-110 diorite	nil

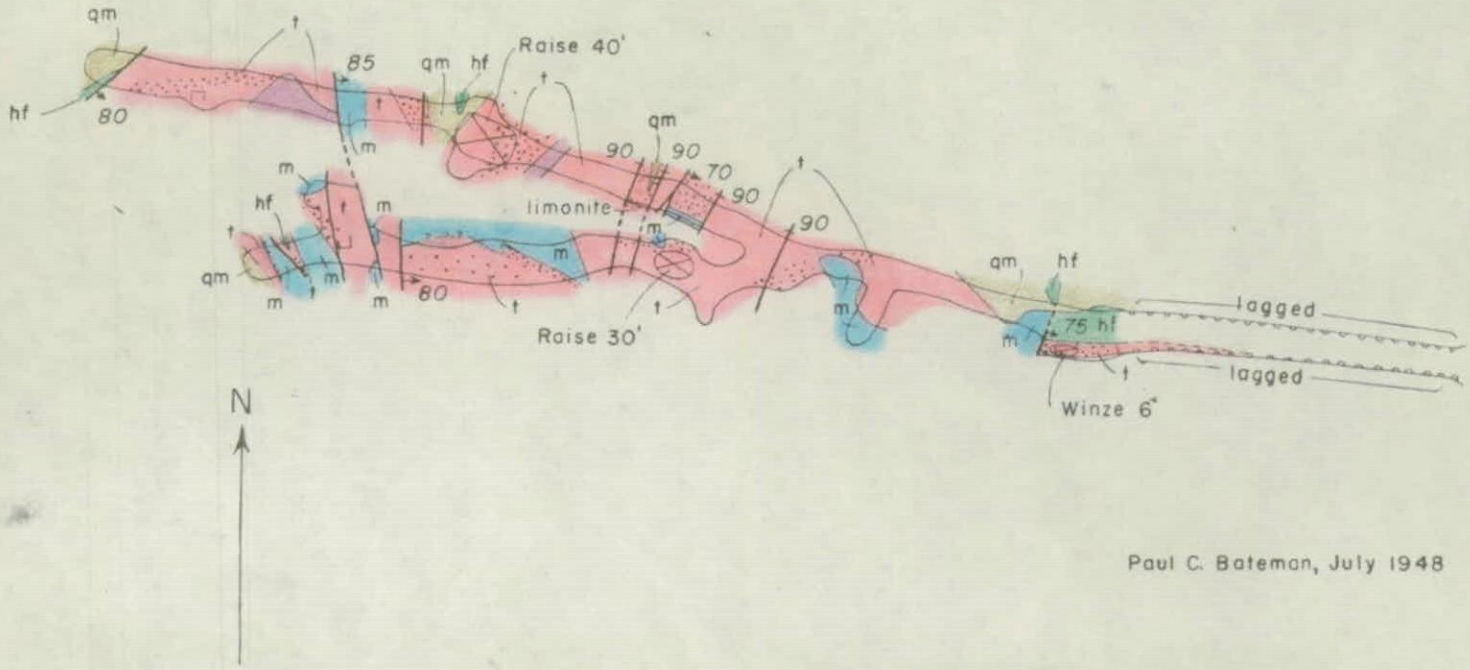
Samples

Sample Number	Drill Hole	Depth	Percent WO_3 *
1	1	0-10 feet	0.89
2	1	10-18	1.41
3	3	0-9	0.42
4	3	9-17	0.29
5	3	17-27	0.89
6	4	0-9	1.16
7	4	29-35	0.58
8	5	0-9	0.54
9	5	9-18	1.17
10	5	18-25	0.32
11	6	3-11	0.75
12	6	11-20	0.26
13	6	20-27	0.66

~~* The core samples have been submitted for analysis to the Bureau of Mines laboratories in Reno. When the results are available, they will be forwarded promptly.~~

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMA 991
(TUNGSTEN)



Paul C. Bateman, July 1948

EXPLANATION

Scheelite-bearing tactite

t
Tactite and light-colored calc-silicate rock

m
Marble

hf
Dark-colored hornfels

Quartz monzonite

Sulfides

Contact (dashed where approximately located)

