400

October 5, 1955

MEMORANDUM

To: Chief, Iron and Ferro-Alloys Division, DMEA
Through: Acting Chief, Branch of Ferrous Metals and Ferroalloys

From: Commodity Analyst - Tungsten

Subject: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The application is for $13,200.00 for diamond drilling. In view of the previous Bureau work (R. I. 4475) and the Field Team's recommendation for denial of this application, I concur in the recommendation.

R. W. Holliday

cc: Mr. Holliday
Ferrous Metals Division
Mr. Martin

RWHolliday/ls

400

OCT 5 - 1955

Manor Mining Corporation
P. O. Box 3
Darwin, California

Re: Docket No. DMEA 3853 - Tungsten
Silver Reef Mine
Inyo County, California

Gentlemen:

Your application for aid for an exploration project and other data available to us in Washington concerning the above-referenced property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of our information, although noting a small amount of tungsten mineralization in open pits, surface trenches, and underground workings on the Silver Reef claims, indicates to us that the probability of disclosing minable tungsten ore reserves by your program is not sufficiently promising to justify Government participation. Under these circumstances, we regret to advise you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Exploration Administration program and for bringing this property to our attention.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
W. McInnis, USBM
FT, Reg. 2

SPHolt/ls
9/28/55

OCT 5 - 19[illegible]

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $13,200.00
Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The denial of the subject application is recommended by this Division based on the following information:

(1) The applicant, Manor Mining Corporation, P. O. Box 3, Darwin, California, requested exploration assistance in the amount of $1,320.00 for 1,650 feet of diamond drilling in the Silver Reef Mine.

(2) The applicant controls, by sub-lease from Ross Finley, Nancy Finley, Tom Vignich and Benjamin Eyer, lessees from the owners, Wallace V. Campbell and the M. J. Summers estate, the following unpatented lode mining claims:

Silver Reef No. 1, Silver Reef No. 2, and Silver Reef No. 3, situated in Secs. 25 and 36, T. 19 S., R. 40 E., and Secs. 30 and 31, T. 19 S., R. 41 E., M. D. B. & M., New Coso Mining District, south of Darwin, Inyo County, California.

(3) The program proposed is to diamond drill inclined and vertical holes, 600 to 1,000 feet deep, in an area at the north end of the Silver Reef No. 2 claim.

(4) In the area explored by the Silver Reef mine, sparse tungsten mineralization occurs as erratically distributed blebs and crystals of scheelite in hornfels and tactite.

(5) Analyses and descriptions of six samples taken in connection with the Field Team examination are as follows:

Sample No.	Analysis WO_3, %	Description
1	0.01*	Grab of sorted ore hauled to sorting plant from lower north adit on Silver Reef No. 2 claim.
2	0.01	Grab of coarse ore (plus 1-inch size) to sorting plant.
3	2.12**	Grab of coarse shipping ore (plus 1-inch size).
4	0.85**	Grab of fine shipping ore (minus 1-inch size).
5	0.79	Chip sample across 1.5 foot width of surface open cut showing mineralization at portal of lower north adit.
6	0.01	Grab of "run of mine" ore from open cut at portal of lower north adit.

* Less than
** Grade of shipping product after two hand sorting operations, with about a 15-1 ratio of concentration. The grade of material mined is too low to allow a profit.

Study of the Field Team report, with the above analyses, and reference to footnote (**), indicates little probability that minable bodies of tungsten ore will be discovered by work under the applicant's proposed program.

(6) The Field Team concludes that there is little probability of making a significant discovery and recommends denial. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

(S)

W. S. Martin, Chief
Iron and Ferro-Alloys Division

SPHolt/ls

cc: Docket
Adm. Read. File
Code 400
Oper. Comm.

Code 400

October 3, 1955

Memorandum

To: Chief, Iron and Ferroalloys Division - DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys

From: Commodity Specialist

Subject: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The applicant proposed a program consisting of 1,650 feet of diamond drilling. The estimated cost is $13,200 of which the Government's share would be $9,900.

The property was explored by the Bureau of Mines in 1941 with no significant discovery of tungsten made from 2,472 linear feet of trenching. The Field Team report concludes that the claim consists of erratically distributed blebs and crystals of scheelite in hornfels and tacnite with little probability of finding minable bodies of tungsten ore with the proposed program. I, therefore, concur with the Field Team's recommendation that the proposed program be denied.

R. W. Halliday

RWHolliday/jbr

Copy to Ferrous Metals (2)
~~Division of Minerals (2)~~
Files

IN REPLY REFER TO:

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
SEP 20 1955

September 19, 1955

Re: DMEA 3853
Manor Mining Corp.
Silver Reef Mine
Inyo Co., California
$13,200 - Tungsten

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Report.

Copy retained 200

The application pertains to further work on a property from which small and intermittent production has been obtained in the past. The property was explored by the U. S. Bureau of Mines in 1941 (R. I. 4475). No significant discovery was made and no defined target has been afforded by subsequent work, though small scale operations have been productive of some scheelite from small irregular ore bodies.

I concur with the denial recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/19/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
R. Holliday, 3513

400

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

RECEIVED
SEP 14 1955

1605 Evans Avenue
Reno, Nevada

September 12, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

Reference is made to your letter of June 24, 1955 relative to field examination of above subject property.

Attached are four copies of a report by H. K. Stager, Geological Survey and J. D. Warne, Bureau of Mines in which it is recommended that the application for exploration aid be denied.

Roscoe Smith and I concur in the recommendations.

S. Ricker

Attach.

SRicker:gh
cc: R. M. Smith
File

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SEP 14 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA-3853, Manor Mining Company
The Silver Reef Mine
Inyo County, California

H. K. Stager,
Geologist
U. S. Geological Survey

J. D. Warne
Mining Engineer
U. S. Bureau of Mines

September 8, 1955

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ILLUSTRATIONS

Fig. 1 - Location map, Silver Reef Mine, Inyo County, Calif.

Fig. 2 - Claim map

Fig. 3 - Geologic sketch map

INTRODUCTION

The Manor Mining Company, P. O. Box 3, Darwin, California applied for Government assistance in a $13,200 program under the Defense Minerals Exploration Administration, docket Number 3853, to explore for tungsten on their Silver Reef claims, also known as the Mickey Sommers Claims, Inyo County, California. The applicants wish to explore for lenses of scheelite-bearing hornfels and tactite in limestone with a program consisting of about 1,650 feet of diamond drilling.

A field examination was requested by the Operating Committee, and was made by J. D. Warne of the Bureau of Mines and H. K. Stager of the Geological Survey on August 4 and 5, 1955 accompanied by Mr. Tom Vignich, mine superintendent, and Mr. Bernard Kuhn, secretary, of the Manor Mining Company.

The open pits and underground workings were inspected and mapped. Six samples were taken to check the grade of the tungsten-bearing material that was exposed in the workings and being processed through the crushing and sorting plant on the property.

The property was explored by the U. S. Bureau of Mines in 1941 (R. I. 4475). A total of 2,472 linear feet of trenching was done by the Bureau and 223 surface samples and 49 samples from underground workings were taken and assayed. This work did not result in the discovery of any minable ore bodies.

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CONCLUSIONS AND RECOMMENDATIONS

The tungsten deposit on the Silver Reef claims consists of erratically distributed blebs and crystals of scheelite in hornfels and tactite. The results of the examination indicate that although the deposit contains a few hundred tons of scheelite-bearing material that may be concentrated to yield an ore grade product, there is little probability of finding minable bodies of tungsten ore with the proposed program.

The applicants proposed a program consisting of 1,650 feet of diamond drilling to search for scheelite-bearing material. The estimated total cost of the proposed program is $13,200 of which the Government's share would be $9,900.

The lack of a definite target, and the character of the tungsten-bearing material exposed on the claims, make a drilling program impracticable for exploration of this type of deposit, and as other methods would be more costly, no other program is warranted.

We recommend that Government assistance under the DMEA program be denied.

LOCATION, ACCESSIBILITY, AND LOCAL RESOURCES

The Silver Reef Mine is located in the New Coso Mining District, south of Darwin, Inyo County, California (Fig. 1). The mining claims are in secs. 25 and 36, T. 19 S., R. 40 E., and secs. 30 and 31, T. 19 S., R. 41 E., M.D.B.&M.

Darwin is reached by automobile by a 6-mile branch oil-surface road south from State Highway No. 190 leading southward from Lone Pine a distance of 33 miles. A fair gravel road leads south a distance of 2.4 miles from Darwin to the mine.

The claims are situated at about 4600 feet in elevation in foothills along the western slope of the Argus Mountain range. Typical desert weather prevails in the region, with hot summers and mild winters. Water for mine use must be hauled a distance of about 25 miles from near Keeler, California; however, a limited supply of water for domestic use is furnished at Darwin. Small mine supplies can be obtained locally or from the Los Angeles area about 200 miles distant.

HISTORY AND PRODUCTION

Tungsten was first mined at the Silver Reef mine property in 1941 when the Pacific Tungsten Co. began development work in the district. The claims were originally located September 5, 1937 by M. J. Summers (deceased); they are now held by the Summers estate and W. V. Campbell. The present operators, known as the Manor Mining Corp., hold a sublease on the property which was acquired on May 1, 1955.

Records of total production from the property are not available; but only a small amount of mining has previously been done. Mr. Ross Finley and Tom Vignich, the original leasors, shipped 82 tons of ore

containing 0.82 percent WO_3; and a Mr. G. F. Lund, a former sub-leasor, shipped 150 tons of ore which assayed 0.76 percent WO_3.

Present operators now employ five men, who are engaged in removing small quantities of ore left in previous workings near the surface and in sorting the ore to improve its grade. Their total production to date has been 87.5 tons of sorted ore of unknown grade, from which 5800 lbs. of concentrates were derived containing from 49 to 66 percent WO_3, with a gross value of $9,620.

PROPERTY AND OWNERSHIP

Three unpatented mining claims, Silver Reef Nos. 1 to 3 inclusive (Fig. 2) comprise the property owned by the M. J. Summers estate and Wallace V. Campbell of Darwin, Calif. The Manor Mining Corp., the applicants and present operators, secured the property from Mr. Ross Finley and Nancy L. Finley, Tom Vignich, and Benjamin Eyer of Darwin, Calif., the lessees.

The Manor Mining Corp. is now operating on a small scale under the supervision of Mr. Bernard Kuhn, Secretary-Treasurer. The applicant has had no previous mining or exploration experience, and he is not believed to be capable of properly planning or supervising an exploration project.

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DEVELOPMENT

Surface facilities consist of a small 4-ton crushing and sorting plant, a 10 by 10 feet tool shed, and three ore storage bunkers. Mining equipment consists of a Thor jackhammer with mounting, a 105 c.f.m. Ingersoll Rand compressor, a 4-wheel drive dump truck, and miscellaneous hand tools.

Underground development (see Fig. 3) consists of three shallow adits which explore a tungsten mineralized zone at various elevations on the Silver Reef No. 3 claim; the north-south 248-foot Mickey Summers adit on Silver Reef No. 2 claim which has several short crosscuts. (This adit is nearly barren of tungsten mineralization along its entire length with the exception of a single spot near its portal); a shallow adit (partially caved) which has been stoped to the surface on the Silver Reef No. 3 claim; and numerous other shallow open cuts and trenches.

GENERAL GEOLOGY

The Silver Reef claims are in an area of moderate relief on the southwest flank of the Darwin Hills. The rocks exposed in the vicinity are chiefly limestone and hornfels and are part of the Keeler Canyon formation of Pennsylvanian-Permian age. These rocks have been intruded, and in places overturned, by granitic rocks of the Darwin Stock of Cretaceous age.

The limestone in the mine area is from light gray to dark blue, fine-grained, and thin bedded. It is locally interbedded with thin beds of light brown to gray-green hornfels and dark brown tactite. It is within the hornfels and tactite that the tungsten-bearing material occurs.

The granitic rock is a dark-rusty-brown quartz monzonite that occurs as sills and dikes in the metamorphic rocks (fig. 3).

The metamorphic rocks in general trend north and dip about 45° W. Locally they are folded, contorted, and overturned. There are numerous cross fractures in the metamorphic rocks that strike E-W and dip about 60° N. In places these fractures are coated with thin films of scheelite but they appear to have had but little control in tungsten deposition.

TUNGSTEN DEPOSITS

The tungsten-bearing bodies are in small irregular calc-hornfels and tactite layers near the contact of quartz monzonite with the sedimentary rocks. Although hornfels and tactite are common over much of the mine area, they are tungsten-bearing only locally. Concentrations of tungsten-bearing material from a few inches to as much as 20 feet in diameter, and from a few inches to about 10 feet thick have been mined near the north end of the Silver Reef No. 2 and 3 claims (fig. 3).

Scheelite, the only tungsten mineral that was seen, is disseminated in the hornfels and tactite as coarse crystals and blebs as much as several inches in diameter. These masses of pure scheelite, although spec-

tacular when viewed under ultraviolet light, are widely separated in the host rock and the overall grade of the material in the deposit, across mining widths, is probably about 0.3 percent WO_3. Gangue minerals are calcite, idocrase, diopside, garnet, quartz, and locally pyrite and secondary copper minerals.

About 2,500 tons of ore that contained about 0.4 percent WO_3 was produced by leasers during 1953 and 1954. Most of this ore was mined from an adit at the south end of the Silver Reef No. 3 claim (not mapped). Between May 1 and July 31, 1955 the present operators shipped 87.5 tons of sorted ore that contained about 3 percent WO_3. This ore was mined from an open cut near the northeast corner of the Silver Reef No. 2 claim (fig. 3).

SAMPLING

Analysis and descriptions of six samples taken in connection with this examination, which are located in fig. 3, are as follows:

Sample No.	%, WO_3	Description
1	0.01*	Grab of sorted ore hauled to sorting plant from lower north adit on Silver Reef No. 2 claim.
2	0.01	Grab of coarse ore (plus 1-inch size) to sorting plant.
3	2.12**	Grab of coarse shipping ore (plus 1-inch size).
4	0.85**	Grab of fine shipping ore (minus 1-inch size).
5	0.79	Chip sample across 1.5 foot width of surface open cut showing mineralization at portal of lower north adit.

Sample No.	%, WO_3	Description
6	0.01	Grab of "run of mine" ore from open cut at portal of lower north adit.

*Less than.

**Grade of shipping product after two hand sorting operations, with about a 15-1 ratio of concentration. The grade of material mined is too low to allow a profit.

ORE RESERVES

Except for a few hundred tons of tungsten-bearing material, that contains from 0.1 to 0.8 percent WO_3, exposed in shallow pits and trenches on the Silver Reef No. 2 claim, there are no measured or indicated reserves on the property. Inferred reserves may total as much as 2,000 tons of material containing about 0.3 percent WO_3 in pods and lenses similar to those that have been mined. From this low grade material perhaps 200 tons averaging 2 percent might be sorted. These reserves may be found by following the mineralized streaks and lenses exposed in the present pits or by trenching the other scheelite-bearing outcrops in the area.

PROPOSED EXPLORATION

The applicants have proposed an exploration program consisting of 1,650 feet of AX diamond core drilling. This work would be confined to the area at the north end of the Silver Reef No. 2 claim (figs. 2 and 3) and would consist of inclined and vertical holes from 100 to 600 feet in depth to search for scheelite-bearing hornfels and tactite lenses. They

estimate the cost of the work would be about $13,200.

The hornfels and tactite that are the host rocks for the scheelite are widespread on the Silver Reef claims but are tungsten-bearing only locally. Within the host rock the scheelite occurs as widely spaced blebs and crystals. To determine if a hornfels or tactite layer cut by a drill hole indicated the presence of an ore body would be difficult if not impossible. To drill for poorly defined targets of this character would require a great number of closely spaced holes and the cost would exceed by many times the value of the ore that can be inferred. Underground exploration by adit or shaft, as has already been attempted without success, would likewise cost more than the value of the ore reserves that can be inferred from present exposures.

