DMEA Form 1

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA Docket No. 4484

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in the Docket, Mails and Files Branch. Any movement of this document between divisions or offices in DMEA or movement outside DMEA must be recorded in the Docket, Mails and Files Branch, and therefore, the document must be routed through that Branch.

Copies sent to:

USGS, BM

Routing Slip

To:	400	Date	10/3/56
To:	Oper Com	Date	10-17-56
To:	Code 400	Date	10-17-56
To:	Oper Com	Date	10-19-56
To:	Admr	Date	10-19-56
To:	Oper Com	Date	12-21-56
To:	Admr	Date	12-21-56
To:	130	Date	2-11-57
To:	110	Date	2-11-57
To:	225	Date	2-12-57
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

Martin:

Be sure this gets transferred to FT on ~~Arlan~~ Dalcan's books

NO
Leave it in 3A

Box 90

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 7 1959

DATE		CODE
4/7		220
"		700
		225

April 2, 1959

Mr. Arthur E. Granger, Chief
Salt Lake Branch
Atomic Energy Commission
222 South West Temple
Salt Lake City, Utah

Re: Docket No. DMEA-4501 (Uranium)
Kern Uranium Company
Little Sparkler and McTom Claims
Kern County, California

Dear Mr. Granger:

In accordance with a request of March 13, 1959 from Mr. George Selfridge, Chairman, Operating Committee, OME, we are enclosing a copy of our on-site examination report on referenced property.

Our files show that a copy of this report was sent to you on January 7, 1957.

S. RICKER
S. Ricker
Executive Officer
OME Field Team, Region II

Attachments
SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
RMSmith
File
Chron

ME Form 7
(10-58)

4501

OFFICIAL FILE COPY

Date	Surname	Code
3/11/59	Kleinkauf	700
	Selfridge	120
		110
		100
		220
	DMEA-3759	225

(Incoming letter filed in DMEA-2855
D. B. McGee & A. R. Kleinkauf)

Mr. Arthur E. Granger, Chief
Salt Lake Branch
Production Evaluation Division
Atomic Energy Commission
222 South West Temple, Room 210
Salt Lake City, Utah

Re: PEI:BD:mkc

Dear Mr. Granger:

In accordance with your request of March 6, we are enclosing copies of the following property on-site examination reports:

DMEA-3682 Knowles Fisher Corporation, Radiant claims, Lemhi County, Idaho

DMEA-3974 Western Gold & Uranium, Inc., Silver Reef Mines, Washington County, Utah

DMEA-4291 Ralph E. Patton, et al., Foolproof claims, Custer County, Idaho

DMEA-4575 Idaho Nevada Uranium Corporation, Queen, et al., claims, Elko County, Nevada

We have requested our Reno, Nevada, office to forward a copy of the on-site examination report for Docket No. DMEA-4501, Kern Uranium Company, Little Sparkler and McTom claims, Kern County, California.

No DMEA reports are available because no on-site examinations were made of the following properties:

DMEA-2855 Allen R. Kleinkauf and Donald B. McGee, Minnie Lee and Fiend group of claims, San Bernardino County, California

DMEA-3759 Fall Creek Uranium Corporation, Inc., claims in Caribou Mountains, Bonneville County, Idaho.

FLKnouse/gla 3-11-59 Sincerely yours,

cc to: Director's R. File
Operating Committee
FLKnouse
Regions I, II, and III, w/cc
incoming letter

(signed) FRANK E. JOHNSON
Acting Director

(bb)

Enclosures

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/11/59	Knouse	700
3/12	[illegible]	130
3/13	Jones	110
		~~100~~
		220
3/13	[illegible]	225

MAR 13 1959

Memorandum

To: Executive Officer, OME Field Team, Region II

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4501 (Uranium)
Kern Uranium Company
Little Sparkler and McTom Claims
Kern County, California

In accordance with the enclosed copy of request, dated March 6, 1959, of Arthur E. Granger, Chief, Salt Lake Branch, Production Evaluation Division, Atomic Energy Commission, 222 South West Temple, Salt Lake City, Utah, please forward to him a copy of the on-site examination report for the subject property.