70
Fault, showing dip
(Dashed where approximately located)

90
Vertical fault

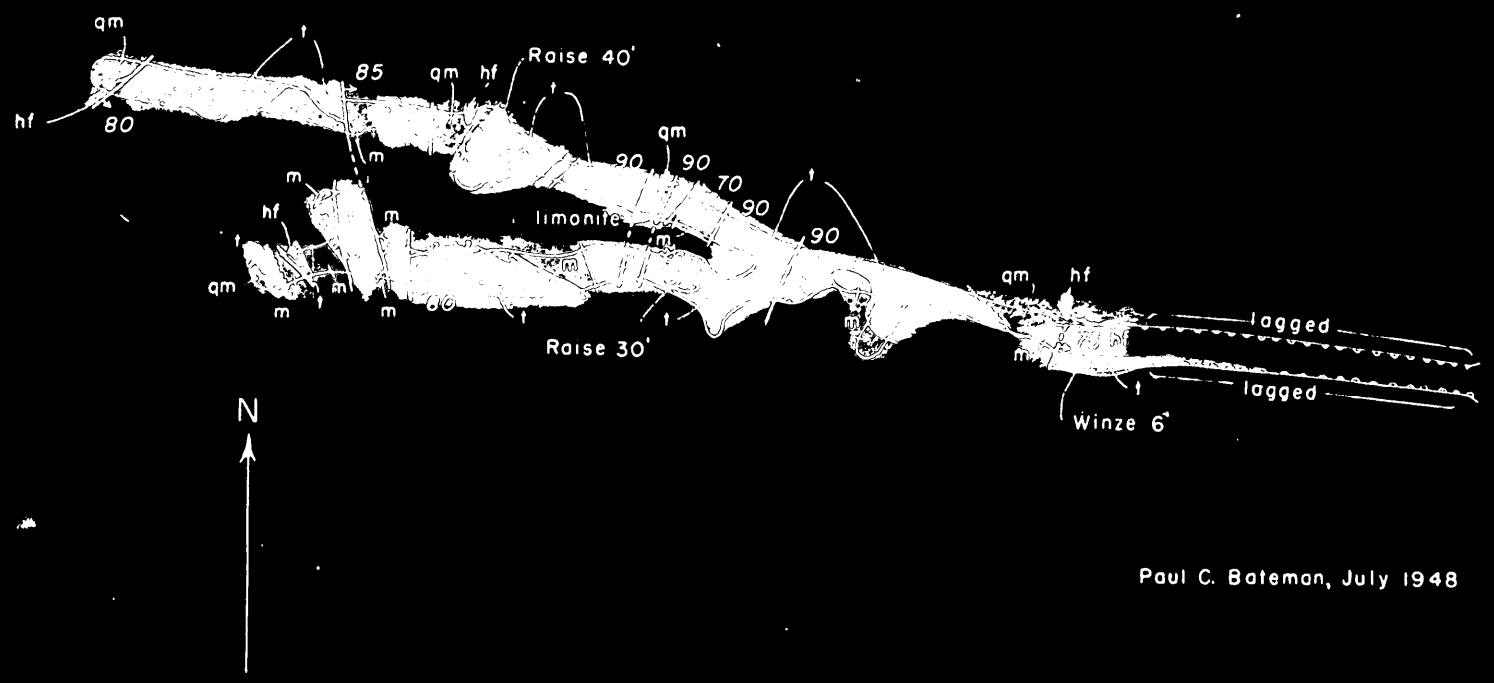
HIDDEN VALLEY MINE, INYO COUNTY, CALIFORNIA

0 40 80 120 Feet

DMA-991

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMA 991
(TUNGSTEN)



Paul C. Bateman, July 1948

EXPLANATION

Scheelite-bearing tactite

Tactite and light-colored calc-silicate rock

Marble

Dark-colored hornfels

Quartz monzonite

Sulfides

Contact (dashed where approximately located)

70
Fault, showing dip
(Dashed where approximately located)

90
Vertical fault

HIDDEN VALLEY MINE, INYO COUNTY, CALIFORNIA

0 40 80 120 Feet

DMA-991

incomplete unedited report for preliminary review. Final complete report to follow

DMA 991

TUNGSTAR AND HANGING VALLEY MINES

Inyo County, California

by

E. J. Matson and J. D. Warne, Bureau of Mines
and Paul Bateman, Geological Survey

In a letter dated May 14, 1951 to Mr. H. C. Miller, Executive Officer DMA Field Team, Region III, Mr. P. R. Bradley, Chief of the Tungsten Branch, requested a field examination of the Tungstar and Hanging Valley mines, Inyo County, California. Mr. Bradley listed 7 questions which he requested the field team to answer. Included with the request for a field examination was a copy of an application by the Tungstar-Hanging Valley Corporation for a loan of $279,000 to explore and bring into production the Tungstar and Hanging Valley mines.

After conversations on May 28 between Mr. Ira L. Thomason of the Tungstar Corporation and Mr. Paul C. Bateman of the Geological Survey, and on June 6 between Mr. Thomason, Mr. Bateman and Mr. Gayle Green of Hanging Valley Tungsten Mines, the applicants amended their original request. The amended application is in two parts: (1) a request for a $75,083.14 loan for equipment to begin operation of the Hanging Valley mine, and (2) a request for government participation in a $70,000 exploration program to re-open the Tungstar mine.

The field examination of the deposit was made on June 20, 1951 by E. J. Matson and J. D. Warne of the Bureau of Mines and Paul C. Bateman and Howard Imholz of the Geological Survey. Mr. Mike Millovitch, discoverer of the Hanging Valley deposit, accompanied the engineers and geologists on the field examination.

Of Mr. Bradley's 7 questions, answers to questions 1, 2, 3, 4, 6, and 7 were prepared by the Bureau of Mines engineers. The reply to question 5 was prepared by Paul C. Bateman, and he has also posed and replied to the additional question: "What information can you develop bearing on the ore reserves in the Tungstar mine?"

---

1. Is the proposed Tungstar adit site suitable, in bedrock, with adequate shield from snow slides?

A suitable adit site can be found in an area of quartz schist bedrock sufficiently high on the side of a steep draw to be free from danger of snow slides. Nearby tram towers have stood unharmed by slides for several years, testifying to the safety of the site. An accurate survey has not been made and is requisite to selecting the exact location of the portal.