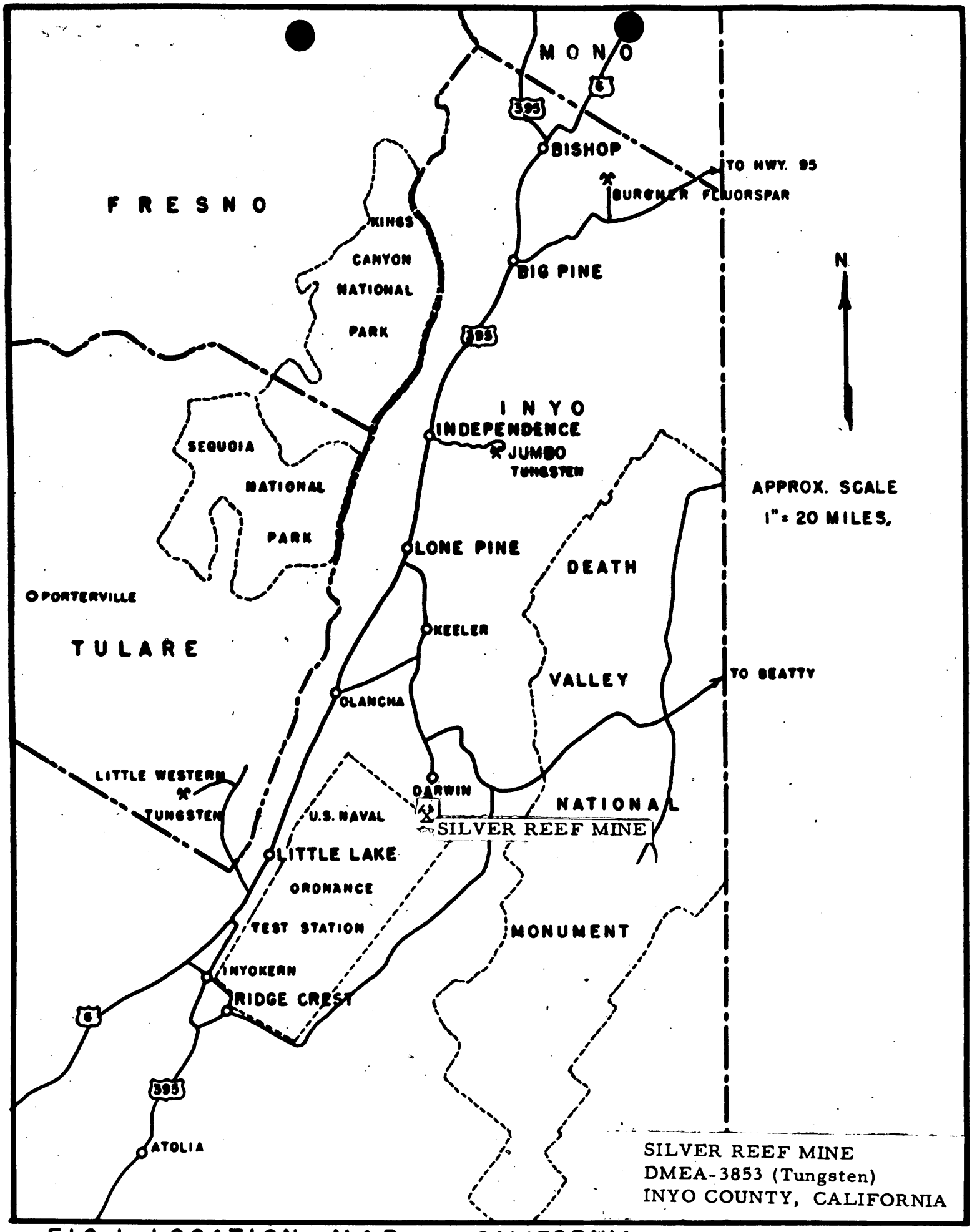

FIG. 1. LOCATION MAP. CALIFORNIA

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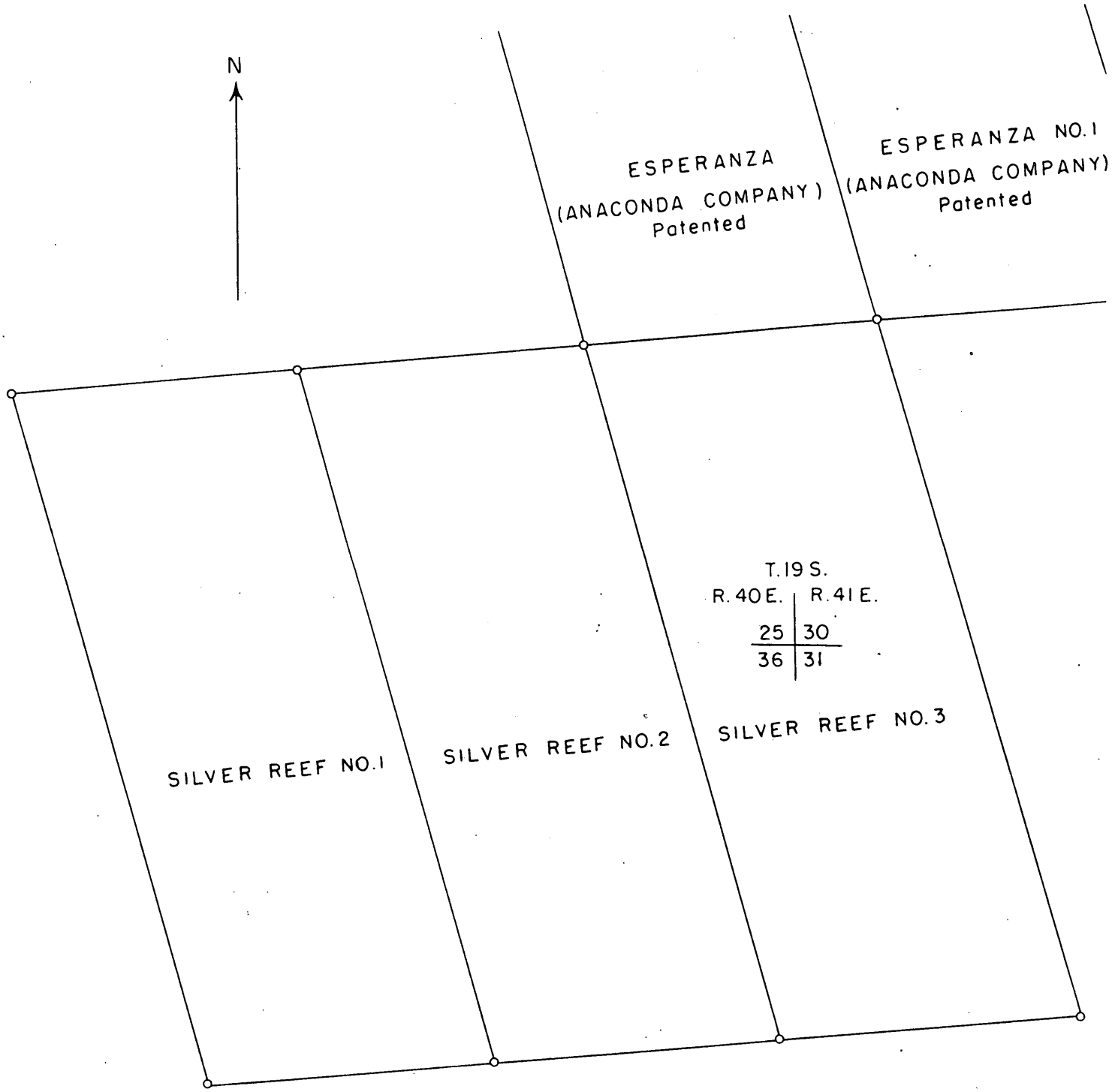

CLAIM MAP OF THE SILVER REEF CLAIMS, MANOR MINING CO.
INYO COUNTY, CALIFORNIA

300 0 300 600 Feet

Figure 2

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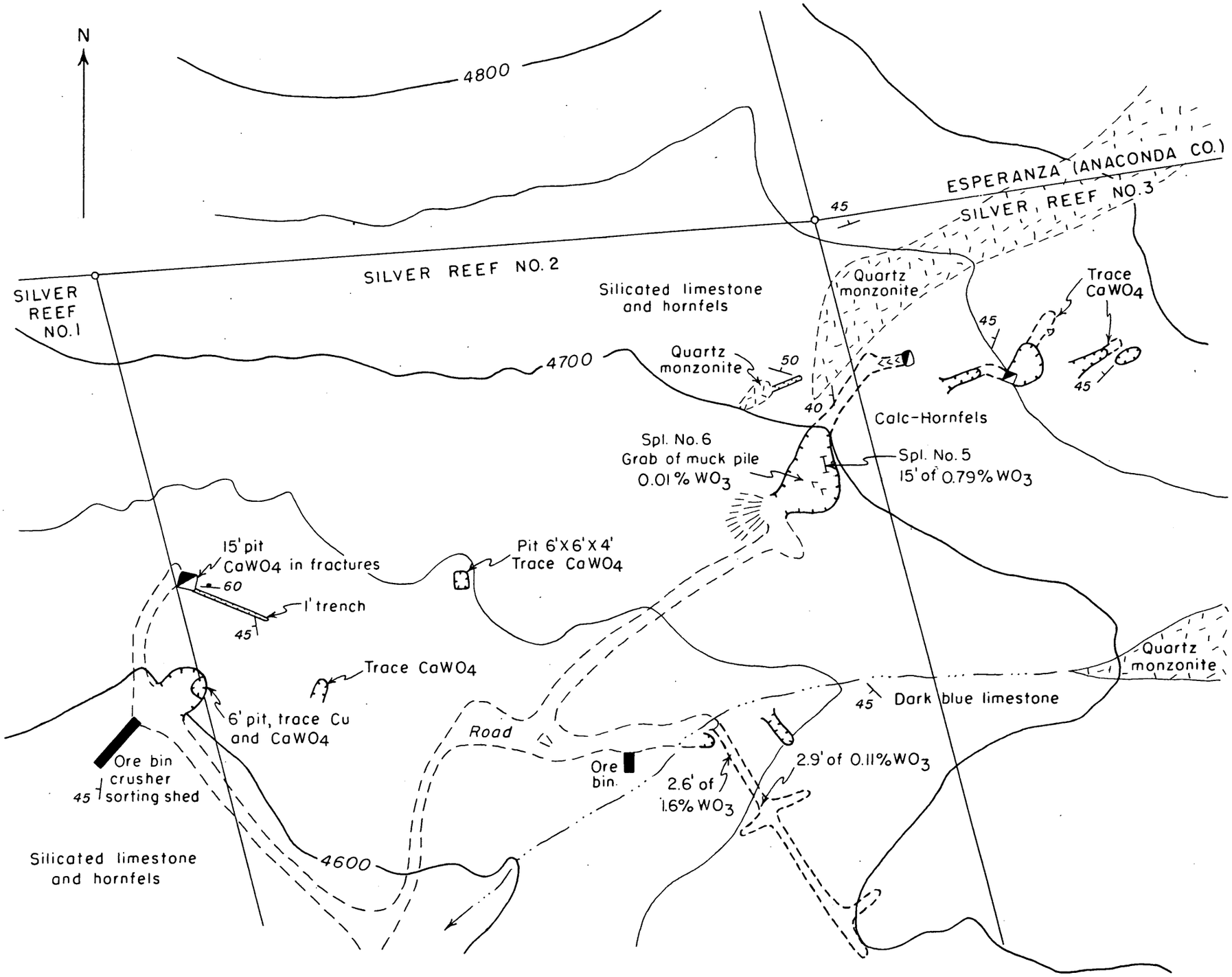
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 3853
(TUNGSTEN)



GEOLOGIC SKETCH MAP OF THE MANOR MINING COMPANY, SILVER REEF MINE, INYO COUNTY, CALIFORNIA

100 0 100 200 Feet

Figure 3

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SEP 14 1955

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JUN 24 1955

Manor Mining Corporation
P. O. Box 3
Darwin, California

Re: Docket No. DMEA 3853 - Tungsten
Silver Reef mine
Inyo County, California

Gentlemen:

The above-docketed application for exploration assistance has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and referred to Mr. Spangler Richmr, Executive Officer, DMEA Field Team, Region II, 1665 Evans Avenue, Reno, Nevada for a field examination of the property.

Any assistance that you can give the members of the Field Team will be appreciated.

As requested, the Memorandum of Agreement and the Report upon the Silver Reef Tungsten Claims Nos. 1, 2 and 3 are returned herewith.

Sincerely yours,

C. O. Mittendorf

Administrator

FARutledge:foc 6-24-55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. II
Messrs. Holliday, USBM
Kiilsgaard, USGS

Enclosure

JUN 24 1955

Mr. Spangler Riemer, Executive Officer
DMEA Field Team, Region II
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 3853 - Tungsten
Manar Mining Corporation
Silver Reef mine
Inyo County, California

Dear Mr. Riemer:

The above-docketed application for exploration assistance at the Silver Reef mine is being referred to your office for a field examination of the property.

If an exploration project is recommended by the Field Team, an Owner's Consent to Lien should be obtained from Wallace W. Campbell and M. J. Summers' estate, and a Subordination Agreement obtained executed by Tom Vignich and Rose Finley.

Two copies of a relevant memorandum dated June 21, 1955 by N. E. Nelson, Geological Survey, are enclosed for your information.

Also enclosed are copies of a Memorandum of Agreement dated May 5, 1955; of a Lease and Option dated June 5, 1952; and of a Report Upon the Silver Reef Tungsten Claims Nos. 1, 2 and 3 near Darwin, Inyo County, California by Lloyd C. White, April 9, 10, 11, 1955 that were attached to the application.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

FARutledge:foc 6-23-55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. II
Messrs. Holliday, USBM
Kiilsgaard, USGS

Enclosures

400
IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
JUN 22 1955

June 21, 1955

Re: DMEA-3853
Manor Mining Co.
Silver Reef Mine
Inyo Co., Calif.
Tungsten

Copy retained 400

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

The subject of this incomplete application, also called the Mickey Sommers Group, was trenched and sampled by the U. S. Bureau of Mines in 1941. The work consisted of 2,472 linear feet of trenching, 223 surface samples and 49 samples from the underground workings, the Mickey Sommers adit. One surface sample showed 1.31% WO_3, one 0.92%, one .94%, and one 0.7%. One underground sample assayed 1.60%. No two of the better samples came from the same spot, U. S. Bureau of Mines, 1949, R.I. 4475.

A report by D. M. Lemmon (1948), Scheelite mineralization in the Darwin district, Inyo Co., California says, "The Silver Reef claims, 2 miles southeast of Darwin, were prospected by numerous open pits and trenches, and by an adit 250 feet long. No ore of commercial grade was discovered in the workings, although scheelite occurs in small quantities over a wide area along beds and in fractures. The zone opened by the adit is a bed of copper-stained hornfels mineralized for 300 feet along the strike and containing small amounts of scheelite over a width of 50 feet or more. The mineralization is irregular and discontinuous, and the content of WO_3 is probably less than 0.2 percent.

"The best scheelite prospect on the claims is about 300 feet north of the adit, where large crystals occur along the bedded contact between marble and tactite. The mineralized layer is ½ to 2 feet thick for a length of 120 feet, and might provide a small amount of sorted ore. The content of WO_3 across mining widths probably does not exceed 0.35 percent."

Neither of the two reports has a general map nor does the report which accompanies the application and it is not possible to correlate the showings mentioned in the government report with open cuts and short adits from which scheelite has been shipped as mentioned in the report of the application. If the ore which has been mined by

leasers, Lund (1953), Finley and Finley, Vignich and Ryer (1954), came from the locations sampled by the Bureau of Mines and mentioned by Lemmon no large masses would be expected. If new and larger showings have been uncovered more might be looked for. The writer of the report with the application took no samples, but "lumped" the showings and says "it is evident that much good ore of the right character (that is easy milling) is available."

A Field Team report is needed to reconcile the varying observations and inferences.

N. E. Nelson

NENelson:hlm
G-6/21/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
Robert Holliday, 3513 Interior

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

RECEIVED
JUN - 9 1955

1605 Evans Avenue
Reno, Nevada

June 7, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application - (Tungsten)
Silver Reef Mine
Manor Mining Corporation
P. O. Box 3, Darwin, California

dmea 385-3

Attached are three sets of MF-103 Application for Aid forms relative to above subject. The fourth set has been retained in our files.

Mr. Kuhn requests that the "Memorandum and Agreement" and "Report by Lloyd C. White" which are also attached be returned to him when they have served their purpose.

S. Ricker

Attach.

SRicker:gh
cc: H. C. Miller
R. M. Smith
File

MEMORANDUM OF AGREEMENT

RECEIVED
JUN - 9 1955

THIS AGREEMENT, made and entered into this 5th day of May, 1955, by and between ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, a single man, and BENJAMIN EYER, a single man, parties of the first part, sometimes hereinafter referred to as the Sellers, and MANOR MINING CORPORATION, a California corporation, party of the second part, sometimes hereinafter referred to as the Purchaser,

W I T N E S S E T H:

WHEREAS, first parties are the lessors in possession of those certain unpatented mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows:

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim,

under and by virtue of a certain lease and option agreement in writing entered into on or about the 5th day of June, 1952, by and between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Ross Finley, as lessees, copy of which lease and option agreement is attached hereto, marked Schedule "A", and by reference incorporated herein; and

WHEREAS, it is the desire, intent and purpose of the parties hereto that first parties sell and assign and that second party receive an assignment and purchase all of the right, title and interest of first parties in and to said lease and option agreement; and

WHEREAS, it is further the desire, intent and purpose of the parties that first parties sell and transfer unto second

party all machinery, tools, and equipment situate upon said mining premises and on three (3) mill sites occupied by first parties approximately one and one-half (1-1/2) miles south of the Town of Keeler in said County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, and one jackhammer, and grant unto second party the right to lease the mill sites aforesaid;

NOW, THEREFORE, for and in consideration of the sum of One hundred dollars ($100.00) by second party paid to first parties, receipt whereof is hereby acknowledged, and for and in consideration of the payments hereinafter provided to be made by Purchaser and of the mutual covenants, premises, and agreements of the parties by each to the other made and herein contained, the parties hereto agree as follows:

1. Sellers do hereby agree to sell and transfer unto Purchaser all and singular the mining equipment of Sellers situate upon and used in the operation of the mining claims and mill sites aforesaid, and to assign to Purchaser the lease and option agreement herein referred to and attached hereto as Schedule "A", for the total purchase price of Twenty-five thousand dollars ($25,000.00), to be paid by Purchaser unto Sellers as follows:

(a) The sum of One hundred dollars ($100.00) paid by Purchaser unto Sellers on the 12th day of April, 1955, receipt of which sum is hereby acknowledged by Sellers; and

(b) The further sum of Nine thousand nine hundred dollars ($9,900.00) to be paid by Purchaser unto Sellers upon the execution of this agreement; and

(c) The further sum of One thousand two hundred dollars ($1,200.00) to be paid in installments of One hundred

dollars ($100.00) per month, commencing on or before the 1st day of June, 1955, and continuing on or before the 1st day of each calendar month thereafter for a period of twelve (12) months, provided, however, that on or before the 1st day of June, 1956, Purchaser shall pay unto Sellers the further sum of Three thousand eight hundred dollars ($3,800.00), which, with said monthly installments totaling $1,200.00, shall total the sum of Five thousand dollars ($5,000.00) which Purchaser agrees to pay unto Sellers on said purchase price on or before said 1st day of June, 1956; and

(d) Commencing as of the 1st day of June, 1956, and continuing on or before the 1st day of each calendar month thereafter to and including the month of May, 1957, Purchaser shall continue to pay unto Sellers One hundred dollars ($100.00) per month, or a total of One thousand two hundred dollars ($1,200.00) for said twelve (12) month period, and the further sum of Eight thousand eight hundred dollars ($8,800.00) shall be paid by Purchaser unto Sellers on or before the 1st day of June, 1957, making a total of Ten thousand dollars ($10,000.00) for the period commencing the 1st day of June, 1956, and terminating as of the 1st day of June, 1957, it being the understanding and agreement of the parties that the total purchase price of Twenty-five thousand dollars ($25,000.00) shall be fully paid on or before said 1st day of June, 1957.

2. When, but not until, the total purchase price herein provided for shall have been paid by Purchaser unto Sellers, the Sellers shall execute and deliver unto Purchaser a bill of sale covering all mining equipment owned by Sellers and situate upon said premises and on three (3) mill sites now occupied by Sellers approximately one and one-half (1-1/2) miles

south of the Town of Keeler, in the County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, one jackhammer, and other miscellaneous tools and equipment, and shall execute and deliver to Purchaser an assignment of the lease and option aforesaid between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Rees Finley, as lessees, transferring all rights, interest, and privileges of Sellers under said lease and option agreement unto Purchaser. Until said purchase price has been fully paid in the manner aforesaid, all said equipment and the lease to said mining claims shall remain the property of Sellers, it not being the intention of the parties that title be transferred or that an assignment of the lease be made until the full purchase price has been paid. The Sellers further agree to release all right to occupy the three (3) mill sites aforesaid to the end and purpose that Purchaser may obtain a lease and right to occupy said mill sites in their names, it being the understanding of the parties that said mill sites are not the property of Sellers.