George C. Selfridge (HB)

Enclosures

APPROVED:

H. G. Iverson (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

FLKnouse/gla 3-11-59
cc to: Director's Reading File
Operating Committee
FLKnouse

43683

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/8	Chapman	400
2/8	Martin	400
2/11	Selbridge	130
"	Houston	110
2/12	Whittenberg	100
2/13	C	220

Lamb
Kilsgaard

FEB 12 1957

Union of Texas Oil Company
527 Texas National Bank Building
Houston 2, Texas

Re: Docket No. DMEA 4484 - Tungsten
Ameil, et al., claims
Mono 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 judgement, 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 all our information, although noting the occurrence of tungsten mineralization on your property, indicates to us that the probability of disclosing minable ore reserves is not sufficiently promising to justify Government participation. Under these circumstances we regret to advise you that your application is denied.

Our denial, however, is made without prejudice to the property. If at some future date additional prospecting finds evidence of significant tungsten mineralization, we shall be glad to consider a revised application for exploration assistance. The revised application should refer to the present docket and contain all of the necessary supporting data required by Form MF-103.

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,

O. O. Whittenberg (for)

Administrator

TLChapman:am 2-8-57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT REG II
Messrs. R. Holliday, USBM
T. Kiilsgaard, USGS

R.L.L.
8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/7	Chapman	400
2/7	Martin	400
		130
		110
		100
		220

February 7, 1957

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of the subject application for exploration assistance in the amount of $107,950.00
Docket No. DMEA 4484 - Tungsten
Union of Texas Oil Company
Ameil, et al., claims
Mono County, California

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

The applicant, Union of Texas Oil Company requested exploration assistance in the amount of $107,950.00 on September 24, 1956, for surface trenching, diamond drilling, and drifting. A field examination of the property was made on October 11, 1956, by B. H. Sheehan, Bureau of Mines, and D. B. Tatlock, Geological Survey.

Applicant: Union of Texas Oil Company
527 Texas National Bank Building
Houston 2, Texas

Property Ownership: The following unpatented lode mining claims are owned by Sam Morris , Bishop, California, and leased to Norman C. Hurd of Harris County, Texas; the lease was assigned to C-Tex Mining and Production Co., Inc., on May 10, 1956, and again assigned to Union of Texas Oil Company on July 23, 1956:

Name	Book No.	Page No.
Ameil No. 1	4	217
Ameil No. 2	4	217
Ameil No. 3	5	56
Jumbo No. 1	5	475
Jumbo No. 2	5	475
Jumbo No. 3	5	476
Sheep Range No. 1	4	93
Sheep Range No. 2	4	93
Sheep Range No. 3	4	94
Sheep Range No. 4	4	94

8623

Property Ownership: Cont'd

The following unpatented lode mining claims have been located by the Union of Texas Oil Company, and recorded at Bridgeport, Mono County, California:

Name	Book No.	Page No.
Houston No. 1 to No. 5 Inclusive	15	20, 21, 22, 23 and 24

All claims are located in sections 23 and 24, T. 3 S., R. 31 E., Indian Mining District, Mono County, California.

Geology: The Morris property adjoins the Black Rock mine to the south. In both the Morris and Black Rock properties a sequence of metamorphised sedimentary rocks consisting of calchornfels, marble and tactite totaling at least 400 feet in thickness is overlain by several thousand feet of quartz-sericite hornfels. The whole formation has been folded into an asymmetric north plunging anticline. The west flank of the anticline has been intruded by granite. The Morris property is mainly on the east flank of the anticline, while the ore occurrences on the Black Rock mine are in faulted zones on the west flank. Only minor occurrences of scheelite are found in tactite zones on the west flank, which apparently has minor faulting.

Development:

A few shallow open cuts, three diamond drill holes and a short adit are the only workings on the claims. The largest open cut is on the Ameil No. 3 claim and is approximately 15 feet deep, 20 feet wide and 60 feet long.

History and Production:

The property was acquired in 1936 by Mr. Sam Morris, of Bishop, California. There has been no production from the property.

Proposed Work: The applicant proposes to explore the tactite zone by an unspecified amount of trenching, about 3,500 feet of diamond drilling and about 500 feet of underground work at a total cost of $107,950.00. Locations of the proposed work are not indicated in the application.

Ore Values

Tonnage: Traces of scheelite, the only tungsten mineral in sight occur sporadically in the eastern part of the tactite zone. A selected sample across one foot of the best material assayed 0.01 percent WO_3 and 0.11 percent molybdenum.