2. Is it preferable to drive an adit rather than re-open the shaft?

We recommend driving an adit rather than re-opening the shaft because the cost of driving an adit is comparable to the cost of rehabilitating the shaft and would be more valuable in operating the mine. The examination of the shaft can only be made from the surface at the present time. Heavy metal plates, boards and corrugated sheets cover the shaft, and only the upper portion can be seen. A concrete collar set extends about 5 feet below the surface, beneath which a caved area exists. Soundings made with a 100-foot tape indicate that the shaft is at least partly open to 100 feet, although at 50 feet some obstructions, perhaps pipe, project within the shaft. "Red" Johnson of Bishop states that the shaft was originally timbered from top to bottom. We saw no timbering in the visible part of the shaft, and it seems probable that it has burned and sloughed into the bottom of the shaft.

A brief summary of estimated costs between driving an adit, and re-opening the shaft, sinking an additional 80 feet, and drifting 200 feet from it to the ore zone, are as follows:

Exploration from shaft

(a) Retimbering and rehabilitating shaft from collar to 280-foot depth (280' at $35.00 ft.)	$ 9,800.00
(b) Deepening shaft from 280' to 360' (80' at $100.00 ft.)	8,000.00
(c) Driving 200' of cross-cut from shaft to ore body (200' at $40.00 ft.)	8,000.00
Costs	$25,800.00

The above does not include costs of head frame, hoist, etc.

Exploration from adit

(a) Driving of 725 feet of cross-cut "adit" (725' at $35.00 ft.)	$25,375.00

It was also learned from Mr.Carper, superintendent of the company, that a private firm has been negotiating for a contract to drive the adit. It would be desirable to acquire the actual contract cost from the applicant before final consideration.

3. What equipment, housing, labor, and supplies are necessary to re-open the Tungstar mine to explore for extension of the ore body? and what are the estimated costs?

The total estimate made by the applicant in the revised application seems to be of a reasonable order of magnitude. Some of the items listed in the docket appear to be high, while others are low. In order to arrive at a definite itemized statement the Tungstar management should be requested to supply bids by contractors for the work, including lists of materials furnished by each contractor and other necessary supplies and equipment not furnished by the contractor. By following this procedure, duplication of costs can be avoided.

4. If the tramway were repaired, what would the approximate cost be? How would ore from the Hanging Valley deposit be delivered to the tram?

Repair of the tramway is not requested in the amended docket.

5. What are the ore reserves in the Hanging Valley mine? Is it likely that they can be increased materially by exploration?

The Hanging Valley mine contains good-grade ore in small discontinuous segments bounded by easterly-trending bedding planes and by northerly-trending fractures. Enclosed is a map (figure 1) of the Hanging Valley mine prepared in 1948 by Paul C. Bateman which shows the relation of the ore to fractures. The obscure bedding is not shown but may be assumed to strike easterly and dip steeply or vertically. Stoping since Bateman's map was prepared suggests that the ore segments have greater vertical than horizontal continuity.

The ore reserves as calculated by Van Vorhees seems to be of the right order of magnitude. Apparently he has calculated the ore tonnage by assuming that each ore segment extends upward to the surface and, where diamond drill holes intersect the segment at depth, downward to the drill hole. The grade is reasonably well established by milling to be about 1.20 percent WO_3. Following the procedure used by Van Vorhees, Bateman computes the ore reserves to be 7,000 tons containing about 8,500 units of WO_3. Obviously the mining of small ore segments such as these is costly, and considerable discrepancy may exist between the reserve tonnage and the tonnage of ore that can be profitably mined.

The mineralized beds are cut off to the west by quartz monzonite, and the quartz monzonite exposed to the west end of the adit may be the main mass. Judging from exposures northwest and southeast of the mine area the quartz monzonite contact trends northwesterly, but in detail is irregular both in trend and in dip. Exploration at depth should result in finding downward extensions of the ore exposed on the adit level, and the ore zone may extend farther east beneath talus than it is exposed on the adit level. However, no ore has been found in the bedrock exposed 2000 feet east of the mine area beyond the talus. No reason is known for postulating greater continuity of the ore or higher scheelite content with depth.

6. Is the road construction which is requested actually a requirement of the Hanging Valley mine lease?

No, the requested road construction is not a requirement of the Hanging Valley mine lease.

7. Can ore be shipped over the present caterpillar trail from the Hanging Valley mine?

Yes, the ore can be shipped over the present caterpillar trail from either the Hanging Valley mine or from the Tungstar mine.

8. What information can you develop bearing on the ore reserves in the Tungstar mine?

Figure 2, prepared by Paul C. Bateman, shows the geology of the Tungstar mine above the 280-level. All of the ore in this block is mined out. In 1946, before the mine installations burned, Bateman examined the ore on the 280-level, but did not map the level. The approximate limits of the ore on the 280-level are shown on the plate. Bateman estimated at the time of his examination that the ore on this level contains less than 1.00 percent WO_3, and that the WO_3 content may be as little as 0.5% WO_3.