3. Should the Purchaser fail, neglect or refuse to make the payments herein provided, then and in that event this agreement and all privileges hereby granted shall cease, terminate and be of no further force or effect between the parties, and Sellers shall be entitled to retain all sums theretofore paid to them by the Purchaser, as liquidated damages, and not as a penalty, for breach of the agreement of Purchaser to purchase the aforesaid equipment and lease and option, it being the understanding and agreement of the parties that in such event it would be impossible to accurately determine the actual

damages resulting from such breach. If, at any time during the life of this agreement, the aforesaid mining claims shall fail to yield ores or minerals in quantities or quality sufficient to warrant the continued mining or development thereof, the Purchaser may terminate this agreement by giving said Sellers a thirty-day notice to such effect; and if this should occur before said Purchaser has made all the payments hereinabove specified, said Purchaser shall be relieved from making any further payments, but Sellers shall be entitled to retain all sums theretofore paid to them by Purchaser, as liquidated damages, for the reasons similar to those hereinabove set forth.

4. When, but not until, Purchaser has paid unto Sellers the sum of Nine thousand nine hundred dollars ($9,900.00), or a total of Ten thousand dollars ($10,000.00), upon the execution of this agreement, the Purchaser shall be entitled to take possession of the mining premises herein described, subject to the terms and provisions of the lease and option agreement attached hereto as Schedule "A" and by reference incorporated herein, together with the mining equipment and mill sites which constitute the subject of this agreement, and retain possession thereof upon compliance with all and singular the other provisions of this agreement and all and singular the provisions of said lease attached hereto as Schedule "A", it being the understanding of the parties, however, that title shall remain in Sellers and that said assignment of the lease and option referred to herein as Schedule "A" shall not be made until the full purchase price of $25,000.00 is paid by Purchaser unto Sellers. It is the understanding, stipulation and agreement of the parties that during their occupation of said mining premises pursuant to this agreement, Purchaser shall promptly pay unto the

lessors named in the lease attached hereto as Schedule "A" all royalties as provided in said lease and option agreement, and shall comply with all and singular the provisions of said lease and option agreement for the protection of the lessees therein named and the Sellers named in this agreement.

5. Sellers, for themselves and their heirs and personal representatives, hereby covenant with said Purchaser, and its successors and assigns, that said Sellers are lawfully entitled to make and enter into the aforesaid agreement; that the aforesaid mining claims are free from encumbrances; that said Sellers have the right to possession of, and the right to operate, the aforesaid three (3) mill sites under the name of "L.& W. Tungsten Co."; that said Purchaser, and its successors and assigns, shall quietly enjoy the aforesaid mining claims and mill sites without lawful disturbance; that said Sellers have paid to the lessors named in the lease and option agreement hereto attached the total sum of approximately $5,300.00 as royalties or rentals, as therein specified; and said Sellers do hereby agree to defend the title to said claims and the possession of said mill sites against all persons who may claim the same.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Ross Finley
Ross Finley

Randy L. Finley
Randy L. Finley

Tom Vignich
Tom Vignich

Benjamin Eyer
Benjamin Eyer

SELLERS

MANOR MINING CORPORATION

By David Grossman
President

By Bernard Kuhn
Secretary

PURCHASER

STATE OF CALIFORNIA)
COUNTY OF INYO) ss.

On this 6 day of May, 1955, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, and BENJAMIN EYER, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Vivian Smith
Notary Public in and for the County of Inyo, State of California.

My commission expires: 10-25-56

STATE OF CALIFORNIA)
CITY AND COUNTY OF SAN FRANCISCO) ss.

On this 5th day of May, 1955, before me, a Notary Public in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared David Grossman and Bernard Kuhn, known to me to be the President and Secretary of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Richard C. Shortall
Notary Public in and for the City and County of San Francisco, State of California.

My commission expires: Apr. 19, 1958

Schedule "A"

LEASE AND OPTION

THIS MEMORANDUM OF LEASE, Made and executed in quadruplicate this 5 day of June, 1952, by and between M. J. SUMMERS and WALLACE V. CAMPBELL, parties of the first part, sometimes hereinafter referred to as the Lessors, and TOM VIGNICH and ROSS FINLEY, parties of the second part, sometimes hereafter referred to as the Lessees,

W I T N E S S E T H:

That for and in consideration of the rents, royalties, covenants and agreements hereinafter set forth on the part of the Lessees to be paid, kept and performed, the Lessors have let, demised and leased and by these presents do let, demise and lease unto the Lessees for mining purposes those certain lode mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows :

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim.

TO HAVE AND TO HOLD said demised premises for the purpose of mining ores and minerals therefrom and for the operation and development thereof, so long as ores and minerals are produced therefrom during the faithful performance of the covenants and agreements hereinafter contained on the part of Lessees to be kept and performed.

1. In consideration of said lease, and the option hereby granted, the Lessees do hereby covenant and agree for themselves, their heirs, administrators and assigns, to and with Lessors as follows, to-wit:

(a) The Lessees shall pay to the Lessors as a minimum and advance monthly royalty or rental the sum of One hundred ($100.00) dollars per month, commencing as of the date of this

agreement, and continuing on the 5 day of each calendar month thereafter during the term or life of this lease and agreement, and the Lessees shall pay to the Lessors during the life hereof a royalty or rental of ten (10%) per cent of the gross returns received from the sale of concentrates or other products produced from said demised premises, which payment the Lessees shall cause the buyers of such concentrates or materials to pay directly to the Lessors at the time of payment therefor to the Lessees, or by the Lessees within ten (10) days after the receipt of the proceeds for the sale of any such concentrates or materials. Provided, further, that the Lessees shall be entitled to deduct from the amount found to be due and payable to Lessors on account of said ten (10%) per cent royalty or rental the minimum monthly royalties or rentals which have theretofore been paid to them and not credited against the ten (10%) per cent royalties, it being the understanding of the parties hereto that said sum of One hundred ($100.00) dollars per month shall for all purposes be considered a minimum royalty payable only in the event that the ten (10%) per cent royalty or rental shall not be equal to or exceed said sum of One hundred ($100.00) dollars during any calendar month.

(b) The Lessees further agree that they will keep accurate books of account, showing the amount of ores extracted from said premises, the amount of concentrates milled, sold or shipped therefrom, and the amount of money received therefrom. Said books of account shall be open at all times to inspection by the Lessors or their duly authorized agent. The Lessees will provide or cause to be furnished to the Lessors a duplicate copy of the chemical analysis and settlement sheet upon which the sale of concentrates from said mining premises is made, which shall accompany each payment of royalty herein reserved to the Lessors.

(c) The Lessees promise, covenant, and agree that

all work shall be done in a minerlike fashion and in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible with due regard to the safety and preservation of said premises as a workable mine, and in accordance with all applicable laws, rules and regulations of the State of California, and that they will well and sufficiently timber said mine at all points where proper or necessary, and will at all times during the life of this agreement permit the Lessors or their duly authorized agents to enter into or upon all parts of said mine and mining premises, and places used for the treatment of ore produced therefrom, at any reasonable time but at their own risk, for the purpose of inspecting and sampling ore and to see that the terms of this agreement are being fully met and performed.

(d) Lessees agree to permit Lessors to post and to keep posted, in a conspicuous place or places on said demised premises, such notices of non-responsibility as Lessors may see fit.

(e) Lessees will at all times keep and save harmless the Lessors from any and all responsibility for accidents to their employees, sub-lessees, licensees, agents, associates, or visitors upon said premises.

(f) It is agreed that Lessees will carry adequate policy or policies of Workmen's Compensation Insurance in accordance with the laws of the State of California, and that Lessees will otherwise operate said premises in full accord with the laws and regulations pertaining to the operation thereof.

(g) Lessees agree to pay all taxes levied and assessed against or upon any equipment or improvements situated upon said mining property before the same shall become delinquent.

(h) Lessees agree to at all times keep said mining premises free and clear of all liens by reason of the operation

of the same by them, or by any person or persons acting through or under them, and to pay for all indebtedness incurred in the operation of said mining property for labor, supplies, materials, or anything else incurred in the operation of said mining property which might or could become a lien on account of failure to pay the same.

(i) Should the Lessees be prevented from complying with the terms hereof by reason of floods, earthquake, heavy snows or other Acts of God, or strikes, riots, or other causes beyond the control of the Lessees, then the failure to comply with the foregoing terms hereof by reason thereof shall not be deemed a cause for declaring the Lessees in default under the terms of this lease.

(j) Upon the abandonment of said premises by the Lessees, or upon the termination of this agreement, Lessees shall have the privilege of removing, within ninety (90) days thereafter, all broken ore in bins, all equipment, improvements and mining machinery placed by them upon said premises, excepting timber and lumber in place or anything else that protects the mine, provided, however, that the said Lessees shall not be entitled to exercise the privilege herein given until they have first delivered to Lessors a quitclaim deed and surrender of their right, title and interest in and to said mining premises and have paid all sums theretofore due Lessors as royalties hereunder. In the event such ore and fixtures are not so removed within the time specified, the same shall revert to the Lessors as part of the demised premises.

(k) It is agreed that the waiver by Lessors of any provisions herein binding upon the Lessees shall not be deemed a continuing waiver, and all provisions herein covenanted to be performed shall be binding as though there had been no such waiver.

(l) In the event that Lessees are not in default in

the performance of any of the terms, covenants and conditions hereunder, and the operation of said mining property is found to be unprofitable, they may at any time terminate this lease and all future obligations hereunder, by serving notice of such termination upon Lessors and delivering to them the possession of said premises, and delivering to them a quitclaim deed and written surrender of all their rights hereunder and in and to the mining premises described.

2. Time, as to each and singular the terms, covenants and conditions hereof, is of the essence of this agreement, and should Lessees remain in default in the performance of any term, covenant or condition hereof (other than the payment of money herein provided for) for a period of thirty (30) days after written notice of default shall have been served upon them, or in the event that said Lessees shall fail, refuse or neglect to make any payment of rental or royalties at the time and place herein provided, then and in that event, without further notice or demand, this lease shall terminate and be of no further force and effect, save and excepting that the Lessees shall not be relieved of any obligation arising in favor of Lessors prior to the date of such termination, or for royalties due or to become due on account of ore previously extracted from said premises, and upon such termination Lessors shall retain all sums previously paid to them under the terms hereof and shall be entitled to re-enter into possession of said premises and each and every portion thereof and remove any and all persons therefrom, with or without process of law.

3. Notices, demands, declarations and communications desired to be given or served by either the Lessors or the Lessees upon the other shall be deemed validly served and given when deposited in any United States Post Office by registered mail, with the postage thereon fully prepaid, and if intended for the Lessors addressed to each of them as follows: M. J. Summers,

_____, and Wallace B. Campbell, _____, or such other place or places as they, or either of them, may hereafter designate; and if intended for the Lessees addressed to each of them as follows: Tom Vignich, _____ _____, and Ross Finley, _____ _____, or such other place or places as they, or either of them, may hereafter designate; and the date of the registration receipt shall be deemed prima facie evidence of the date upon which service was made.

4. And as a further consideration for the execution of this agreement by the Lessees, Lessors do hereby give and grant unto the Lessees the exclusive right, privilege and option to purchase, so long as the agreement above remains in effect, the premises above described upon the following terms and conditions:

(a) The total purchase price for said premises shall be the sum of Thirty-five thousand ($35,000.00) dollars.

(b) In the event of the exercise of the option to purchase as herein provided any and all sums paid to the Lessors under and by virtue of the terms of the foregoing lease, including the minimum monthly royalties and rentals and all percentage royalties or rentals, shall become a part, apply upon, and be credited against the purchase price of Thirty-five thousand ($35,000.00) dollars aforesaid.

5. Upon exercise of the option to purchase and the tender or payment of the purchase price as provided for, the Lessors shall execute and deliver to the Lessees a good and sufficient instrument of conveyance, together with proper and sufficient proof of title to said mining premises, subject only to the paramount title of the United States of America, free and clear of all liens and encumbrances whatsoever, save and excepting liens and encumbrances placed or permitted to be placed upon said premises by the Lessees

or their successors in interest.

6. At the election of the Lessees, tender of the purchase price, or the balance thereof, may be made by the deposit of said sum in escrow with the Bank of America, Bishop or Lone Pine Branch, or some other responsible agency, with instructions to said escrow holder that said sum be delivered to Lessors upon there being filed for record such instrument or instruments as may be necessary to transfer unto Lessees said mining claims free and clear of all encumbrances and subject only to the paramount title of the United States of America.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

WALLACE V. CAMPBELL

M. J. SUMMERS

LESSORS

TOM VIGNICH Tom Vignich

TOSS FINLEY

LESSEES

STATE OF CALIFORNIA)
) ss.
COUNTY OF INYO)

On this 9 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared M. J. SUMMERS and WALLACE V. CAMPBELL, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

A. J. MARTIN
Notary Public in and for said County and State

My Commission Expires Dec. 21, 1955
(SEAL)

Arizona
STATE OF ~~CALIFORNIA~~)
Mohave) SS.
COUNTY OF ~~INYO~~)

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared TOM VIGNICH, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

Cab 400

REPORT UPON THE

SILVER REEF TUNGSTEN CLAIMS

NOS. 1, 2 AND 3

NEAR DARWIN, INYO CO., CALIFORNIA

By LLOYD C. WHITE
April 9, 10, 11, 1955

LLOYD C. WHITE
Mining Engineer
1005 Oxford Street
Berkeley 7, California

April 16, 1955

Manor Mining Co.
2118 Dam Road
San Pablo, California

Gentlemen:

Darwin, Inyo County, California, is situated at about 36° 16' north latitude in township 19 south, range 40 east, at the foot of the western slope of a spur of the Angus range of mountains. The elevation of the town is 4746 feet, that of the highest point of the spur is 6190 feet.

Some eighty years ago Darwin was an important mining camp; at that time the mines were worked only for their gold, silver and lead content. Within the past few years Anaconda Copper Company has developed a silver-lead-zinc mine adjacent to the town. They are milling 400 tons of ore per day, 140 tons of which is oxidized ore and 260 tons is sulphide. The mine is now said to have reached a depth of 900 feet and the bottom is said to be entirely in a lead-zinc sulphide zone. The story is they have several years of developed ore.

There is a wide mineral belt thru the Darwin area and extending at least five or six miles in a north-south course, which contains several old mines. Several of these properties are now being worked for tungsten. The above is recorded to show your claims are in a well mineralized area.

Location of Silver Reef Group

Silver Reef Mining Claims Nos. 1, 2 and 3 are in the New Coso Mining District and are located about 1 1/2 miles south of Darwin. There is a good gravel road to the claims. There is no water or electric power

on the claims. If it became a big operation a power line could be run a distance of about two miles from the Anaconda sub-station north of Darwin.

At present drilling and compressor water has to be hauled from the town's domestic supply lines. It is said that the average annual rainfall at Darwin is less than an inch. In other words it is a desert country.

The claims were located on September 5, 1937 and recorded September 30, 1937 at Independence, Inyo County, California. M J. Summers (deceased) was one of the locators. The Summers estate and Wallace V. Campbell are the present owners. The claims are supposed to be full size lode mining claims but they have never been surveyed. They have been held by annual assessment work. The elevation at the lowest ore outcrop on Silver Reef No. 2 claim is about 4100 feet. The elevation on the ridge outcrop on about the center line of Silver Reef claim No. 3 is about 4450 feet. Silver Reef Claim No. 1 is the lowest claim and comprises material eroded from the upper claims.

The claims lie side by side and the course of the side lines is approximately S 30° E

Geology

The formation of the Darwin district is limestone, overlying granite penetrated by numerous dikes of porphyritic rocks and diorite. At the contact with these igneous rocks the lime appears greatly altered, the blue color changes into white, the texture becomes crystalline, marble like and the increased hardness indicates a partial silicification.

The country rock on the Silver Reef Claims Nos. 2 and 3 containing the mineralization has been classified a monzonite. On these claims there are wide bands of blue and white limestone and on No. 1 claim shale is abundant.

The minerals present are scheelite, quartz, epidote, garnet, pyrite, chrysocolla calcite and possibly minute qualtities of molybdenum. The scheelite occurs in small to large crystals of white to yellowish white, which show bluish white under the ultra-violet ray lamp. There may also be cuproscheelite present but to date this has not interfered with the marketing of the concentrate.

Ore Occurrence

Near the northerly end of claims Nos. 2 and 3 there is a series of open cuts and short adits from which scheelite ore has been shipped. The line of openings exposing ore is roughly south 75 degrees west.

At the southern end of claims Nos. 2 and 3 there is an adit which followed the ore possibly 100 feet and then got off the ore band. This adit is near the surface and broke thru in a few places. The grade of ore shipped from the south end is said not to be as good a grade as from the north end of the property.

In the center section of claims Nos. 2 and 3 some open pits have exposed ore which was shipped and surface trenching indicates possible ore.

Ore shipped to Bishop, Calif. for milling.

The only record of tonnage and grade of ore shipped from the property was given me by Ross Finley, the lessor.

From the south end of the property, Finley shipped 82 tons of ore which milled out only .82% WO_3 because a ball mill was used in the milling circuit, which slimed the scheelite with the resulting loss in recovery. Finley said that 12 samples cut from this ore in place in a 4 1/2 foot wide drift assayed 1.7% WO_3, which is about twice the grade recovered in the mill.

A former lessor, G. F. Lund on May 14, 1953, sold 150 tons of ore to the Vanadium Company's mill above Bishop. This ore assayed .76% WO_3. The ore was also taken from the south end of the property. Ross Finley said the reason the grade of the ore was low was that Lund broke the ore band, plus a lot of waste rock, thus diluting the ore. This statement seems reasonable after seeing the wide drift from which the ore came.

From January 1954 to October of the same year the present leasers, namely Ross Finley, Tom Vignich and Ben Eyer, mined, sorted and shipped 159 tons of selected ore from the north end of the property. This ore was trucked 106 miles to the Lee Early mill at Bishop and netted $15,630.00 or just under $100.00 per ton of ore milled. The trucking cost was $8.50 per ton, milling $15.00 per ton, assaying $1.00 per ton, sampling $1.00 per ton and in addition some of the lots of concentrate had to be upgraded thru a magnetic separator. This cost also is about $1.00 per ton. Some of the lots of concentrate were not upgraded to at least 60% WO_3 and drew a penalty from C. W. Jones, the ore buyer at Bishop. There was a small penalty for zinc in the concentrate in a few of the lots. All told, the 159 tons above referred to were shipped in 15 separate lots and Ross Finley has the purchase statements from C. W. Jones, the buyer of the concentrate. Figuring that the mill recovery was 75%, then the above lots were assaying on the average better than 2 1/2% WO_3, which is high grade ore.

I did not sample any of the ore exposures on the property but I did "lamp" them and it is evident that much good ore of the right character (that is easy milling) is available.

There have been other ore shipments from the property other than those shown above but I have no record of them.

Mining Equipment on Property

There is an old, single drill air compressor and one rock drill, together with one old four wheel drive ore truck. There are several hundred feet of surface compressed air and water lines for drilling.

The property is not equipped at present to carry on necessary development and to produce the tonnage which will be necessary to make any considerable amount of money, before the government support price on tungsten expires.

Ore Treatment

At present the selected mined ore is hauled from the various open cuts on the surface and dumped into a small receiving bin located at the northern part of the property and at the western side line of Silver Reef Claim No. 2.

Thence it is fed by hand to a 8" x 14" rock crusher, thence by belt conveyor to a small trammel screen with 3/4 inch openings. The undersize drops into a small truck bin and the oversize passes by belt conveyor thru a dark room, equipped with ultra-violet ray lamps, where the high grade scheelite is picked off by hand and returned to the under size bin. The oversize from the picking belt discharges into a truck and thence to the waste dump. This plant is driven by an old automobile engine through line shafting. The ore from the undersize bin has been trucked over 100 miles to Bishop to be milled. This crushing and sorting arrangement requires three men and with the present equipment it is a slow process. It is, however, a necessary step in the treatment of the ore mined to date, in order to keep up the tungsten content.

The property is not developed sufficiently to justify a mill of its own, therefore the ore will have to be trucked to custom mills and stand a large trucking and milling cost.

Going with the property, however, is an excellent millsite on the highway and about 22 1/2 miles from the claims. There are three five-acre lots with title from the Federal Government. There is an 80 foot well on the millsite with the sweet water rising to within 30 feet of the surface. This well has been pumped for milling purposes in times past and the supply is abundant.

There is a 34,000 volt power line passing over the millsite and the power company superintendent said that the line can be tapped and a substation installed for about $3000.00. Elevation at millsite 3250 feet.

I am recording this information so that when the prospect develops into a mine you can build your own mill and eliminate the long haul and high milling cost and probably high metallurgical losses in the custom mills.

Furthermore, your mill could also become a custom mill and treat the ores from properties nearby, thus deriving some additional profit.

Conclusions

The Silver Reef claims have a good surface showing of sheelite ore. With the information now at hand they justify further development.

With the government support price on tungsten likely to end before January 1, 1957, the development of the property should proceed rapidly.

Crushing, screening and sorting the ore at the mine is the proper procedure to produce a grade of mill feed that will stand the high transportation and milling costs.

More recently the property has been worked by leasers who were working for themselves and consequently there was no payroll or overhead charged against the output. This condition will change when a new owner has to hire all of his labor. The leasers would definitely give more attention to the selection of the ore than hired help. In other words closer direction of the work will be required by a new owner.

RECOMMENDATIONS

(1) The claims should be surveyed and contoured. All workings should be shown so that an engineer can recommend some development program.

(2) To start, diamond drill the north end of the property with short holes in an effort to establish a quarrying operation which is the cheapest mining.

(3) Try and develop enough ore to justify the installation of a crushing and sorting plant, capable of treating say 30 tons of material per six hour shift.

(4) Purchase more compressor and drilling equipment at once. Also more trucking equipment.

(5) If the property develops as expected your own mill can be considered.

Respectfully submitted,

Lloyd C. White

REPORT UPON THE

SILVER REEF FUNGSTEN CLAIMS

NOS. 1, 2 AND 3

NEAR DARWIN, INYO CO., CALIFORNIA

By LLOYD C. WHITE

April 9, 10, 11, 1955

LLOYD C. WHITE
Mining Engineer
1005 Oxford Street
Berkeley 7, California

April 16, 1955

Manor Mining Co.
2118 Dam Road
San Pablo, California

Gentlemen:

Darwin, Inyo County, California, is situated at about 36° 16' north latitude in township 19 south, range 40 east, at the foot of the western slope of a spur of the Angus range of mountains. The elevation of the town is 4746 feet, that of the highest point of the spur is 6190 feet.

Some eighty years ago Darwin was an important mining camp; at that time the mines were worked only for their gold, silver and lead content. Within the past few years Anaconda Copper Company has developed a silver-lead-zinc mine adjacent to the town. They are milling 400 tons of ore per day, 140 tons of which is oxidized ore and 260 tons is sulphide. The mine is now said to have reached a depth of 900 feet and the bottom is said to be entirely in a lead-zinc sulphide zone. The story is they have several years of developed ore.

There is a wide mineral belt thru the Darwin area and extending at least five or six miles in a north-south course, which contains several old mines. Several of these properties are now being worked for tungsten The above is recorded to show your claims are in a well mineralized area.

Location of Silver Reef Group

Silver Reef Mining Claims Nos. 1, 2 and 3 are in the New Coso Mining District and are located about 1 1/2 miles south of Darwin. There is a good gravel road to the claims. There is no water or electric power

on the claims. If it becomes a big operation a power line could be run a distance of about two miles from the Anaconda sub-station north of Darwin.

At present drilling and compressor water has to be hauled from the town's domestic supply lines. It is said that the average annual rainfall at Darwin is less than an inch. In other words it is a desert country.

The claims were located on September 5, 1937 and recorded September 30, 1937 at Independence, Inyo County, California. M. J. Summers (deceased) was one of the locators. The Summers estate and Wallace V. Campbell are the present owners. The claims are supposed to be full size lode mining claims but they have never been surveyed. They have been held by annual assessment work. The elevation at the lowest ore outcrop on Silver Reef No. 2 claim is about 4100 feet. The elevation on the ridge outcrop on about the center line of Silver Reef claim No. 3 is about 4450 feet. Silver Reef Claim No. 1 is the lowest claim and comprises material eroded from the upper claims.

The claims lie side by side and the course of the side lines is approximately S 30° E

Geology

The formation of the Darwin district is limestone, overlying granite penetrated by numerous dikes of porphyritic rocks and diorite. At the contact with these igneous rocks the lime appears greatly altered, the blue color changes into white, the texture becomes crystalline, marble like and the increased hardness indicates a partial silicification.

The country rock on the Silver Reef Claims Nos. 2 and 3 containing the mineralization has been classified a monzonite. On these claims there are wide bands of blue and white limestone and on No. 1 claim shale is abundant.

The minerals present are scheelite, quartz, epidote, garnet, pyrite, chrysocolla calcite and possibly minute qualtities of molybdenum. The scheelite occurs in small to large crystals of white to yellowish white, which show bluish white under the ultra-violet ray lamp. There may also be cuproscheelite present but to date this has not interfered with the marketing of the concentrate.

Ore Occurrence

Near the northerly end of claims Nos. 2 and 3 there is a series of open cuts and short adits from which scheelite ore has been shipped. The line of openings exposing ore is roughly south 75 degrees west.

At the southern end of claims Nos. 2 and 3 there is an adit which followed the ore possibly 100 feet and then got off the ore band. This adit is near the surface and broke thru in a few places. The grade of ore shipped from the south end is said not to be as good a grade as from the north end of the property.

In the center section of claims Nos. 2 and 3 some open pits have uncovered ore which was shipped and surface trenching indicates possible ore.

Ore shipped to Bishop, Calif. for milling.

The only record of tonnage and grade of ore shipped from the property was given me by Ross Finley, the lessor.

From the south end of the property, Finley shipped 82 tons of ore which milled out only .82% WO_3 because a ball mill was used in the milling circuit, which slimed the scheelite with the resulting loss in recovery. Finley said that 12 samples cut from this ore in place in a 4 1/2 foot wide drift assayed 1.7% WO_3, which is about twice the grade recovered in the mill.

A former lessor, G. F. Lund on May 14, 1953, sold 150 tons of ore to the Vanadium Company's mill above Bishop. This ore assayed .76% WO_3. The ore was also taken from the south end of the property. Ross Finley said the reason the grade of the ore was low was that Lund broke the ore band, plus a lot of waste rock, thus diluting the ore. This statement seems reasonable after seeing the wide drift from which the ore came.

From January 1954 to October of the same year the present leasers, namely Ross Finley, Tom Vignich and Ben Eyer, mined, sorted and shipped 159 tons of selected ore from the north end of the property. This ore was trucked 106 miles to the Lee Early mill at Bishop and netted $15,630.00 or just under $100.00 per ton of ore milled. The trucking cost was $8.50 per ton, milling $15.00 per ton, assaying $1.00 per ton, sampling $1.00 per ton and in addition some of the lots of concentrate had to be upgraded thru a magnetic separator. This cost also is about $1.00 per ton. Some of the lots of concentrate were not upgraded to at least 60% WO_3 and drew a penalty from C. W. Jones, the ore buyer at Bishop. There was a small penalty for zinc in the concentrate in a few of the lots. All told, the 159 tons above referred to were shipped in 15 separate lots and Ross Finley has the purchase statements from C. W. Jones, the buyer of the concentrate. Figuring that the mill recovery was 75%, then the above lots were assaying on the average better than 2 1/2% WO_3, which is high grade ore.

I did not sample any of the ore exposures on the property but I did lamp them and it is evident that much good ore of the right character (that is easy milling) is available.

There have been other ore shipments from the property other than those shown above but I have no record of them.

Mining equipment on property

There is an old, single drill air compressor and one rock drill, together with one old four wheel drive ore truck. There are several hundred feet of surface compressed air and water lines for drilling.

The property is not equipped at present to carry on necessary development and to produce the tonnage which will be necessary to make any considerable amount of money, before the government support price on tungsten expires.

Ore Treatment

At present the selected mined ore is hauled from the various open cuts on the surface and dumped into a small receiving bin located at the northern part of the property and at the western side line of Silver Reef Claim No. 2.

Thence it is fed by hand to a 8" x 14" rock crusher, thence by belt conveyor to a small trommel screen with 3/4 inch openings. The undersize drops into a small truck bin and the oversize passes by belt conveyor thru a dark room, equipped with ultra-violet ray lamps, where the high grade scheelite is picked off by hand and returned to the under size bin. The oversize from the picking belt discharges into a truck and thence to the waste dump. This plant is driven by an old automobile engine through line shafting. The ore from the undersize bin has been trucked over 100 miles to Bishop to be milled. This crushing and sorting arrangement requires three men and with the present equipment it is a slow process. It is, however, a necessary step in the treatment of the ore mined to date, in order to keep up the tungsten content.

The property is not developed sufficiently to justify a mill of its own, therefore the ore will have to be trucked to custom mills and stand a large trucking and milling cost.

Going with the property, however, is an excellent millsite on the highway and about 22 1/2 miles from the claims. There are three five-acre lots with title from the Federal Government. There is an 80 foot well on the millsite with the sweet water rising to within 30 feet of the surface. This well has been pumped for milling purposes in times past and the supply is abundant.

There is a 34,000 volt power line passing over the millsite and the power company superintendent said that the line can be tapped and a substation installed for about $3000.00. Elevation at millsite 3250 feet.

I am recording this information so that when the prospect develops into a mine you can build your own mill and eliminate the long haul and high milling cost and probably high metallurgical losses in the custom mills.

Furthermore, your mill could also become a custom mill and treat the ores from properties nearby, thus deriving some additional profit.

Conclusions

The Silver Reef claims have a good surface showing of sheelite ore. With the information now at hand they justify further development.

With the government support price on tungsten likely to end before January 1, 1957, the development of the property should proceed rapidly.

Crushing, screening and sorting the ore at the mine is the proper procedure to produce a grade of mill feed that will stand the high transportation and milling costs.

More recently the property has been worked by leasers who were working for themselves and consequently there was no payroll or overhead charged against the output. This condition will change when a new owner has to hire all of his labor. The leasers would definitely give more attention to the selection of the ore than hired help. In other words closer direction of the work will be required by a new owner.

RECOMMENDATIONS

(1) The claims should be surveyed and contoured. All workings should be shown so that an engineer can recommend some development program.

(2) To start, diamond drill the north end of the property with short holes in an effort to establish a quarrying operation which is the cheapest mining.

(3) Try and develop enough ore to justify the installation of a crushing and sorting plant, capable of treating say 30 tons of material per six hour shift.

(4) Purchase more compressor and drilling equipment at once. Also more trucking equipment.

(5) If the property develops as expected your own mill can be considered.

Respectfully submitted,

Lloyd C. White

MEMORANDUM OF AGREEMENT

RECEIVED
JUN - 9 1955

THIS AGREEMENT, made and entered into this 5th day of May, 1955, by and between ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, a single man, and BENJAMIN EYER, a single man, parties of the first part, sometimes hereinafter referred to as the Sellers, and MANOR MINING CORPORATION, a California corporation, party of the second part, sometimes hereinafter referred to as the Purchaser,

W I T N E S S E T H:

WHEREAS, first parties are the lessors in possession of those certain unpatented mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows:

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim,

under and by virtue of a certain lease and option agreement in writing entered into on or about the 5th day of June, 1952, by and between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Ross Finley, as lessees, copy of which lease and option agreement is attached hereto, marked Schedule "A", and by reference incorporated herein; and

WHEREAS, it is the desire, intent and purpose of the parties hereto that first parties sell and assign and that second party receive an assignment and purchase all of the right, title and interest of first parties in and to said lease and option agreement; and

WHEREAS, it is further the desire, intent and purpose of the parties that first parties sell and transfer unto second

party all machinery, tools, and equipment situate upon said mining premises and on three (3) mill sites occupied by first parties approximately one and one-half (1-1/2) miles south of the Town of Keeler in said County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, and one jackhammer, and grant unto second party the right to lease the mill sites aforesaid;

NOW, THEREFORE, for and in consideration of the sum of One hundred dollars ($100.00) by second party paid to first parties, receipt whereof is hereby acknowledged, and for and in consideration of the payments hereinafter provided to be made by Purchaser and of the mutual covenants, promises, and agreements of the parties by each to the other made and herein contained, the parties hereto agree as follows:

1. Sellers do hereby agree to sell and transfer unto Purchaser all and singular the mining equipment of Sellers situate upon and used in the operation of the mining claims and mill sites aforesaid, and to assign to Purchaser the lease and option agreement herein referred to and attached hereto as Schedule "A", for the total purchase price of Twenty-five thousand dollars ($25,000.00), to be paid by Purchaser unto Sellers as follows:

(a) The sum of One hundred dollars ($100.00) paid by Purchaser unto Sellers on the 12th day of April, 1955, receipt of which sum is hereby acknowledged by Sellers; and

(b) The further sum of Nine thousand nine hundred dollars ($9,900.00) to be paid by Purchaser unto Sellers upon the execution of this agreement; and

(c) The further sum of One thousand two hundred dollars ($1,200.00) to be paid in installments of One hundred

dollars ($100.00) per month, commencing on or before the 1st day of June, 1955, and continuing on or before the 1st day of each calendar month thereafter for a period of twelve (12) months, provided, however, that on or before the 1st day of June, 1956, Purchaser shall pay unto Sellers the further sum of Three thousand eight hundred dollars ($3,800.00), which, with said monthly installments totaling $1,200.00, shall total the sum of Five thousand dollars ($5,000.00) which Purchaser agrees to pay unto Sellers on said purchase price on or before said 1st day of June, 1956; and

(d) Commencing as of the 1st day of June, 1956, and continuing on or before the 1st day of each calendar month thereafter to and including the month of May, 1957, Purchaser shall continue to pay unto Sellers One hundred dollars ($100.00) per month, or a total of One thousand two hundred dollars ($1,200.00) for said twelve (12) month period, and the further sum of Eight thousand eight hundred dollars ($8,800.00) shall be paid by Purchaser unto Sellers on or before the 1st day of June, 1957, making a total of Ten thousand dollars ($10,000.00) for the period commencing the 1st day of June, 1956, and terminating as of the 1st day of June, 1957, it being the understanding and agreement of the parties that the total purchase price of Twenty-five thousand dollars ($25,000.00) shall be fully paid on or before said 1st day of June, 1957.

2. When, but not until, the total purchase price herein provided for shall have been paid by Purchaser unto Sellers, the Sellers shall execute and deliver unto Purchaser a bill of sale covering all mining equipment owned by Sellers and situate upon said premises and on three (3) mill sites now occupied by Sellers approximately one and one-half (1-1/2) miles

south of the Town of Keeler, in the County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, one jackhammer, and other miscellaneous tools and equipment, and shall execute and deliver to Purchaser an assignment of the lease and option aforesaid between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Ross Finley, as lessees, transferring all rights, interest, and privileges of Sellers under said lease and option agreement unto Purchaser. Until said purchase price has been fully paid in the manner aforesaid, all said equipment and the lease to said mining claims shall remain the property of Sellers, it not being the intention of the parties that title be transferred or that an assignment of the lease be made until the full purchase price has been paid. The Sellers further agree to release all right to occupy the three (3) mill sites aforesaid to the end and purpose that Purchaser may obtain a lease and right to occupy said mill sites in their names, it being the understanding of the parties that said mill sites are not the property of Sellers.

3. Should the Purchaser fail, neglect or refuse to make the payments herein provided, then and in that event this agreement and all privileges hereby granted shall cease, terminate and be of no further force or effect between the parties, and Sellers shall be entitled to retain all sums theretofore paid to them by the Purchaser, as liquidated damages, and not as a penalty, for breach of the agreement of Purchaser to purchase the aforesaid equipment and lease and option, it being the understanding and agreement of the parties that in such event it would be impossible to accurately determine the actual

damages resulting from such breach. If, at any time during the life of this agreement, the aforesaid mining claims shall fail to yield ores or minerals in quantities or quality sufficient to warrant the continued mining or development thereof, the Purchaser may terminate this agreement by giving said Sellers a thirty-day notice to such effect; and if this should occur before said Purchaser has made all the payments hereinabove specified, said Purchaser shall be relieved from making any further payments, but Sellers shall be entitled to retain all sums theretofore paid to them by Purchaser, as liquidated damages, for the reasons similar to those hereinabove set forth.

4. When, but not until, Purchaser has paid unto Sellers the sum of Nine thousand nine hundred dollars ($9,900.00), or a total of Ten thousand dollars ($10,000.00), upon the execution of this agreement, the Purchaser shall be entitled to take possession of the mining premises herein described, subject to the terms and provisions of the lease and option agreement attached hereto as Schedule "A" and by reference incorporated herein, together with the mining equipment and mill sites which constitute the subject of this agreement, and retain possession thereof upon compliance with all and singular the other provisions of this agreement and all and singular the provisions of said lease attached hereto as Schedule "A", it being the understanding of the parties, however, that title shall remain in Sellers and that said assignment of the lease and option referred to herein as Schedule "A" shall not be made until the full purchase price of $25,000.00 is paid by Purchaser unto Sellers. It is the understanding, stipulation and agreement of the parties that during their occupation of said mining premises pursuant to this agreement, Purchaser shall promptly pay unto the

lessors named in the lease attached hereto as Schedule "A" all royalties as provided in said lease and option agreement, and shall comply with all and singular the provisions of said lease and option agreement for the protection of the lessees therein named and the Sellers named in this agreement.