In 1949 Bateman also examined the cores of 6 diamond drill borings reportedly drilled from a "322-level". The exact position of these diamond drill holes is not established, but has been approximated from company sketches. According to these sketches and accompanying descriptions, the borings were drilled from a single station and in a plane across the ore body. Sketch Y in the original application shows the approximate position of the drill station and of the plane of the borings. The approximate positions of the drill station and the plane of the borings is also shown on the accompanying plate in connection with the map of the 280-level. Inasmuch as the plane of the borings nearly coincides with Section B-B' in the accompanying plate, the borings are shown in that section. The cores were logged by Bateman, and samples split from the cores under his direction were analyzed in the Bureau of Mines laboratories in Reno. The appended table summarizes the results of the drilling and of the analyses of the samples.

The weighted average of the analyses is _____* percent, which may be taken to represent the grade of the ore beneath the "322-level". In the plane of the drilling the ore body extends 30 feet beneath the "322-level". Conceivably the ore body could rake north or south, but the drill section is well centered with respect to the longer horizontal axis of the ore body, and no reason is known for believing that the rake of the ore body beneath the drill station is different from the near-vertical rake existing above the 280-level. The borings further show that in the plane of the diamond drilling the footwall of the ore body lies only a few feet west of the drill station. The thickness of ore at the drill station seems to be about 10 feet.

If the ore on the 280-level is 100 feet long and averages 15 feet wide, and on the "322-level" is 86 feet long, as stated by the applicant, and 10 feet wide, the block between the two levels will be about 5000 tons of ore of unknown grade, but probably containing less than 5000 units. If the ore continues beneath the "322-level" to an average depth of 30 feet and maintains the same horizontal dimensions assumed on the "322-level", beneath the level are 2600 tons containing _____* units of WO_3. Thus the total reserves in the mine are calculated to be 7600 tons containing not more than _____* units. The possibility that additional ore exists in downward extension of the ore body is thought to be small.

* The core samples have been submitted for analysis to the Bureau of Mines laboratories in Reno. When the results are available, they will be forwarded promptly.

Tungstar Mine
Drill holes from "322-level"

	Scheelite Fluorescence
Drill Hole No. 1 (80° dip)	
0-27 pyrite-feldspar-chlorite rock, containing some quartz	Fair to 20, 20-27 weak
27-57 med.-grained diorite	nil
Drill Hole No. 2 (Vertical)	
0-4 pyrite-feldspar rock	moderate
4-6 1/2 diorite	nil
6 1/2-8 pyrite-feldspar rock	weak
8-12 diorite containing pyrite	very weak
12-23 diorite	nil
Drill Hole No. 3 (70° dip)	
0-29 pyrite-feldspar rock	moderate to good
29-320 diorite	nil
Drill Hole No. 4 (60° dip)	
0-17 pyrite-feldspar rock	spotty, locally good
17-29 white silicate rock	nil
29-35 pyrite-feldspar rock	fair
35-39 diorite	nil
39-52 pyrite-feldspar rock	weak
52-65 diorite	nil
Drill Hole No. 5 (65° dip)	
0-27 pyrite-feldspar rock	moderate to 18, weak 18-27
27-107 diorite	nil
Drill Hole No. 6 (75° dip)	
0-30 pyrite-feldspar rock	moderate
30-110 diorite	nil

Samples

Sample Number	Drill Hole	Depth	Percent WO_3 *
1	1	0-10 feet	
2	1	10-18	
3	3	0-9	
4	3	9-17	
5	3	17-27	
6	4	0-9	
7	4	29-35	
8	5	0-9	
9	5	9-18	
10	5	18-25	
11	6	3-11	
12	6	11-20	
13	6	20-27	

* The core samples have been submitted for analysis to the Bureau of Mine laboratories in Reno. When the results are available, they will be forwarded promptly.

Mr. Holder

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

Office of
Executive Officer
DMA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 3, Calif.

Air Mail

June 26, 1951

Memorandum

To: George N. Holder, Defense Minerals Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: DMA-991 - Tungstar and Hanging Valley Mines, Inyo County, California.

Reference is made to our telephone call of yesterday concerning subject investigation.

This morning Mr. Edgar H. Bailey of the Geological Survey loaned me a preliminary unedited copy of the conclusions arrived at by our engineers and geologists as a result of their examination of the subject mines. The conclusions are incomplete as the maps have not been completed or the results of the assays incorporated into them. I thought, however, that you might be interested in the tentative or preliminary conclusions, so am air mailing a copy to you at this time. The complete report will follow as soon as the maps are completed and the assay results are available.

H. C. Miller
Executive Officer, DMA Field Team
Region III

Attachment

Copy by regular mail

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 28 1951
LA[illegible] N F. SIR[illegible]L
Executive Secretary

FILE COPY
SURNAME:

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

Bradley
Ballard
Strobel 5/17

May 16, 1951

Hon. Clair Engle
House of Representatives
Washington 25, D. C.

In reply please refer to
DMA - 991

Dear Mr. Engle:

This will acknowledge your letter of May 7, 1951 concerning the status of the loan application of the Tungstar Corporation, Hollywood, California.

The application has been reviewed by the Tungsten Branch and was forwarded on May 14, 1951 to the Field Team for a field appraisal of the mine and the company's proposal.

As soon as their report is received, we can proceed with processing the application.