5. Sellers, for themselves and their heirs and personal representatives, hereby covenant with said Purchaser, and its successors and assigns, that said Sellers are lawfully entitled to make and enter into the aforesaid agreement; that the aforesaid mining claims are free from encumbrances; that said Sellers have the right to possession of, and the right to operate, the aforesaid three (3) mill sites under the name of "L.& W. Tungsten Co."; that said Purchaser, and its successors and assigns, shall quietly enjoy the aforesaid mining claims and mill sites without lawful disturbance; that said Sellers have paid to the lessors named in the lease and option agreement hereto attached the total sum of approximately $5,300.00 as royalties or rentals, as therein specified; and said Sellers do hereby agree to defend the title to said claims and the possession of said mill sites against all persons who may claim the same.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Ross Finley
Ross Finley

Nancy L. Finley
Nancy L. Finley

Tom Vignich
Tom Vignich

Benjamin Eyer
Benjamin Eyer

SELLERS

MANOR MINING CORPORATION

By David Grossman
President

By Bernard Kahn
Secretary

PURCHASER

Schedule "A"

LEASE AND OPTION

THIS MEMORANDUM OF LEASE, Made and executed in quadruplicate this 5 day of June, 1952, by and between M. J. SUMMERS and WALLACE V. CAMPBELL, parties of the first part, sometimes hereinafter referred to as the Lessors, and TOM VIGNICH and ROSS FINLEY, parties of the second part, sometimes hereafter referred to as the Lessees,

W I T N E S S E T H:

That for and in consideration of the rents, royalties, covenants and agreements hereinafter set forth on the part of the Lessees to be paid, kept and performed, the Lessors have let, demised and leased and by these presents do let, demise and lease unto the Lessees for mining purposes those certain lode mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows :

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim.

TO HAVE AND TO HOLD said demised premises for the purpose of mining ores and minerals therefrom and for the operation and development thereof, so long as ores and minerals are produced therefrom during the faithful performance of the covenants and agreements hereinafter contained on the part of Lessees to be kept and performed.

1. In consideration of said lease, and the option hereby granted, the Lessees do hereby covenant and agree for themselves, their heirs, administrators and assigns, to and with Lessors as follows, to-wit:

(a) The Lessees shall pay to the Lessors as a minimum and advance monthly royalty or rental the sum of One hundred ($100.00) dollars per month, commencing as of the date of this

agreement, and continuing on the 5 day of each calendar month thereafter during the term or life of this lease and agreement, and the Lessees shall pay to the Lessors during the life hereof a royalty or rental of ten (10%) per cent of the gross returns received from the sale of concentrates or other products produced from said demised premises, which payment the Lessees shall cause the buyers of such concentrates or materials to pay directly to the Lessors at the time of payment therefor to the Lessees, or by the Lessees within ten (10) days after the receipt of the proceeds for the sale of any such concentrates or materials. Provided, further, that the Lessees shall be entitled to deduct from the amount found to be due and payable to Lessors on account of said ten (10%) per cent royalty or rental the minimum monthly royalties or rentals which have theretofore been paid to them and not credited against the ten (10%) per cent royalties, it being the understanding of the parties hereto that said sum of One hundred ($100.00) dollars per month shall for all purposes be considered a minimum royalty payable only in the event that the ten (10%) per cent royalty or rental shall not be equal to or exceed said sum of One hundred ($100.00) dollars during any calendar month.

(b) The Lessees further agree that they will keep accurate books of account, showing the amount of ores extracted from said premises, the amount of concentrates milled, sold or shipped therefrom, and the amount of money received therefrom. Said books of account shall be open at all times to inspection by the Lessors or their duly authorized agent. The Lessees will provide or cause to be furnished to the Lessors a duplicate copy of the chemical analysis and settlement sheet upon which the sale of concentrates from said mining premises is made, which shall accompany each payment of royalty herein reserved to the Lessors.

(c) The Lessees promise, covenant, and agree that

STATE OF CALIFORNIA)
) ss.
COUNTY OF INYO)

On this 6 day of May, 1955, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, and BENJAMIN EYER, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Irene Smith
Notary Public in and for the County of Inyo, State of California.

My commission expires: 10-25-56

STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF SAN FRANCISCO)

On this 5th day of May, 1955, before me, a Notary Public in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared David Grossman and Bernard Kuhn, known to me to be the President and Secretary of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Richard C. Shortall
Notary Public in and for the City and County of San Francisco, State of California.

My commission expires: Apr. 19, 1958

all work shall be done in a minerlike fashion and in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible with due regard to the safety and preservation of said premises as a workable mine, and in accordance with all applicable laws, rules and regulations of the State of California, and that they will well and sufficiently timber said mine at all points where proper or necessary, and will at all times during the life of this agreement permit the Lessors or their duly authorized agents to enter into or upon all parts of said mine and mining premises, and places used for the treatment of ore produced therefrom, at any reasonable time but at their own risk, for the purpose of inspecting and sampling ore and to see that the terms of this agreement are being fully met and performed.

(d) Lessees agree to permit Lessors to post and to keep posted, in a conspicuous place or places on said demised premises, such notices of non-responsibility as Lessors may see fit.

(e) Lessees will at all times keep and save harmless the Lessors from any and all responsibility for accidents to their employees, sub-lessees, licensees, agents, associates, or visitors upon said premises.

(f) It is agreed that Lessees will carry adequate policy or policies of Workmen's Compensation Insurance in accordance with the laws of the State of California, and that Lessees will otherwise operate said premises in full accord with the laws and regulations pertaining to the operation thereof.

(g) Lessees agree to pay all taxes levied and assessed against or upon any equipment or improvements situated upon said mining property before the same shall become delinquent.

(h) Lessees agree to at all times keep said mining premises free and clear of all liens by reason of the operation

of the same by them, or by any person or persons acting through or under them, and to pay for all indebtedness incurred in the operation of said mining property for labor, supplies, materials, or anything else incurred in the operation of said mining property which might or could become a lien on account of failure to pay the same.

(i) Should the Lessees be prevented from complying with the terms hereof by reason of floods, earthquake, heavy snows or other Acts of God, or strikes, riots, or other causes beyond the control of the Lessees, then the failure to comply with the foregoing terms hereof by reason thereof shall not be deemed a cause for declaring the Lessees in default under the terms of this lease.

(j) Upon the abandonment of said premises by the Lessees, or upon the termination of this agreement, Lessees shall have the privilege of removing, within ninety (90) days thereafter, all broken ore in bins, all equipment, improvements and mining machinery placed by them upon said premises, excepting timber and lumber in place or anything else that protects the mine, provided, however, that the said Lessees shall not be entitled to exercise the privilege herein given until they have first delivered to Lessors a quitclaim deed and surrender of their right, title and interest in and to said mining premises and have paid all sums theretofore due Lessors as royalties hereunder. In the event such ore and fixtures are not so removed within the time specified, the same shall revert to the Lessors as part of the demised premises.

(k) It is agreed that the waiver by Lessors of any provisions herein binding upon the Lessees shall not be deemed a continuing waiver, and all provisions herein covenanted to be performed shall be binding as though there had been no such waiver.

(l) In the event that Lessees are not in default in

the performance of any of the terms, covenants and conditions hereunder, and the operation of said mining property is found to be unprofitable, they may at any time terminate this lease and all future obligations hereunder, by serving notice of such termination upon Lessors and delivering to them the possession of said premises, and delivering to them a quitclaim deed and written surrender of all their rights hereunder and in and to the mining premises described.

2. Time, as to each and singular the terms, covenants and conditions hereof, is of the essence of this agreement, and should Lessees remain in default in the performance of any term, covenant or condition hereof (other than the payment of money herein provided for) for a period of thirty (30) days after written notice of default shall have been served upon them, or in the event that said Lessees shall fail, refuse or neglect to make any payment of rental or royalties at the time and place herein provided, then and in that event, without further notice or demand, this lease shall terminate and be of no further force and effect, save and excepting that the Lessees shall not be relieved of any obligation arising in favor of Lessors prior to the date of such termination, or for royalties due or to become due on account of ore previously extracted from said premises, and upon such termination Lessors shall retain all sums previously paid to them under the terms hereof and shall be entitled to re-enter into possession of said premises and each and every portion thereof and remove any and all persons therefrom, with or without process of law.

3. Notices, demands, declarations and communications desired to be given or served by either the Lessors or the Lessees upon the other shall be deemed validly served and given when deposited in any United States Post Office by registered mail, with the postage thereon fully prepaid, and if intended for the Lessors addressed to each of them as follows: M. J. Summers,

_____, and Wallace B. Campbell, _____, or such other place or places as they, or either of them, may hereafter designate; and if intended for the Lessees addressed to each of them as follows: Tom Vignich, _____ _____, and Ross Finley, _____ _____, or such other place or places as they, or either of them, may hereafter designate; and the date of the registration receipt shall be deemed prima facie evidence of the date upon which service was made.

4. And as a further consideration for the execution of this agreement by the Lessees, Lessors do hereby give and grant unto the Lessees the exclusive right, privilege and option to purchase, so long as the agreement above remains in effect, the premises above described upon the following terms and conditions:

(a) The total purchase price for said premises shall be the sum of Thirty-five thousand ($35,000.00) dollars.

(b) In the event of the exercise of the option to purchase as herein provided any and all sums paid to the Lessors under and by virtue of the terms of the foregoing lease, including the minimum monthly royalties and rentals and all percentage royalties or rentals, shall become a part, apply upon, and be credited against the purchase price of Thirty-five thousand ($35,000.00) dollars aforesaid.

5. Upon exercise of the option to purchase and the tender or payment of the purchase price as provided for, the Lessors shall execute and deliver to the Lessees a good and sufficient instrument of conveyance, together with proper and sufficient proof of title to said mining premises, subject only to the paramount title of the United States of America, free and clear of all liens and encumbrances whatsoever, save and excepting liens and encumbrances placed or permitted to be placed upon said premises by the Lessees

or their successors in interest.

6. At the election of the Lessees, tender of the purchase price, or the balance thereof, may be made by the deposit of said sum in escrow with the Bank of America, Bishop or Lone Pine Branch, or some other responsible agency, with instructions to said escrow holder that said sum be delivered to Lessors upon there being filed for record such instrument or instruments as may be necessary to transfer unto Lessees said mining claims free and clear of all encumbrances and subject only to the paramount title of the United States of America.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

WALLACE V. CAMPBELL

M. J. SUMMERS

LESSORS

TOM VIGNICH Tom Vignich

TOSS FINLEY

LESSEES

STATE OF CALIFORNIA)
) ss.
COUNTY OF INYO)

On this 9 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared M. J. SUMMERS and WALLACE V. CAMPBELL, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

A. J. MARTIN
Notary Public in and for said County and State

My Commission Expires Dec. 21, 1955
(SEAL)

STATE OF ~~CALIFORNIA~~ Arizona)
) SS.
COUNTY OF ~~INYO~~ Mohave)

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared TOM VIGNICH, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

400

DOCKET
Surname:
Hoff
Martin
Kilsgaard
Gleason

OCT 5 - 1955

Manor Mining Corporation
P. O. Box 3
Darwin, California

Re: Docket No. DMEA 3853 - Tungsten
Silver Reef Mine
Inyo County, California

Gentlemen:

Your application for aid for an exploration project and other data available to us in Washington concerning the above-referenced property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of our information, although noting a small amount of tungsten mineralization in open pits, surface trenches, and underground workings on the Silver Reef claims, indicates to us that the probability of disclosing minable tungsten ore reserves by your program is not sufficiently promising to justify Government participation. Under these circumstances, we regret to advise you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Exploration Administration program and for bringing this property to our attention.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Docket
Code 400
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
V. McInnis, USBM
T, Reg. 2

ls

R.C.L.

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

OCT 5 - 1955

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $13,200.00
Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The denial of the subject application is recommended by this Division based on the following information:

(1) The applicant, Manor Mining Corporation, P. O. Box 3, Darwin, California, requested exploration assistance in the amount of $1,320.00 for 1,650 feet of diamond drilling in the Silver Reef Mine. ?

(2) The applicant controls, by sub-lease from Ross Finley, Nancy Finley, Tom Vignich and Benjamin Eyer, lessees from the owners, Wallace V. Campbell and the M. J. Summers estate, the following unpatented lode mining claims:

Silver Reef No. 1, Silver Reef No. 2, and Silver Reef No. 3, situated in Secs. 25 and 36, T. 19 S., R. 40 E., and Secs. 30 and 31, T. 19 S., R. 41 E., M. D. B. & M., New Coso Mining District, south of Darwin, Inyo County, California.

(3) The program proposed is to diamond drill inclined and vertical holes, 600 to 1,000 feet deep, in an area at the north end of the Silver Reef No. 2 claim.

(4) In the area explored by the Silver Reef mine, sparse tungsten mineralization occurs as erratically distributed blebs and crystals of scheelite in hornfels and tactite.

(5) Analyses and descriptions of six samples taken in connection with the Field Team examination are as follows:

Sample No.	Analysis WO_3, %	Description
1	0.01*	Grab of sorted ore hauled to sorting plant from lower north adit on Silver Reef No. 2 claim.
2	0.01	Grab of coarse ore (plus 1-inch size) to sorting plant.
3	2.12**	Grab of coarse shipping ore (plus 1-inch size).
4	0.85**	Grab of fine shipping ore (minus 1-inch size).
5	0.79	Chip sample across 1.5 foot width of surface open cut showing mineralization at portal of lower north adit.
6	0.01	Grab of "run of mine" ore from open cut at portal of lower north adit.

* Less than
** Grade of shipping product after two hand sorting operations, with about a 15-1 ratio of concentration. The grade of material mined is too low to allow a profit.

Study of the Field Team report, with the above analyses, and reference to footnote (**), indicates little probability that minable bodies of tungsten ore will be discovered by work under the applicant's proposed program.

(6) The Field Team concludes that there is little probability of making a significant discovery and recommends denial. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

W S Martin
W. S. Martin, Chief
Iron and Ferro-Alloys Division

Docket
Holt
Martin

OCT 5 - 1955

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $13,200.00
Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

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6	0.01	Grab of "run of mine" ore from open cut at portal of lower north adit.

* Less than
** Grade of shipping product after two hand sorting operations, with about a 15-1 ratio of concentration. The grade of material mined is too low to allow a profit.

Study of the Field Team report, with the above analyses, and reference to footnote (**), indicates little probability that minable bodies of tungsten ore will be discovered by work under the applicant's proposed program.

(6) The Field Team concludes that there is little probability of making a significant discovery and recommends denial. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

SPHolt/ls

cc: Docket
Adm. Read. File
Code 400
Oper. Comm.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 5, 1955

MEMORANDUM

To: Chief, Iron and Ferro-Alloys Division, DMEA
Through: Acting Chief, Branch of Ferrous Metals and Ferroalloys

From: Commodity Analyst - Tungsten

Subject: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The application is for $13,200.00 for diamond drilling. In view of the previous Bureau work (R. I. 4475) and the Field Team's recommendation for denial of this application, I concur in the recommendation.

R W Holliday

R. W. Holliday

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 3, 1955

Memorandum

To: Chief, Iron and Ferroalloys Division - DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys H.W.B.

From: Commodity Specialist

Subject: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

The applicant proposed a program consisting of 1,650 feet of diamond drilling. The estimated cost is $13,200 of which the Government's share would be $9,900.

The property was explored by the Bureau of Mines in 1941 with no significant discovery of tungsten made from 2,472 linear feet of trenching. The Field Team report concludes that the claim consists of erratically distributed blebs and crystals of scheelite in hornfels and tactite with little probability of finding minable bodies of tungsten ore with the proposed program. I, therefore, concur with the Field Team's recommendation that the proposed program be denied.

R W Holliday
R. W. Holliday

October 3, 1955

Memorandum

To: Chief, Iron and Ferroalloys Division - DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys

From: Commodity Specialist

Subject: Docket No. DMEA 3053 - Tungsten
Manser Mining Corporation
Silver Reef Mine
Inyo County, California

The applicant proposed a program consisting of 1,650 feet of diamond drilling. The estimated cost is $13,200 of which the Government's share would be $9,900.

The property was explored by the Bureau of Mines in 1941 with no significant discovery of tungsten made from 2,472 linear feet of trenching. The Field Team report concludes that the claim consists of erratically distributed blebs and crystals of scheelite in hornfels and taconite with little probability of finding minable bodies of tungsten ore with the proposed program. I, therefore, concur with the Field Team's recommendation that the proposed program be denied.

R. W. Holliday

RWHolliday/jbr

Copy to Ferrous Metals (2)
~~Division of Minerals (2)~~
Files

October 3, 1955

Memorandum

To: Chief, Iron and Ferroalloys Division - DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys

From: Commodity Specialist

Subject: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

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R. W. Holliday

RWHolliday/jor

Copy to Ferrous Metals (2)
~~Division of Minerals (2)~~
Files

Docket

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
SEP 20 1955

September 19, 1955

Re: DMEA 3853
Manor Mining Corp.
Silver Reef Mine
Inyo Co., California
$13,200 - Tungsten

Copy retained 400

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Report.

The application pertains to further work on a property from which small and intermittent production has been obtained in the past. The property was explored by the U. S. Bureau of Mines in 1941 (R. I. 4475). No significant discovery was made and no defined target has been afforded by subsequent work, though small scale operations have been productive of some scheelite from small irregular ore bodies.

I concur with the denial recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

DMEA Docket

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

RECEIVED
SEP 14 1955

1605 Evans Avenue
Reno, Nevada

WSM

September 12, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

Reference is made to your letter of June 24, 1955 relative to field examination of above subject property.

Attached are four copies of a report by H. K. Stager, Geological Survey and J. D. Warne, Bureau of Mines in which it is recommended that the application for exploration aid be denied.

Roscoe Smith and I concur in the recommendations.

S. Ricker

Attach.

Noted by
DMEA OPERATING COMMITTEE
9-19-55
(date)

BUREAU OF MINES
WASHINGTON, D. C.

SEP 14 9 16 AM '55

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

RECEIVED
SEP 14 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA-3853, Manor Mining Company
The Silver Reef Mine
Inyo County, California

H. K. Stager,
Geologist
U. S. Geological Survey

J. D. Warne
Mining Engineer
U. S. Bureau of Mines

September 8, 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-19-55
(date)

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Property and ownership	4
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General geology	5
Tungsten deposits	6
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ILLUSTRATIONS

Fig. 1 - Location map, Silver Reef Mine, Inyo County, Calif.

Fig. 2 - Claim map

Fig. 3 - Geologic sketch map

INTRODUCTION

The Manor Mining Company, P. O. Box 3, Darwin, California applied for Government assistance in a $13,200 program under the Defense Minerals Exploration Administration, docket Number 3853, to explore for tungsten on their Silver Reef claims, also known as the Mickey Sommers Claims, Inyo County, California. The applicants wish to explore for lenses of scheelite-bearing hornfels and tactite in limestone with a program consisting of about 1,650 feet of diamond drilling.

A field examination was requested by the Operating Committee, and was made by J. D. Warne of the Bureau of Mines and H. K. Stager of the Geological Survey on August 4 and 5, 1955 accompanied by Mr. Tom Vignich, mine superintendent, and Mr. Bernard Kuhn, secretary, of the Manor Mining Company.

The open pits and underground workings were inspected and mapped. Six samples were taken to check the grade of the tungsten-bearing material that was exposed in the workings and being processed through the crushing and sorting plant on the property.

The property was explored by the U. S. Bureau of Mines in 1941 (R. I. 4475). A total of 2,472 linear feet of trenching was done by the Bureau and 223 surface samples and 49 samples from underground workings were taken and assayed. This work did not result in the discovery of any minable ore bodies.

CONCLUSIONS AND RECOMMENDATIONS

RECEIVED
SEP 14 1955

The tungsten deposit on the Silver Reef claims consists of erratically distributed blebs and crystals of scheelite in hornfels and tactite. The results of the examination indicate that although the deposit contains a few hundred tons of scheelite-bearing material that may be concentrated to yield an ore grade product, there is little probability of finding minable bodies of tungsten ore with the proposed program.

The applicants proposed a program consisting of 1,650 feet of diamond drilling to search for scheelite-bearing material. The estimated total cost of the proposed program is $13,200 of which the Government's share would be $9,900.

The lack of a definite target, and the character of the tungsten-bearing material exposed on the claims, make a drilling program impracticable for exploration of this type of deposit, and as other methods would be more costly, no other program is warranted.

We recommend that Government assistance under the DMEA program be denied.

LOCATION, ACCESSIBILITY, AND LOCAL RESOURCES

The Silver Reef Mine is located in the New Coso Mining District, south of Darwin, Inyo County, California (Fig. 1). The mining claims are in secs. 25 and 36, T. 19 S., R. 40 E., and secs. 30 and 31, T. 19 S., R. 41 E., M.D.B.&M.

Darwin is reached by automobile by a 6-mile branch oil-surface road south from State Highway No. 190 leading southward from Lone Pine a distance of 33 miles. A fair gravel road leads south a distance of 2.4 miles from Darwin to the mine.

The claims are situated at about 4600 feet in elevation in foothills along the western slope of the Argus Mountain range. Typical desert weather prevails in the region, with hot summers and mild winters. Water for mine use must be hauled a distance of about 25 miles from near Keeler, California; however, a limited supply of water for domestic use is furnished at Darwin. Small mine supplies can be obtained locally or from the Los Angeles area about 200 miles distant.

HISTORY AND PRODUCTION

Tungsten was first mined at the Silver Reef mine property in 1941 when the Pacific Tungsten Co. began development work in the district. The claims were originally located September 5, 1937 by M. J. Summers (deceased); they are now held by the Summers estate and W. V. Campbell. The present operators, known as the Manor Mining Corp., hold a sublease on the property which was acquired on May 1, 1955.

Records of total production from the property are not available; but only a small amount of mining has previously been done. Mr. Ross Finley and Tom Vignich, the original leasors, shipped 82 tons of ore

containing 0.82 percent WO_3; and a Mr. G. F. Lund, a former sub-leasor, shipped 150 tons of ore which assayed 0.76 percent WO_3.

Present operators now employ five men, who are engaged in removing small quantities of ore left in previous workings near the surface and in sorting the ore to improve its grade. Their total production to date has been 87.5 tons of sorted ore of unknown grade, from which 5800 lbs. of concentrates were derived containing from 49 to 66 percent WO_3, with a gross value of $9,620.

PROPERTY AND OWNERSHIP

Three unpatented mining claims, Silver Reef Nos. 1 to 3 inclusive (Fig. 2) comprise the property owned by the M. J. Summers estate and Wallace V. Campbell of Darwin, Calif. The Manor Mining Corp., the applicants and present operators, secured the property from Mr. Ross Finley and Nancy L. Finley, Tom Vignich, and Benjamin Eyer of Darwin, Calif., the lessees.

The Manor Mining Corp. is now operating on a small scale under the supervision of Mr. Bernard Kuhn, Secretary-Treasurer. The applicant has had no previous mining or exploration experience, and he is not believed to be capable of properly planning or supervising an exploration project.

DEVELOPMENT

Surface facilities consist of a small 4-ton crushing and sorting plant, a 10 by 10 foot tool shed, and three ore storage bunkers. Mining equipment consists of a Thor jackhammer with mounting, a 105 c.f.m. Ingersoll Rand compressor, a 4-wheel drive dump truck, and miscellaneous hand tools.

Underground development (see Fig. 3) consists of three shallow adits which explore a tungsten mineralized zone at various elevations on the Silver Reef No. 3 claim; the north-south 248-foot Mickey Summers adit on Silver Reef No. 2 claim which has several short crosscuts. (This adit is nearly barren of tungsten mineralization along its entire length with the exception of a single spot near its portal); a shallow adit (partially caved) which has been stoped to the surface on the Silver Reef No. 3 claim; and numerous other shallow open cuts and trenches.

GENERAL GEOLOGY

The Silver Reef claims are in an area of moderate relief on the southwest flank of the Darwin Hills. The rocks exposed in the vicinity are chiefly limestone and hornfels and are part of the Keeler Canyon formation of Pennsylvanian-Permian age. These rocks have been intruded, and in places overturned, by granitic rocks of the Darwin Stock of Cretaceous age.

The limestone in the mine area is from light gray to dark blue, fine-grained, and thin bedded. It is locally interbedded with thin beds of light brown to gray-green hornfels and dark brown tactite. It is within the hornfels and tactite that the tungsten-bearing material occurs.

The granitic rock is a dark-rusty-brown quartz monzonite that occurs as sills and dikes in the metamorphic rocks (fig. 3).

The metamorphic rocks in general trend north and dip about 45° W. Locally they are folded, contorted, and overturned. There are numerous cross fractures in the metamorphic rocks that strike E-W and dip about 60° N. In places these fractures are coated with thin films of scheelite but they appear to have had but little control in tungsten deposition.

TUNGSTEN DEPOSITS

The tungsten-bearing bodies are in small irregular calc-hornfels and tactite layers near the contact of quartz monzonite with the sedimentary rocks. Although hornfels and tactite are common over much of the mine area, they are tungsten-bearing only locally. Concentrations of tungsten-bearing material from a few inches to as much as 20 feet in diameter, and from a few inches to about 10 feet thick have been mined near the north end of the Silver Reef No. 2 and 3 claims (fig. 3).

Scheelite, the only tungsten mineral that was seen, is disseminated in the hornfels and tactite as coarse crystals and blebs as much as several inches in diameter. These masses of pure scheelite, although spec-

tacular when viewed under ultraviolet light, are widely separated in the host rock and the overall grade of the material in the deposit, across mining widths, is probably about 0.3 percent WO_3. Gangue minerals are calcite, idocrase, diopside, garnet, quartz, and locally pyrite and secondary copper minerals.

About 2,500 tons of ore that contained about 0.4 percent WO_3 was produced by leasers during 1953 and 1954. Most of this ore was mined from an adit at the south end of the Silver Reef No. 3 claim (not mapped). Between May 1 and July 31, 1955 the present operators shipped 87.5 tons of sorted ore that contained about 3 percent WO_3. This ore was mined from an open cut near the northeast corner of the Silver Reef No. 2 claim (fig. 3).

SAMPLING

Analysis and descriptions of six samples taken in connection with this examination, which are located in fig. 3, are as follows:

Sample No.	%, WO_3	Description
1	0.01*	Grab of sorted ore hauled to sorting plant from lower north adit on Silver Reef No. 2 claim.
2	0.01	Grab of coarse ore (plus 1-inch size) to sorting plant.
3	2.12**	Grab of coarse shipping ore (plus 1-inch size).
4	0.85**	Grab of fine shipping ore (minus 1-inch size).
5	0.79	Chip sample across 1.5 foot width of surface open cut showing mineralization at portal of lower north adit.

Sample No.	%, WO_3	Description
6	0.01	Grab of "run of mine" ore from open cut at portal of lower north adit.

*Less than.
**Grade of shipping product after two hand sorting operations, with about a 15-1 ratio of concentration. The grade of material mined is too low to allow a profit.

ORE RESERVES

Except for a few hundred tons of tungsten-bearing material, that contains from 0.1 to 0.8 percent WO_3, exposed in shallow pits and trenches on the Silver Reef No. 2 claim, there are no measured or indicated reserves on the property. Inferred reserves may total as much as 2,000 tons of material containing about 0.3 percent WO_3 in pods and lenses similar to those that have been mined. From this low grade material perhaps 200 tons averaging 2 percent might be sorted. These reserves may be found by following the mineralized streaks and lenses exposed in the present pits or by trenching the other scheelite-bearing outcrops in the area.

PROPOSED EXPLORATION

The applicants have proposed an exploration program consisting of 1,650 feet of AX diamond core drilling. This work would be confined to the area at the north end of the Silver Reef No. 2 claim (figs. 2 and 3) and would consist of inclined and vertical holes from 100 to 600 feet in depth to search for scheelite-bearing hornfels and tactite lenses. They

estimate the cost of the work would be about $13,200.

The hornfels and tactite that are the host rocks for the scheelite are widespread on the Silver Reef claims but are tungsten-bearing only locally. Within the host rock the scheelite occurs as widely spaced blebs and crystals. To determine if a hornfels or tactite layer cut by a drill hole indicated the presence of an ore body would be difficult if not impossible. To drill for poorly defined targets of this character would require a great number of closely spaced holes and the cost would exceed by many times the value of the ore that can be inferred. Underground exploration by adit or shaft, as has already been attempted without success, would likewise cost more than the value of the ore reserves that can be inferred from present exposures.

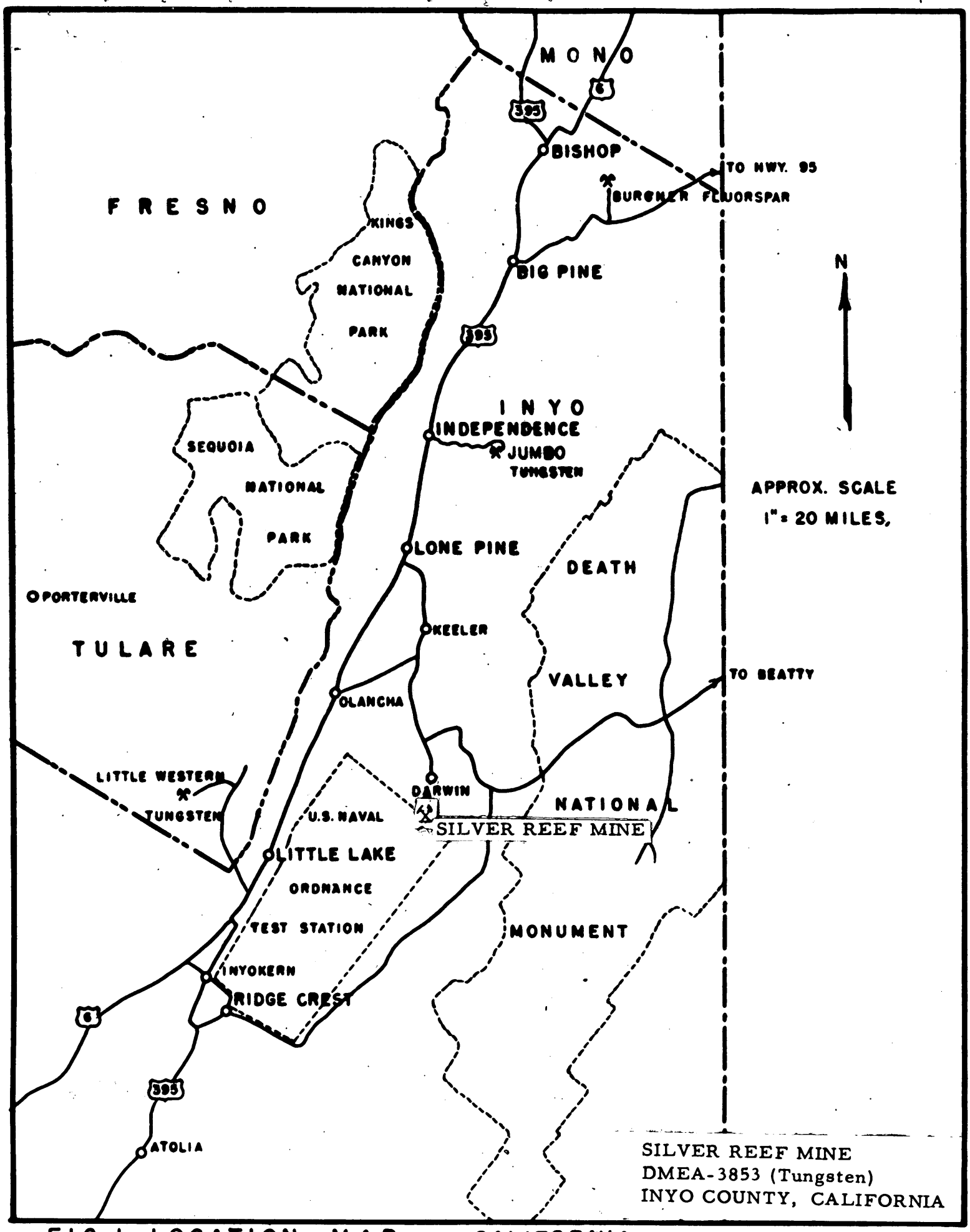

FIG. I. LOCATION MAP. CALIFORNIA

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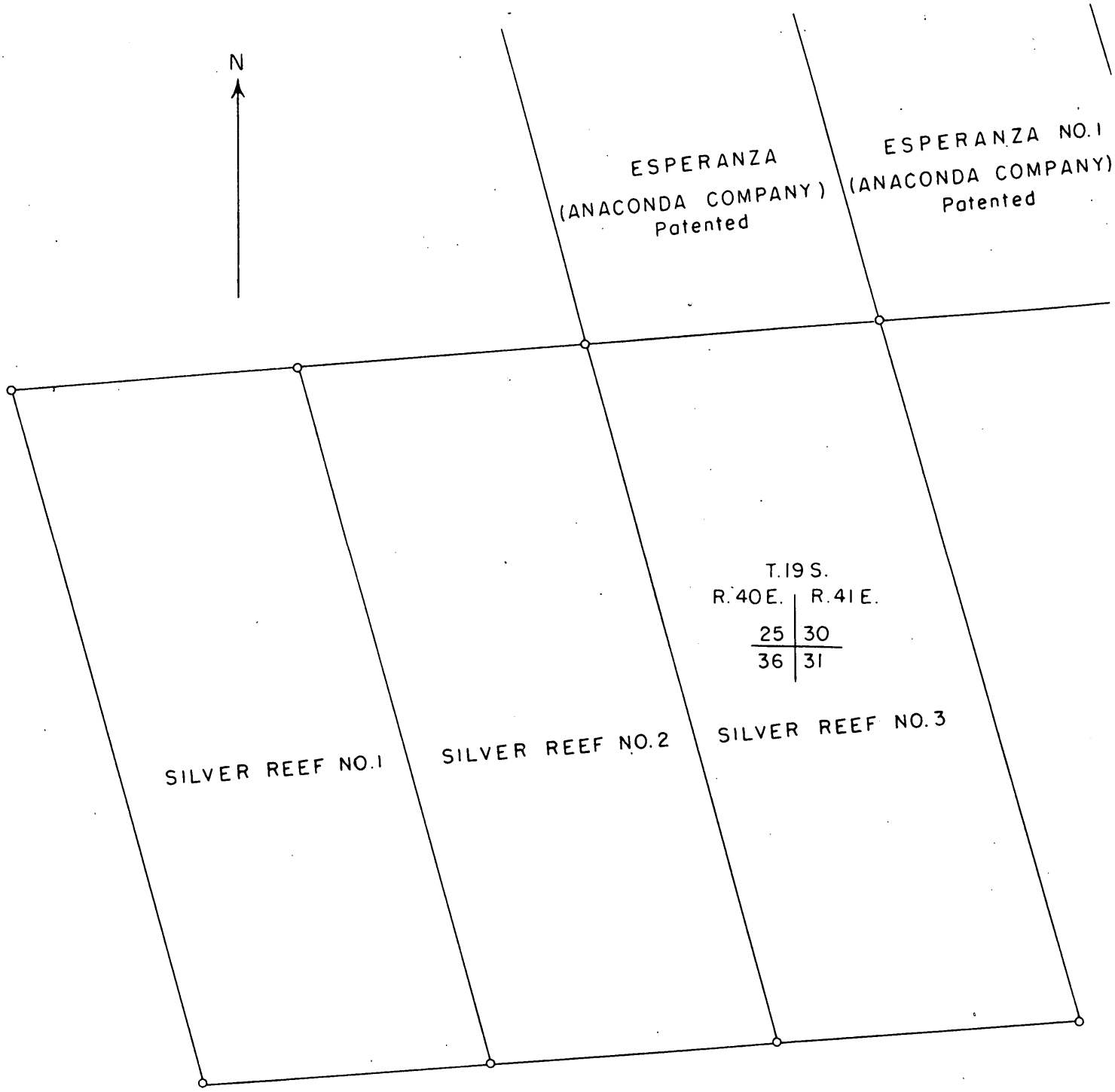
SEP 14 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 3853
(TUNGSTEN)