Sincerely yours,

JAMES BOYD
Administrator

TJBallard:ec

CC: Adm. Reading File
Mr. Strobel
Mr. Douglas
Mr. Bradley
Files

DMA - 991

FILE COPY
SURNAME:

Lommon
Bally
Gerhan
Gibson
Page

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

May 14, 1951

Tungstar Corporation and
Hanging Valley Tungsten Mines
Room 705, Equitable Building
6253 Hollywood Boulevard
Hollywood 28, California

Gentlemen:

We have carefully reviewed your application (docket number 991) for a loan of $279,000 to finance re-opening of your tungsten mines and mill in Inyo County, California.

The request for $30,000 to build an access road seems to us to be insufficient for the job. Therefore we have referred the matter to the Bureau of Public Roads for a field examination and estimate of cost. After a report has been received, decision will be made whether to build the road or repair the aerial tramway. It is not likely that both need be done.

You have not submitted a survey of the slope below the Tungstar mine to show the position of the proposed adit. We wonder if you have definite knowledge that there is a good site for an adit portal, in solid rock, or if the proposed portal would be in talus. Therefore, we are requesting that a field examination be made through Mr. H.C. Miller, Executive Officer, DMA field team Region 3, 1416 Appraisers Building, San Francisco. The examining engineer or geologist will consider the relative merits of an adit as opposed to re-opening the shaft.

We are doubtful about the content of WO_3 in the blocked-out ore remaining in the mine. Our records show that the last ore mined, in 1946 before the fire, was stockpiled at the mill where it was treated in 1947. From 2,235 tons treated, 1,025 units were recovered in low-grade concentrates, a yield of 0.46 unit per ton. Inasmuch as the amount and grade of ore is unknown, it seems proper to re-explore the bottom of the mine as economically as possible, and to postpone other capital expenditures for tram and mill until more is known about ore reserves.

The Defense Minerals Administration regards the re-opening of the Tungstar mine as an exploration project, and would consider a loan on a basis of 75 percent participation by the Government.

When the field examination of the Tungstar mine is made, an examination will also be made of the Hanging Valley mine to check the estimate of ore reserves.

We expect you will wish to consult with the field team about revision of your proposal to a step-by-step basis, with mine exploration preceeding arrangements for production.

Very truly yours,

Tom Lyon, Director
Supply Division

DMLemmon/mh

cd: Adm. Reading File
Mr. Lyon
Mr. Strobel
Mr. Bradley (2)
Field Team (2) Region III
Mr. Lemmon
Files

FILE COPY
SURNAME:

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

Lemmon
Bradley
Graham

File Sent To
5/22/51

May 14, 1951

Mr. H. C. Miller
Executive Officer, DMA Field Team, Region III
Room 1416 Appraisers Building
San Francisco, California

In reply please refer to
DMA - 991

Through: Coordinating Committee
Director, Supply Division

Dear Mr. Miller:

The Tungstar Corporation and Hanging Valley Tungsten Mines, now in process of merger, hold adjoining mines at an altitude of 12,000 feet west of Bishop, Inyo County, California. The Tungstar Corporation owns a 75-ton mill on Pine Creek at an altitude of 7,500 feet. An aerial tramway 11,800 feet long formerly connected the mine and mill. A fire at the mine on October 29, 1946 destroyed the Upper Terminal of the tram, all the mine buildings, and the vertical shaft, and the mine has not been worked since then. It is reported that the 280-foot shaft caved after the timbers were burned, and is now inaccessible.

The Corporation proposes to reopen the mine through an adit 800 feet long, planned to reach the ore zone at a depth of 365 feet below the collar of the shaft. The statement is made that ore blocked out below the 280-foot level by a winze and some drill holes amounts to 10,000 tons averaging 1 to 2 percent of WO_3. However, the last ore treated at the mill, believed to be representative of the developed block, yielded only 0.46 unit of WO_3 per ton.

The following record of production is compiled from reports submitted annually by the Corporation to the Bureau of Mines. The ore treated in 1947 was mined before the fire, and stockpiled at the mill.

Production from the Tungstar Mine

Year	Short Tons Ore	Units WO_3	Percent WO_3 Recovered
1939	966	609	0.63 Mill & Tram *
1940	12,595	18,977	1.50 New Mill
1941	14,141	16,190	1.14

* Hand operation of mine

Year	Short Tons Ore	Units WO_3	Percent WO_3 Recovered
1942	5,739	4,170	0.72 Ore from Stevens Orebody
1943	11,342	18,862	1.66
1944	19,774 (1.96)	31,260	1.60
1945	12,106	17,931	1.15
1946	* No production since Nov. 5, 1945*		
1947	2,235	1,025	0.46
1948	No. production		
1949	No. production		
1950	No. production		
Total	79,098 tons	105,624 units	1.33 WO_3

Hanging Valley Mine

The Hanging Valley Mine, located 1 mile southwest from the Tungstar Mine, is opened by an adit with 450 feet of irregular workings. The map of this adit, submitted by the applicant, does not give a clear picture of the geology of the ore deposit. Exploration has not been systematic. The surface was originally covered by deep talus. The owners claim that 3,000 tons averaging 1.25 percent of WO_3 have been mined, and that 7,600 tons averaging 1.18 percent of WO_3 remain in the workings as indicated ore. The basis of this estimate is not clear from the data submitted.