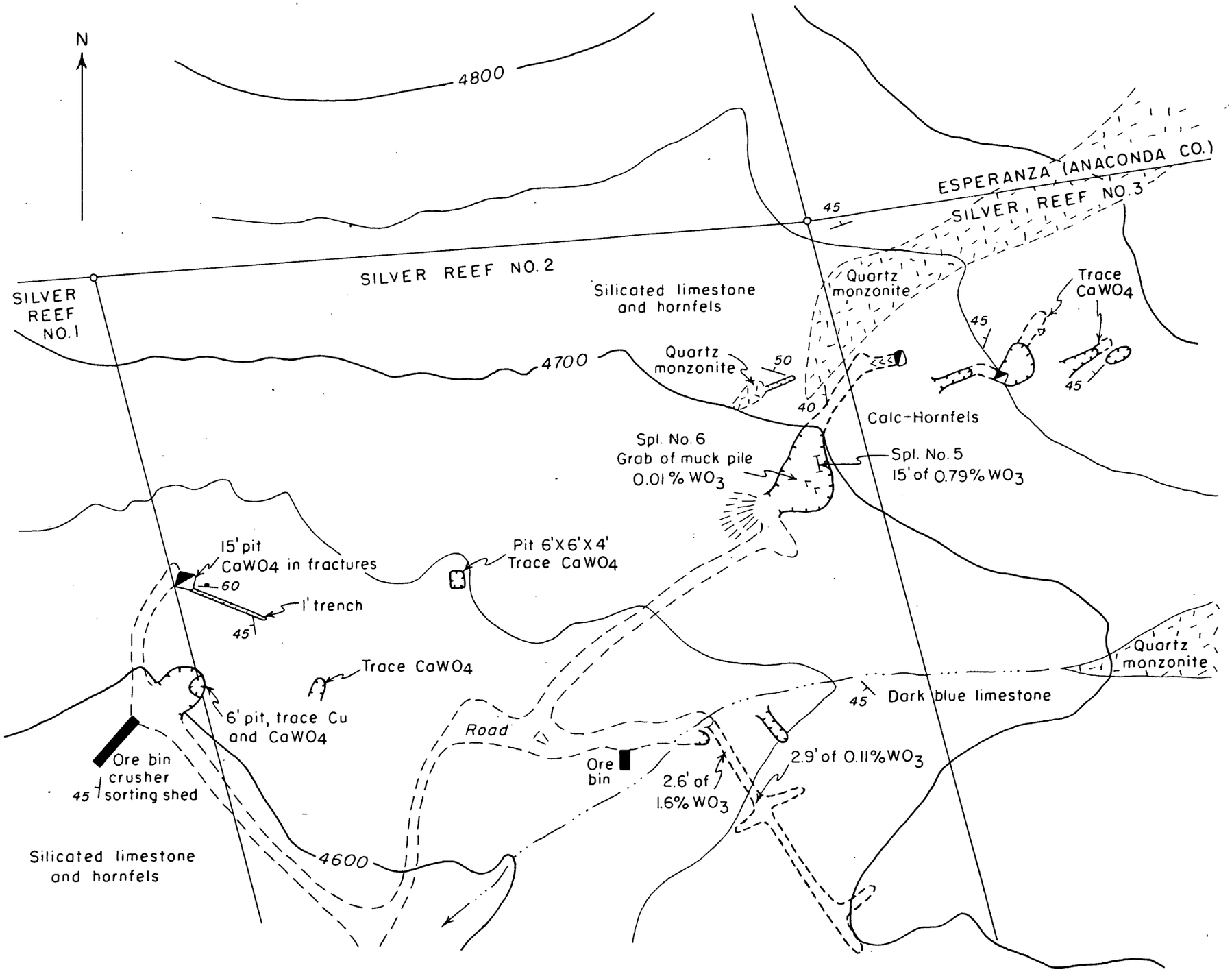
CLAIM MAP OF THE SILVER REEF CLAIMS, MANOR MINING CO.
INYO COUNTY, CALIFORNIA

300 0 300 600 Feet

Figure 2

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 3853
(TUNGSTEN)



GEOLOGIC SKETCH MAP OF THE MANOR MINING COMPANY, SILVER REEF MINE, INYO COUNTY, CALIFORNIA

100 0 100 200 Feet

Figure 3

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SEP 14 1955

DOCKET
SURNAME

400 Rutledge
Holliday
Kiilsgaard
Selfridge
Fleischman

JUN 24 1955

Manor Mining Corporation
P. O. Box 3
Darwin, California

Re: Docket No. DMEA 3853 - Tungsten
Silver Reef mine
Inyo County, California

Gentlemen:

The above-docketed application for exploration assistance has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and referred to Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada for a field examination of the property.

Any assistance that you can give the members of the Field Team will be appreciated.

As requested, the Memorandum of Agreement and the Report upon the Silver Reef Tungsten Claims Nos. 1, 2 and 3 are returned herewith.

Sincerely yours,

C. O. Mittendorf

Administrator

FARutledge:foc 6-24-55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. II
Messrs. Holliday, USBM
Kiilsgaard, USGS

Enclosure

DOCKET
SURNAME

400
Rutledge
Martin
Halliday
Selfridge
JJ Johnson

JUN 24 1955

Mr. Spangler Ricker, Executive Officer
DMEA Field Team, Region II
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 3853 - Tungsten
Manor Mining Corporation
Silver Reef Mine
Inyo County, California

Dear Mr. Ricker:

The above-docketed application for exploration assistance at the Silver Reef mine is being referred to your office for a field examination of the property.

If an exploration project is recommended by the Field Team, an Owner's Consent to Lien should be obtained from Wallace V. Campbell and M. J. Summers' estate, and a Subordination Agreement obtained executed by Tom Vignich and Ross Finley.

Two copies of a relevant memorandum dated June 21, 1955 by N. E. Nelson, Geological Survey, are enclosed for your information.

Also enclosed are copies of a Memorandum of Agreement dated May 5, 1955; of a Lease and Option dated June 5, 1952; and of a Report Upon the Silver Reef Tungsten Claims Nos. 1, 2 and 3 near Darwin, Inyo County, California by Lloyd C. White, April 9, 10, 11, 1955 that were attached to the application.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

FARutledge:foc 6-23-55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. II
Messrs. Holliday, USBM
Kiilsgaard, USGS

Enclosures

cal

Docket IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
JUN 2 [illegible]

June 21, 1955

Re: DMEA-3853
Manor Mining Co.
Silver Reef Mine
Inyo Co., Calif.
Tungsten

Tray retained 200

WSM

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

The subject of this incomplete application, also called the Mickey Sommers Group, was trenched and sampled by the U. S. Bureau of Mines in 1941. The work consisted of 2,472 linear feet of trenching, 223 surface samples and 49 samples from the underground workings, the Mickey Sommers adit. One surface sample showed 1.31% WO_3, one 0.92%, one .94%, and one 0.7%. One underground sample assayed 1.60%. No two of the better samples came from the same spot, U. S. Bureau of Mines, 1949, R.I. 4475.

A report by D. M. Lemmon (1948), Scheelite mineralization in the Darwin district, Inyo Co., California says, "The Silver Reef claims, 2 miles southeast of Darwin, were prospected by numerous open pits and trenches, and by an adit 250 feet long. No ore of commercial grade was discovered in the workings, although scheelite occurs in small quantities over a wide area along beds and in fractures. The zone opened by the adit is a bed of copper-stained hornfels mineralized for 300 feet along the strike and containing small amounts of scheelite over a width of 50 feet or more. The mineralization is irregular and discontinuous, and the content of WO_3 is probably less than 0.2 percent.

"The best scheelite prospect on the claims is about 300 feet north of the adit, where large crystals occur along the bedded contact between marble and tactite. The mineralized layer is $\frac{1}{2}$ to 2 feet thick for a length of 120 feet, and might provide a small amount of sorted ore. The content of WO_3 across mining widths probably does not exceed 0.35 percent."

Neither of the two reports has a general map nor does the report which accompanies the application and it is not possible to correlate the showings mentioned in the government report with open cuts and short adits from which scheelite has been shipped as mentioned in the report of the application. If the ore which has been mined by

leasers, Lund (1953), Finley and Finley, Vignich and Eyer (1954), came from the locations sampled by the Bureau of Mines and mentioned by Lemmon no large masses would be expected. If new and larger showings have been uncovered more might be looked for. The writer of the report with the application took no samples, but "lamped" the showings and says "it is evident that much good ore of the right character (that is easy milling) is available."

A Field Team report is needed to reconcile the varying observations and inferences.

N. E. Nelson

N. E. Nelson

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

June 9, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region II.

DMEA-3853 Manor Mining Corporation

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

Manor Mining Corporation
Box 3
Darwin, California

June 9, 1955
Subject: DMEA-3853
Re: Exploration Assistance
Silver Reef Mine

Gentlemen:

The receipt of your application dated June 5, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3853 and referred to the Iron & Ferro-Alloys Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

D M E A

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

RECEIVED
JUN - 9 1955

1605 Evans Avenue
Reno, Nevada

June 7, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application - (Tungsten)
Silver Reef Mine
Manor Mining Corporation
P. O. Box 3, Darwin, California

Attached are three sets of MF-103 Application for Aid forms relative to above subject. The fourth set has been retained in our files.

Mr. Kuhn requests that the "Memorandum and Agreement" and "Report by Lloyd C. White" which are also attached be returned to him when they have served their purpose.

S. Ricker

Attach.

BUREAU OF MINES
WASHINGTON, D. C.

JUN 9 8 57 AM '55

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED
JUN - 9 1955

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3853
Metal or Mineral Tungsten
Date Received ~~[illegible]~~ 6/9/55
Estimated Cost None
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Manor Mining Corp. (Incorporated in Calif)
P.O. Box 3 Darwin, Calif
Secty B. Kuhn 4102 Roosevelt, Richmond, Calif W L. Dushkin 231 Craig Way,
Pres D. Grossman 1013-9th St, Sacramento, Calif San Luis Obispo (

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Silver Reef Mine 1,2 & 3 located in Township 19 South, range 40 east at 36° 16' north latitude Claims recorded Sept. 5, 1937 at Independence, Inyo County, Cal. Vol. 5, P 466

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee and purchase under contract

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. (see attached sheet)

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Tungsten

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. T. Vignech 40 yrs exp

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [X] Other

Explain in detail on acompanying paper. Will supply money and man power and water supply.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated June 4, 1955

Manor Mining Co.
(Applicant)

By Bernard Kahn Sec.

Box 3 DARWIN CALIF.

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

MANOR MINING CO.

2118 DAM ROAD SAN PABLO, CALIFORNIA
TELEPHONE BEACON 4-5258

RECEIVED
JUN - 9 1955

D. GROSSMAN, PRESIDENT
L. DUSHKIN, VICE PRESIDENT - ENGINEER
B. KUHN, SECRETARY - TREASURER

4 A Trenching, open pit work, tunneling, compressor, drills, Crusher, sorting plant, loading bins, ore car, truck

B 1954 - 9 mo- $15,000 not appox 1,000 tons 1%

C will be described in Engineers report which is attached.

5B We intend to diamond drill 20-40' holes and about 3-300' holes.

6 I have 2 estimates from drillers, both averaging about $8. foot. This includes labor, cementing, assaying, Engineering and power. Water must be hauled 25 miles from Keeler

B. Kuhn

MEMORANDUM OF AGREEMENT

RECEIVED
JUN - 9 1955

THIS AGREEMENT, made and entered into this 5th day of May, 1955, by and between ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, a single man, and BENJAMIN EYER, a single man, parties of the first part, sometimes hereinafter referred to as the Sellers, and MANOR MINING CORPORATION, a California corporation, party of the second part, sometimes hereinafter referred to as the Purchaser,

W I T N E S S E T H:

WHEREAS, first parties are the lessors in possession of those certain unpatented mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows:

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim,

under and by virtue of a certain lease and option agreement in writing entered into on or about the 5th day of June, 1952, by and between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Ross Finley, as lessees, copy of which lease and option agreement is attached hereto, marked Schedule "A", and by reference incorporated herein; and

WHEREAS, it is the desire, intent and purpose of the parties hereto that first parties sell and assign and that second party receive an assignment and purchase all of the right, title and interest of first parties in and to said lease and option agreement; and

WHEREAS, it is further the desire, intent and purpose of the parties that first parties sell and transfer unto second

party all machinery, tools, and equipment situate upon said mining premises and on three (3) mill sites occupied by first parties approximately one and one-half (1-1/2) miles south of the Town of Keeler in said County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, and one jackhammer, and grant unto second party the right to lease the mill sites aforesaid;

NOW, THEREFORE, for and in consideration of the sum of One hundred dollars ($100.00) by second party paid to first parties, receipt whereof is hereby acknowledged, and for and in consideration of the payments hereinafter provided to be made by Purchaser and of the mutual covenants, promises, and agreements of the parties by each to the other made and herein contained, the parties hereto agree as follows:

1. Sellers do hereby agree to sell and transfer unto Purchaser all and singular the mining equipment of Sellers situate upon and used in the operation of the mining claims and mill sites aforesaid, and to assign to Purchaser the lease and option agreement herein referred to and attached hereto as Schedule "A", for the total purchase price of Twenty-five thousand dollars ($25,000.00), to be paid by Purchaser unto Sellers as follows:

(a) The sum of One hundred dollars ($100.00) paid by Purchaser unto Sellers on the 12th day of April, 1955, receipt of which sum is hereby acknowledged by Sellers; and

(b) The further sum of Nine thousand nine hundred dollars ($9,900.00) to be paid by Purchaser unto Sellers upon the execution of this agreement; and

(c) The further sum of One thousand two hundred dollars ($1,200.00) to be paid in installments of One hundred

dollars ($100.00) per month, commencing on or before the 1st day of June, 1955, and continuing on or before the 1st day of each calendar month thereafter for a period of twelve (12) months, provided, however, that on or before the 1st day of June, 1956, Purchaser shall pay unto Sellers the further sum of Three thousand eight hundred dollars ($3,800.00), which, with said monthly installments totaling $1,200.00, shall total the sum of Five thousand dollars ($5,000.00) which Purchaser agrees to pay unto Sellers on said purchase price on or before said 1st day of June, 1956; and

(d) Commencing as of the 1st day of June, 1956, and continuing on or before the 1st day of each calendar month thereafter to and including the month of May, 1957, Purchaser shall continue to pay unto Sellers One hundred dollars ($100.00) per month, or a total of One thousand two hundred dollars ($1,200.00) for said twelve (12) month period, and the further sum of Eight thousand eight hundred dollars ($8,800.00) shall be paid by Purchaser unto Sellers on or before the 1st day of June, 1957, making a total of Ten thousand dollars ($10,000.00) for the period commencing the 1st day of June, 1956, and terminating as of the 1st day of June, 1957, it being the understanding and agreement of the parties that the total purchase price of Twenty-five thousand dollars ($25,000.00) shall be fully paid on or before said 1st day of June, 1957.

2. When, but not until, the total purchase price herein provided for shall have been paid by Purchaser unto Sellers, the Sellers shall execute and deliver unto Purchaser a bill of sale covering all mining equipment owned by Sellers and situate upon said premises and on three (3) mill sites now occupied by Sellers approximately one and one-half (1-1/2) miles

south of the Town of Keeler, in the County of Inyo, State of California, including a compressor, one Chevrolet dump truck, a complete sorting plant, pipe lines, four (4) bunkers, track, one ore car, one jackhammer, and other miscellaneous tools and equipment, and shall execute and deliver to Purchaser an assignment of the lease and option aforesaid between M. J. Summers and Wallace V. Campbell, as lessors, and Tom Vignich and Rees Finley, as lessees, transferring all rights, interest, and privileges of Sellers under said lease and option agreement unto Purchaser. Until said purchase price has been fully paid in the manner aforesaid, all said equipment and the lease to said mining claims shall remain the property of Sellers, it not being the intention of the parties that title be transferred or that an assignment of the lease be made until the full purchase price has been paid. The Sellers further agree to release all right to occupy the three (3) mill sites aforesaid to the end and purpose that Purchaser may obtain a lease and right to occupy said mill sites in their names, it being the understanding of the parties that said mill sites are not the property of Sellers.

3. Should the Purchaser fail, neglect or refuse to make the payments herein provided, then and in that event this agreement and all privileges hereby granted shall cease, terminate and be of no further force or effect between the parties, and Sellers shall be entitled to retain all sums theretofore paid to them by the Purchaser, as liquidated damages, and not as a penalty, for breach of the agreement of Purchaser to purchase the aforesaid equipment and lease and option, it being the understanding and agreement of the parties that in such event it would be impossible to accurately determine the actual

damages resulting from such breach. If, at any time during the life of this agreement, the aforesaid mining claims shall fail to yield ores or minerals in quantities or quality sufficient to warrant the continued mining or development thereof, the Purchaser may terminate this agreement by giving said Sellers a thirty-day notice to such effect; and if this should occur before said Purchaser has made all the payments hereinabove specified, said Purchaser shall be relieved from making any further payments, but Sellers shall be entitled to retain all sums theretofore paid to them by Purchaser, as liquidated damages, for the reasons similar to those hereinabove set forth.

4. When, but not until, Purchaser has paid unto Sellers the sum of Nine thousand nine hundred dollars ($9,900.00), or a total of Ten thousand dollars ($10,000.00), upon the execution of this agreement, the Purchaser shall be entitled to take possession of the mining premises herein described, subject to the terms and provisions of the lease and option agreement attached hereto as Schedule "A" and by reference incorporated herein, together with the mining equipment and mill sites which constitute the subject of this agreement, and retain possession thereof upon compliance with all and singular the other provisions of this agreement and all and singular the provisions of said lease attached hereto as Schedule "A", it being the understanding of the parties, however, that title shall remain in Sellers and that said assignment of the lease and option referred to herein as Schedule "A" shall not be made until the full purchase price of $25,000.00 is paid by Purchaser unto Sellers. It is the understanding, stipulation and agreement of the parties that during their occupation of said mining premises pursuant to this agreement, Purchaser shall promptly pay unto the

lessors named in the lease attached hereto as Schedule "A" all royalties as provided in said lease and option agreement, and shall comply with all and singular the provisions of said lease and option agreement for the protection of the lessees therein named and the Sellers named in this agreement.

5. Sellers, for themselves and their heirs and personal representatives, hereby covenant with said Purchaser, and its successors and assigns, that said Sellers are lawfully entitled to make and enter into the aforesaid agreement; that the aforesaid mining claims are free from encumbrances; that said Sellers have the right to possession of, and the right to operate, the aforesaid three (3) mill sites under the name of "L.& W. Tungsten Co."; that said Purchaser, and its successors and assigns, shall quietly enjoy the aforesaid mining claims and mill sites without lawful disturbance; that said Sellers have paid to the lessors named in the lease and option agreement hereto attached the total sum of approximately $5,300.00 as royalties or rentals, as therein specified; and said Sellers do hereby agree to defend the title to said claims and the possession of said mill sites against all persons who may claim the same.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Ross Finley
Ross Finley

Nancy L. Finley
Nancy L. Finley

Tom Vignich
Tom Vignich

Benjamin Eyer
Benjamin Eyer

SELLERS

MANOR MINING CORPORATION

By David Grossman
President

By Bernard Kahn
Secretary

PURCHASER

STATE OF CALIFORNIA)
COUNTY OF INYO) ss.

On this 6 day of May, 1955, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY and NANCY L. FINLEY, husband and wife, TOM VIGNICH, and BENJAMIN EYER, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Vivian Smith
Notary Public in and for the County of Inyo, State of California.

My commission expires: 10-25-56

STATE OF CALIFORNIA)
CITY AND COUNTY OF SAN FRANCISCO) ss.

On this 5th day of May, 1955, before me, a Notary Public in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared David Grossman and Bernard Kuhn, known to me to be the President and Secretary of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Richard C. Shortall
Notary Public in and for the City and County of San Francisco, State of California.