Proposal

The applicant requests a straight loan for the following:

1. Tramway towers required and cable restrung	20,000.00
2. Machinery, upper terminal	15,000.00
3. Upper terminal buildings and retaining walls	10,000.00
4. Bunk house, cook house	10,000.00
5. Gas reducer and engine house and [illegible]	5,000.00
6. Snow sheds and avalanche protection	3,000.00
7. Equipment bunk and cook house	5,000.00
8. Two 500 cu. ft. gas reducers	[illegible]
9. Two [illegible] ft. [illegible] (level)	4,000.00

10.	Shop equipment		[illegible],000.00
11.	Water, Oil and Fuel Tanks		2,000.00
12.	Mine Equipment - Hammers - Steners-Steel etc.		18,000.00
13.	Working Capital		30,000.00
14.	Mill Repairs and Supplies		10,000.00
15.	Roaster for concentrates and New Dryer		5,000.00
16.	Payments of Loans	$28,500.00	
	Accts Payable	26,500.00	
	Accrued Taxes	15,000.00	40,000.00

These loans were made on signatures of stockholders. There is no lien against the mill or mining property.

17.	Tunnel 800 feet	16,000.00
18.	Lumber	10,000.00
19.	Access Road	30,000.00
20.	Caterpillar Tractor	18,000.00
		$279,000.00

Conclusions of Transportation Committee

1. The request for a road was referred to the Bureau of Public Roads for an examination and estimate of cost. The Committee questions the applicant's estimate of $30,000 to build a truck road to the mines.

2. Consideration of the proposal for tram repair is deferred until Bureau of Public Roads reports on cost of road building.

3. Consideration of mill repairs is deferred until adequate ore reserves are developed and transportation is provided.

4. Defense Minerals Administration will consider an exploration loan for reopening of the Tungsten mine only on a participation basis. Available evidence suggests that the ore body is nearly worked out.

5. A field examination is necessary in connection with proposed exploration.

Field Examination Recommended

Lease arrange a field examination and conference to provide the following information:

1. Is the proposed Tungsten adit site suitable, in bedrock, with adequate shield from snow slides?

2. Is it preferable to drive an adit rather than re-open the shaft?

3. What equipment, housing, labor, and supplies are necessary to re-open the Tungstar mine to explore for extension of the ore body? and what are the estimated costs?

4. If the tramway were repaired, what would the approximate cost be? How would ore from the Hanging Valley deposit be delivered to the tram?

5. What are the ore reserves in the Hanging Valley mine? Is it likely that they can be increased materially by exploration?

6. Is the road constuction which is requested actually a requirement of the Hanging Valley mine lease?

7. Can ore be shipped over the present caterpillar trail from the Hanging Valley mine?

A copy of the original application is enclosed along with a copy of a letter to the applicant.

Very truly yours,

P. R. Bradley
P. R. Bradley, Jr.
Chief, Tungsten Branch

Enclosure

Approved:

Tom Lyon
Chairman, Coordinating Committee

. B. Moon
Bureau of Mines

J Layer
Geological Survey

DRLemmonies
cc: Adm. reading file
Mr. Lyon
Mr. Bradley
Files
Mr. Strobel
Mr. Lemmon
Field Team III

Clair Engle
2D DISTRICT, CALIFORNIA

HOME ADDRESS:
RED BLUFF, CALIFORNIA

OFFICE ADDRESS:
1033 HOUSE OFFICE BUILDING

Congress of the United States
House of Representatives
Washington, D. C.

Mr. Bradley
CHAIRMAN
SUBCOMMITTEE:
Irrigation-Reclamation

COMMITTEES:
INTERIOR AND INSULAR AFFAIRS
PUBLIC LANDS
MINES AND MINING

Dma 991
ans J J Ballard Sec
5-16-51

May 7, 1951

Dr. James Boyd
Director
Defense Minerals Administration
Bureau of Mines
Washington, D. C.

Dear Dr. Boyd:

I will appreciate it if you will send me a status report on the loan application filed by the Tungstar Corporation at Hollywood, California, your file, Docket 991.

Sincerely yours,

Clair

CLAIR ENGLE, M. C.

CE:mg

FILE COPY
SURNAME:

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

April 17, 1951

Mr. George F. Temple, President
Tungstar Corporation and Hanging
Valley Tungsten Mines
Room 705 Equitable Building
Hollywood 28, California

Subject: DMA-991
Re: Mt. Tom Tungstar
Millsites
Loan

My dear Mr. Temple:

Receipt is acknowledged of your application and attachments of March 30 from the TUNGSTAR CORPORATION AND HANGING VALLEY TUNGSTEN MINES for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 991 and referred to Mr. P. R. Bradley, Chief, Tungsten Branch, on April 16.

In any future correspondence relating to your application, kindly refer to DMA-991.

Sincerely yours,

A.E.C.

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
copies to Strobel 2
files ✓
Mr. Bradley
Mr. Lyon

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

For Approval

Docket No. 991-Exploration

Commodity Tungsten

Total Amount $70,000

Govt. Participation 75% $52,500

1. Name and Address of Applicant Tungstar-Hanging Valley Corporation, Room 705 Equitable Bldg., 6253 Hollywood Blvd., Hollywood 28, California

2. Location of Property Tungstar Mine, Mt. Tom, 1, 2, 3, & 4 lode mining claims, Bishop Mng. Dist., Inyo County, California.

3. Mineral or metal Tungsten Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good Good

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable? No

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Ye

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Fair

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable? NO

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? No, not in 60-75 days estimated by applicant

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? This application is somewhat incomplete. The tunnel proposed could gain an additional 100 ft. or more of depth in the orebody with little increase in length if a suitable site can be found lower down the slope.

In order to expedite final processing of this application, it is necessary to send to PED before completion of some details

Reviewed by: J. A. Ballard

Robert Holden

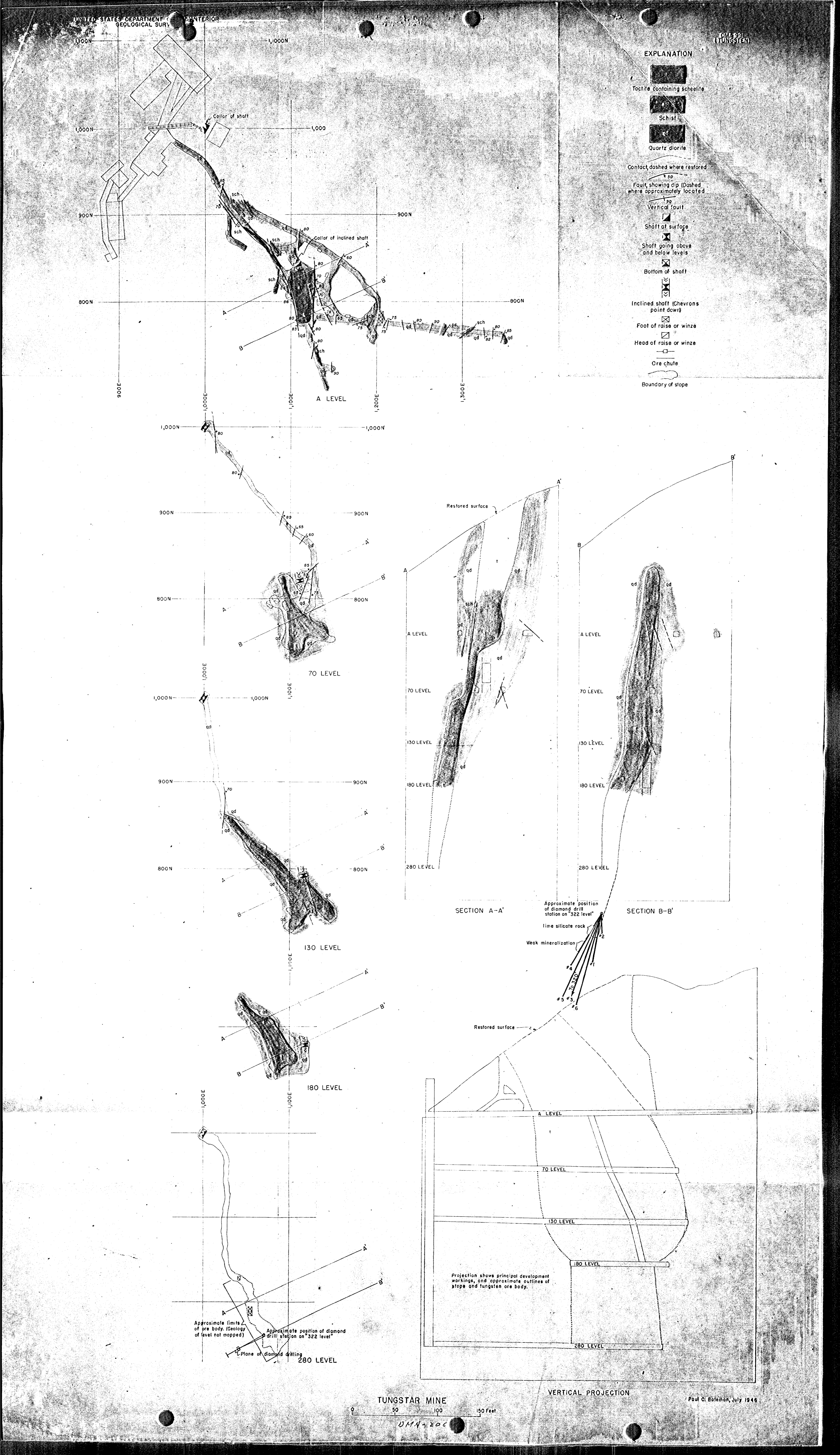
Date 8/16/51

Approved
Jon Lyon

INT.-DUP. SEC., WASH., D.C. 99009

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DM 39
(TUNGSTEN)