My commission expires: Apr. 19, 1958

Schedule "A"

LEASE AND OPTION

THIS MEMORANDUM OF LEASE, Made and executed in quadruplicate this 5 day of June, 1952, by and between M. J. SUMMERS and WALLACE V. CAMPBELL, parties of the first part, sometimes hereinafter referred to as the Lessors, and TOM VIGNICH and ROSS FINLEY, parties of the second part, sometimes hereafter referred to as the Lessees,

W I T N E S S E T H:

That for and in consideration of the rents, royalties, covenants and agreements hereinafter set forth on the part of the Lessees to be paid, kept and performed, the Lessors have let, demised and leased and by these presents do let, demise and lease unto the Lessees for mining purposes those certain lode mining claims situate in the New Coso Mining District in the County of Inyo, State of California, commonly known and described as follows :

Silver Reef No. 1 Mining Claim,
Silver Reef No. 2 Mining Claim, and
Silver Reef No. 3 Mining Claim.

TO HAVE AND TO HOLD said demised premises for the purpose of mining ores and minerals therefrom and for the operation and development thereof, so long as ores and minerals are produced therefrom during the faithful performance of the covenants and agreements hereinafter contained on the part of Lessees to be kept and performed.

1. In consideration of said lease, and the option hereby granted, the Lessees do hereby covenant and agree for themselves, their heirs, administrators and assigns, to and with Lessors as follows, to-wit:

(a) The Lessees shall pay to the Lessors as a minimum and advance monthly royalty or rental the sum of One hundred ($100.00) dollars per month, commencing as of the date of this

agreement, and continuing on the 5 day of each calendar month thereafter during the term or life of this lease and agreement, and the Lessees shall pay to the Lessors during the life hereof a royalty or rental of ten (10%) per cent of the gross returns received from the sale of concentrates or other products produced from said demised premises, which payment the Lessees shall cause the buyers of such concentrates or materials to pay directly to the Lessors at the time of payment therefor to the Lessees, or by the Lessees within ten (10) days after the receipt of the proceeds for the sale of any such concentrates or materials. Provided, further, that the Lessees shall be entitled to deduct from the amount found to be due and payable to Lessors on account of said ten (10%) per cent royalty or rental the minimum monthly royalties or rentals which have theretofore been paid to them and not credited against the ten (10%) per cent royalties, it being the understanding of the parties hereto that said sum of One hundred ($100.00) dollars per month shall for all purposes be considered a minimum royalty payable only in the event that the ten (10%) per cent royalty or rental shall not be equal to or exceed said sum of One hundred ($100.00) dollars during any calendar month.

(b) The Lessees further agree that they will keep accurate books of account, showing the amount of ores extracted from said premises, the amount of concentrates milled, sold or shipped therefrom, and the amount of money received therefrom. Said books of account shall be open at all times to inspection by the Lessors or their duly authorized agent. The Lessees will provide or cause to be furnished to the Lessors a duplicate copy of the chemical analysis and settlement sheet upon which the sale of concentrates from said mining premises is made, which shall accompany each payment of royalty herein reserved to the Lessors.

(c) The Lessees promise, covenant, and agree that

all work shall be done in a minerlike fashion and in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible with due regard to the safety and preservation of said premises as a workable mine, and in accordance with all applicable laws, rules and regulations of the State of California, and that they will well and sufficiently timber said mine at all points where proper or necessary, and will at all times during the life of this agreement permit the Lessors or their duly authorized agents to enter into or upon all parts of said mine and mining premises, and places used for the treatment of ore produced therefrom, at any reasonable time but at their own risk, for the purpose of inspecting and sampling ore and to see that the terms of this agreement are being fully met and performed.

(d) Lessees agree to permit Lessors to post and to keep posted, in a conspicuous place or places on said demised premises, such notices of non-responsibility as Lessors may see fit.

(e) Lessees will at all times keep and save harmless the Lessors from any and all responsibility for accidents to their employees, sub-lessees, licensees, agents, associates, or visitors upon said premises.

(f) It is agreed that Lessees will carry adequate policy or policies of Workmen's Compensation Insurance in accordance with the laws of the State of California, and that Lessees will otherwise operate said premises in full accord with the laws and regulations pertaining to the operation thereof.

(g) Lessees agree to pay all taxes levied and assessed against or upon any equipment or improvements situated upon said mining property before the same shall become delinquent.

(h) Lessees agree to at all times keep said mining premises free and clear of all liens by reason of the operation

of the same by them, or by any person or persons acting through or under them, and to pay for all indebtedness incurred in the operation of said mining property for labor, supplies, materials, or anything else incurred in the operation of said mining property which might or could become a lien on account of failure to pay the same.

(i) Should the Lessees be prevented from complying with the terms hereof by reason of floods, earthquake, heavy snows or other Acts of God, or strikes, riots, or other causes beyond the control of the Lessees, then the failure to comply with the foregoing terms hereof by reason thereof shall not be deemed a cause for declaring the Lessees in default under the terms of this lease.

(j) Upon the abandonment of said premises by the Lessees, or upon the termination of this agreement, Lessees shall have the privilege of removing, within ninety (90) days thereafter, all broken ore in bins, all equipment, improvements and mining machinery placed by them upon said premises, excepting timber and lumber in place or anything else that protects the mine, provided, however, that the said Lessees shall not be entitled to exercise the privilege herein given until they have first delivered to Lessors a quitclaim deed and surrender of their right, title and interest in and to said mining premises and have paid all sums theretofore due Lessors as royalties hereunder. In the event such ore and fixtures are not so removed within the time specified, the same shall revert to the Lessors as part of the demised premises.

(k) It is agreed that the waiver by Lessors of any provisions herein binding upon the Lessees shall not be deemed a continuing waiver, and all provisions herein covenanted to be performed shall be binding as though there had been no such waiver.

(l) In the event that Lessees are not in default in

the performance of any of the terms, covenants and conditions hereunder, and the operation of said mining property is found to be unprofitable, they may at any time terminate this lease and all future obligations hereunder, by serving notice of such termination upon Lessors and delivering to them the possession of said premises, and delivering to them a quitclaim deed and written surrender of all their rights hereunder and in and to the mining premises described.

2. Time, as to each and singular the terms, covenants and conditions hereof, is of the essence of this agreement, and should Lessees remain in default in the performance of any term, covenant or condition hereof (other than the payment of money herein provided for) for a period of thirty (30) days after written notice of default shall have been served upon them, or in the event that said Lessees shall fail, refuse or neglect to make any payment of rental or royalties at the time and place herein provided, then and in that event, without further notice or demand, this lease shall terminate and be of no further force and effect, save and excepting that the Lessees shall not be relieved of any obligation arising in favor of Lessors prior to the date of such termination, or for royalties due or to become due on account of ore previously extracted from said premises, and upon such termination Lessors shall retain all sums previously paid to them under the terms hereof and shall be entitled to re-enter into possession of said premises and each and every portion thereof and remove any and all persons therefrom, with or without process of law.

3. Notices, demands, declarations and communications desired to be given or served by either the Lessors or the Lessees upon the other shall be deemed validly served and given when deposited in any United States Post Office by registered mail, with the postage thereon fully prepaid, and if intended for the Lessors addressed to each of them as follows: M. J. Summers,

_____, and Wallace B. Campbell, _____, or such other place or places as they, or either of them, may hereafter designate; and if intended for the Lessees addressed to each of them as follows: Tom Vignich, _____ _____, and Ross Finley, _____ _____, or such other place or places as they, or either of them, may hereafter designate; and the date of the registration receipt shall be deemed prima facie evidence of the date upon which service was made.

4. And as a further consideration for the execution of this agreement by the Lessees, Lessors do hereby give and grant unto the Lessees the exclusive right, privilege and option to purchase, so long as the agreement above remains in effect, the premises above described upon the following terms and conditions:

(a) The total purchase price for said premises shall be the sum of Thirty-five thousand ($35,000.00) dollars.

(b) In the event of the exercise of the option to purchase as herein provided any and all sums paid to the Lessors under and by virtue of the terms of the foregoing lease, including the minimum monthly royalties and rentals and all percentage royalties or rentals, shall become a part, apply upon, and be credited against the purchase price of Thirty-five thousand ($35,000.00) dollars aforesaid.

5. Upon exercise of the option to purchase and the tender or payment of the purchase price as provided for, the Lessors shall execute and deliver to the Lessees a good and sufficient instrument of conveyance, together with proper and sufficient proof of title to said mining premises, subject only to the paramount title of the United States of America, free and clear of all liens and encumbrances whatsoever, save and excepting liens and encumbrances placed or permitted to be placed upon said premises by the Lessees

or their successors in interest.

6. At the election of the Lessees, tender of the purchase price, or the balance thereof, may be made by the deposit of said sum in escrow with the Bank of America, Bishop or Lone Pine Branch, or some other responsible agency, with instructions to said escrow holder that said sum be delivered to Lessors upon there being filed for record such instrument or instruments as may be necessary to transfer unto Lessees said mining claims free and clear of all encumbrances and subject only to the paramount title of the United States of America.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

WALLACE V. CAMPBELL

M. J. SUMMERS

LESSORS

TOM VIGNICH Tom Vignich

TOSS FINLEY

LESSEES

STATE OF CALIFORNIA)
) ss.
COUNTY OF INYO)

On this 9 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared M. J. SUMMERS and WALLACE V. CAMPBELL, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they, and each of them, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

A. J. MARTIN
Notary Public in and for said County and State

My Commission Expires Dec. 21, 1955
(SEAL)

STATE OF ~~CALIFORNIA~~ Arizona)
COUNTY OF ~~INYO~~ Mohave) SS.

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared TOM VIGNICH, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

On this 5 day of June, 1952, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROSS FINLEY, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

ROSE T. SMITH
Notary Public in and for said County and State

My Commission Expires
Nov. 6, 1952

(SEAL)

REPORT UPON THE

SILVER REEF TUNGSTEN CLAIMS

NOS. 1, 2 AND 3

NEAR DARWIN, INYO CO., CALIFORNIA

By LLOYD C. WHITE
April 9, 10, 11, 1955

LLOYD C. WHITE
Mining Engineer
1005 Oxford Street
Berkeley 7, California

April 16, 1955

Manor Mining Co.
2118 Dam Road
San Pablo, California

Gentlemen:

Darwin, Inyo County, California, is situated at about 36° 16' north latitude in township 19 south, range 40 east, at the foot of the western slope of a spur of the Angus range of mountains. The elevation of the town is 4746 feet, that of the highest point of the spur is 6190 feet.

Some eighty years ago Darwin was an important mining camp; at that time the mines were worked only for their gold, silver and lead content. Within the past few years Anaconda Copper Company has developed a silver-lead-zinc mine adjacent to the town. They are milling 400 tons of ore per day, 140 tons of which is oxidized ore and 260 tons is sulphide. The mine is now said to have reached a depth of 900 feet and the bottom is said to be entirely in a lead-zinc sulphide zone. The story is they have several years of developed ore.

There is a wide mineral belt thru the Darwin area and extending at least five or six miles in a north-south course, which contains several old mines. Several of these properties are now being worked for tungsten. The above is recorded to show your claims are in a well mineralized area.

Location of Silver Reef Group

Silver Reef Mining Claims Nos. 1, 2 and 3 are in the New Coso Mining District and are located about 1 1/2 miles south of Darwin. There is a good gravel road to the claims. There is no water or electric power

on the claims. If it became a big operation a power line could be run a distance of about two miles from the Anaconda sub-station north of Darwin.

At present drilling and compressor water has to be hauled from the town's domestic supply lines. It is said that the average annual rainfall at Darwin is less than an inch. In other words it is a desert country.

The claims were located on September 5, 1937 and recorded September 30, 1937 at Independence, Inyo County, California. M J. Summers (deceased) was one of the locators. The Summers estate and Wallace V. Campbell are the present owners. The claims are supposed to be full size lode mining claims but they have never been surveyed. They have been held by annual assessment work. The elevation at the lowest ore outcrop on Silver Reef No. 2 claim is about 4100 feet. The elevation on the ridge outcrop on about the center line of Silver Reef claim No. 3 is about 4450 feet. Silver Reef Claim No. 1 is the lowest claim and comprises material eroded from the upper claims.

The claims lie side by side and the course of the side lines is approximately S 30° E

Geology

The formation of the Darwin district is limestone, overlying granite penetrated by numerous dikes of porphyritic rocks and diorite. At the contact with these igneous rocks the lime appears greatly altered, the blue color changes into white, the texture becomes crystalline, marble like and the increased hardness indicates a partial silicification.

The country rock on the Silver Reef Claims Nos. 2 and 3 containing the mineralization has been classified a monzonite. On these claims there are wide bands of blue and white limestone and on No. 1 claim shale is abundant.

The minerals present are scheelite, quartz, epidote, garnet, pyrite, chrysocolla calcite and possibly minute qualtities of molybdenum. The scheelite occurs in small to large crystals of white to yellowish white, which show bluish white under the ultra-violet ray lamp. There may also be cuproscheelite present but to date this has not interfered with the marketing of the concentrate.

Ore Occurrence

Near the northerly end of claims Nos. 2 and 3 there is a series of open cuts and short adits from which scheelite ore has been shipped. The line of openings exposing ore is roughly south 75 degrees west.

At the southern end of claims Nos. 2 and 3 there is an adit which followed the ore possibly 100 feet and then got off the ore band. This adit is near the surface and broke thru in a few places. The grade of ore shipped from the south end is said not to be as good a grade as from the north end of the property.

In the center section of claims Nos. 2 and 3 some open pits have exposed ore which was shipped and surface trenching indicates possible ore.

Ore shipped to Bishop, Calif. for milling.

The only record of tonnage and grade of ore shipped from the property was given me by Ross Finley, the lessor.

From the south end of the property, Finley shipped 82 tons of ore which milled out only .82% WO_3 because a ball mill was used in the milling circuit, which slimed the scheelite with the resulting loss in recovery. Finley said that 12 samples cut from this ore in place in a 4 1/2 foot wide drift assayed 1.7% WO_3, which is about twice the grade recovered in the mill.

A former lessor, G. F. Lund on May 14, 1953, sold 150 tons of ore to the Vanadium Company's mill above Bishop. This ore assayed .76% WO_3. The ore was also taken from the south end of the property. Ross Finley said the reason the grade of the ore was low was that Lund broke the ore band, plus a lot of waste rock, thus diluting the ore. This statement seems reasonable after seeing the wide drift from which the ore came.

From January 1954 to October of the same year the present leasers, namely Ross Finley, Tom Vignich and Ben Eyer, mined, sorted and shipped 159 tons of selected ore from the north end of the property. This ore was trucked 106 miles to the Lee Early mill at Bishop and netted $15,630.00 or just under $100.00 per ton of ore milled. The trucking cost was $8.50 per ton, milling $15.00 per ton, assaying $1.00 per ton, sampling $1.00 per ton and in addition some of the lots of concentrate had to be upgraded thru a magnetic separator. This cost also is about $1.00 per ton. Some of the lots of concentrate were not upgraded to at least 60% WO_3 and drew a penalty from C. W. Jones, the ore buyer at Bishop. There was a small penalty for zinc in the concentrate in a few of the lots. All told, the 159 tons above referred to were shipped in 15 separate lots and Ross Finley has the purchase statements from C. W. Jones, the buyer of the concentrate. Figuring that the mill recovery was 75%, then the above lots were assaying on the average better than 2 1/2% WO_3, which is high grade ore.

I did not sample any of the ore exposures on the property but I did "lamp" them and it is evident that much good ore of the right character (that is easy milling) is available.

There have been other ore shipments from the property other than those shown above but I have no record of them.

Mining Equipment on Property

There is an old, single drill air compressor and one rock drill, together with one old four wheel drive ore truck. There are several hundred feet of surface compressed air and water lines for drilling.

The property is not equipped at present to carry on necessary development and to produce the tonnage which will be necessary to make any considerable amount of money, before the government support price on tungsten expires.

Ore Treatment

At present the selected mined ore is hauled from the various open cuts on the surface and dumped into a small receiving bin located at the northern part of the property and at the western side line of Silver Reef Claim No. 2.

Thence it is fed by hand to a 8" x 14" rock crusher, thence by belt conveyor to a small trammel screen with 3/4 inch openings. The undersize drops into a small truck bin and the oversize passes by belt conveyor thru a dark room, equipped with ultra-violet ray lamps, where the high grade scheelite is picked off by hand and returned to the under size bin. The oversize from the picking belt discharges into a truck and thence to the waste dump. This plant is driven by an old automobile engine through line shafting. The ore from the undersize bin has been trucked over 100 miles to Bishop to be milled. This crushing and sorting arrangement requires three men and with the present equipment it is a slow process. It is, however, a necessary step in the treatment of the ore mined to date, in order to keep up the tungsten content.

The property is not developed sufficiently to justify a mill of its own, therefore the ore will have to be trucked to custom mills and stand a large trucking and milling cost.

Going with the property, however, is an excellent millsite on the highway and about 22 1/2 miles from the claims. There are three five-acre lots with title from the Federal Government. There is an 80 foot well on the millsite with the sweet water rising to within 30 feet of the surface. This well has been pumped for milling purposes in times past and the supply is abundant.

There is a 34,000 volt power line passing over the millsite and the power company superintendent said that the line can be tapped and a substation installed for about $3000.00. Elevation at millsite 3250 feet.

I am recording this information so that when the prospect develops into a mine you can build your own mill and eliminate the long haul and high milling cost and probably high metallurgical losses in the custom mills.

Furthermore, your mill could also become a custom mill and treat the ores from properties nearby, thus deriving some additional profit.

Conclusions

The Silver Reef claims have a good surface showing of sheelite ore. With the information now at hand they justify further development.

With the government support price on tungsten likely to end before January 1, 1957, the development of the property should proceed rapidly.

Crushing, screening and sorting the ore at the mine is the proper procedure to produce a grade of mill feed that will stand the high transportation and milling costs.

More recently the property has been worked by leasers who were working for themselves and consequently there was no payroll or overhead charged against the output. This condition will change when a new owner has to hire all of his labor. The leasers would definitely give more attention to the selection of the ore than hired help. In other words closer direction of the work will be required by a new owner.

RECOMMENDATIONS

(1) The claims should be surveyed and contoured. All workings should be shown so that an engineer can recommend some development program.

(2) To start, diamond drill the north end of the property with short holes in an effort to establish a quarrying operation which is the cheapest mining.

(3) Try and develop enough ore to justify the installation of a crushing and sorting plant, capable of treating say 30 tons of material per six hour shift.

(4) Purchase more compressor and drilling equipment at once. Also more trucking equipment.

(5) If the property develops as expected your own mill can be considered.

Respectfully submitted,

Lloyd C. White