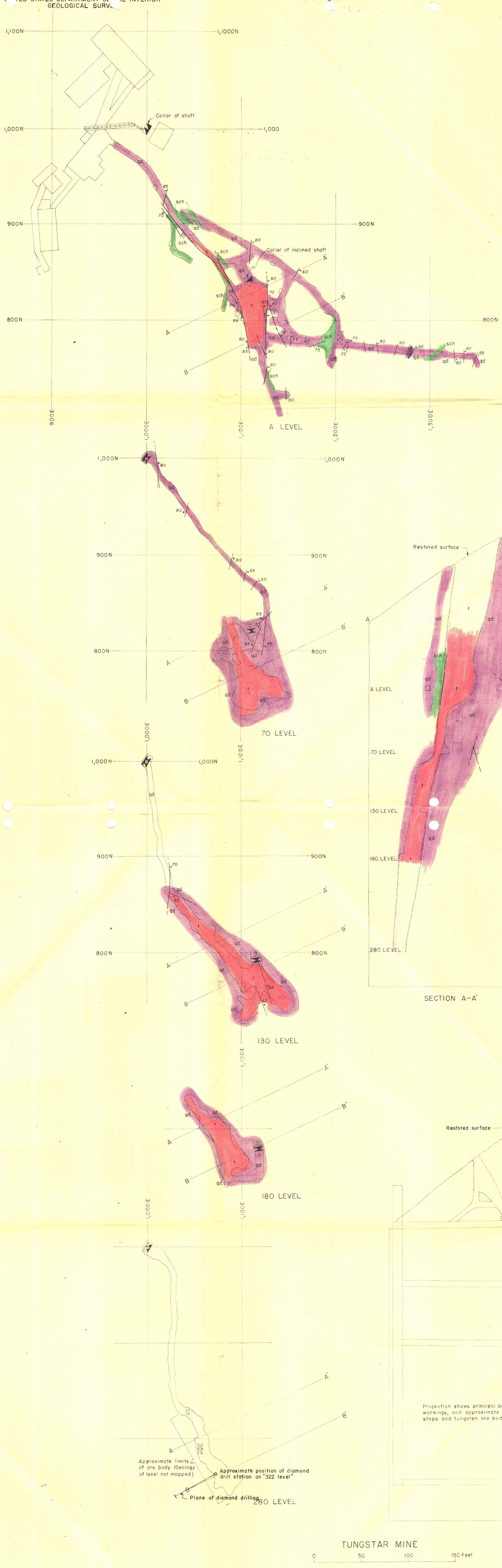
TUNGSTAR MINE

Paul C. Bateman, July 1946

DMN-20C

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMA 991
(TUNGSTEN)



EXPLANATION

t — Tactite containing scheelite

sch — Schist

qd — Quartz diorite

Contact, dashed where restored

Fault, showing dip (Dashed where approximately located

Vertical fault

Shaft at surface

Shaft going above and below levels

Bottom of shaft

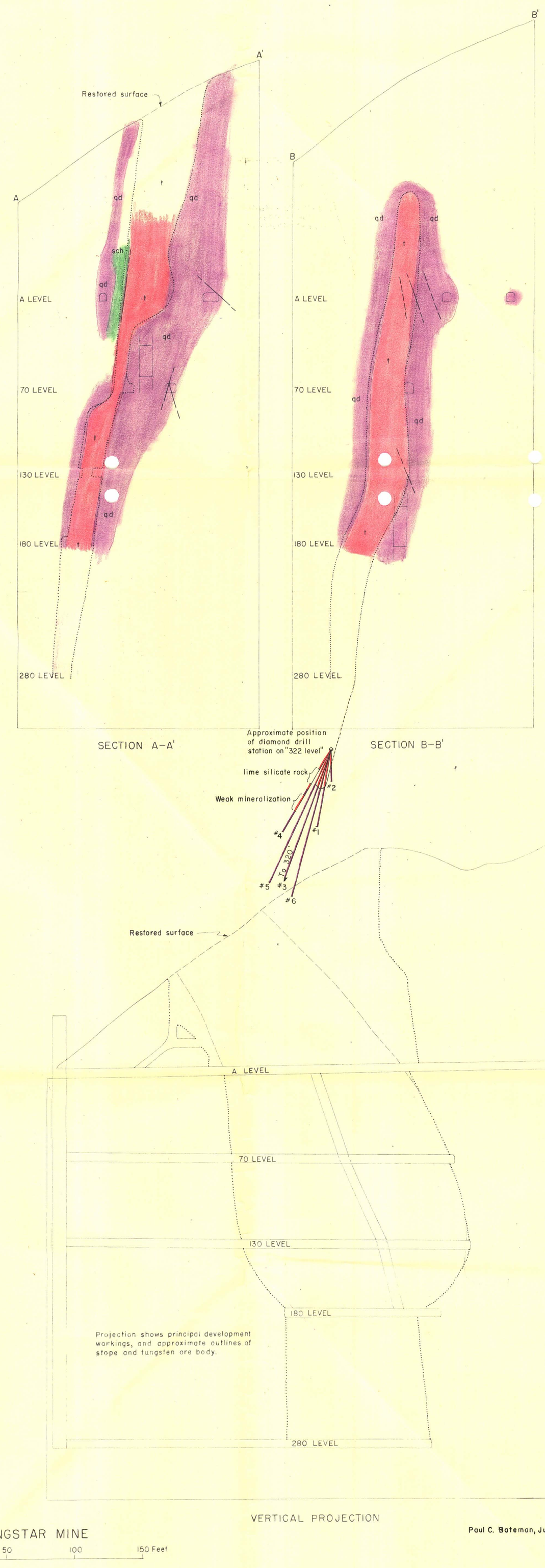
Inclined shaft (Chevrons point down)

Foot of raise or winze

Head of raise or winze

Ore chute

Boundary of stope



VERTICAL PROJECTION

TUNGSTAR MINE

0 50 100 150 Feet

Paul C. Bateman, July 1946