The applicant drilled three inclined diamond drill holes beneath the open cuts at 30 to 35 degrees and 128 to 238 feet deep. No ore was encountered. A specimen sample from one of the cores assayed 0.19 percent WO_3 and 0.19 percent Molybdenum. A 10 foot sample in the tactite assayed 0.01 percent WO_3 and 0.08 percent molybdenum.

No tonnage of ore measurable, indicated or inferred can be noted.

Comments and Conclusions:

The Field Team believes there is little possibility of developing any quantity of ore of a minable grade and recommends denial of the application for exploration assistance. The Commodity Division of the Bureau of Mines concurs in the conclusions and recommendations of the Field Team. The Commodity Division of the Geological Survey concurs in the conclusions and recommendations of the Field Team with some reservations. The applicant is being advised that our denial is written without prejudice to the property.

W. S. Martin

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

TLChapman:am
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.

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

February 7, 1957

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of the subject application for exploration assistance in the amount of $107,950.00
Docket No. DMEA 4484 - Tungsten
Union of Texas Oil Company
Ameil, et al., claims
Mono County, California

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

The applicant, Union of Texas Oil Company requested exploration assistance in the amount of $107,950.00 on September 24, 1956, for surface trenching, diamond drilling, and drifting. A field examination of the property was made on October 11, 1956, by B. H. Sheehan, Bureau of Mines, and D. B. Tatlock, Geological Survey.

Applicant: Union of Texas Oil Company
527 Texas National Bank Building
Houston 2, Texas

Property Ownership: The following unpatented lode mining claims are owned by Sam Morris , Bishop, California, and leased to Norman C. Hurd of Harris County, Texas; the lease was assigned to C-Tex Mining and Production Co., Inc., on May 10, 1956, and again assigned to Union of Texas Oil Company on July 23, 1956:

Name	Book No.	Page No.
Ameil No. 1	4	217
Ameil No. 2	4	217
Ameil No. 3	5	56
Jumbo No. 1	5	475
Jumbo No. 2	5	475
Jumbo No. 3	5	476
Sheep Range No. 1	4	93
Sheep Range No. 2	4	93
Sheep Range No. 3	4	94
Sheep Range No. 4	4	94

Property Ownership: Cont'd

The following unpatented lode mining claims have been located by the Union of Texas Oil Company, and recorded at Bridgeport, Mono County, California:

Name	Book No.	Page No.
Houston No. 1 to No. 5 Inclusive	15	20, 21, 22, 23 and 24

All claims are located in sections 23 and 24, T. 3 S., R. 31 E., Indian Mining District, Mono County, California.

Geology: The Morris property adjoins the Black Rock mine to the south. In both the Morris and Black Rock properties a sequence of metamorphised sedimentary rocks consisting of calchornfels, marble and tactite totaling at least 400 feet in thickness is overlain by several thousand feet of quartz-sericite hornfels. The whole formation has been folded into an asymmetric north plunging anticline. The west flank of the anticline has been intruded by granite. The Morris property is mainly on the east flank of the anticline, while the ore occurrences on the Black Rock mine are in faulted zones on the west flank. Only minor occurrences of scheelite are found in tactite zones on the west flank, which apparently has minor faulting.

Development:

A few shallow open cuts, three diamond drill holes and a short adit are the only workings on the claims. The largest open cut is on the Ameil No. 3 claim and is approximately 15 feet deep, 20 feet wide and 60 feet long.

History and Production:

The property was acquired in 1936 by Mr. Sam Morris, of Bishop, California. There has been no production from the property.

Proposed Work: The applicant proposes to explore the tactite zone by an unspecified amount of trenching, about 3,500 feet of diamond drilling and about 500 feet of underground work at a total cost of $107,950.00. Locations of the proposed work are not indicated in the application.

Ore Values

Tonnage: Traces of scheelite, the only tungsten mineral in sight occur sporadically in the eastern part of the tactite zone. A selected sample across one foot of the best material assayed 0.01 percent WO_3 and 0.11 percent molybdenum.

The applicant drilled three inclined diamond drill holes beneath the open cuts at 30 to 35 degrees and 128 to 238 feet deep. No ore was encountered. A specimen sample from one of the cores assayed 0.19 percent WO_3 and 0.19 percent Molybdenum. A 10 foot sample in the tactite assayed 0.01 percent WO_3 and 0.08 percent molybdenum.

No tonnage of ore measurable, indicated or inferred can be noted.

Comments and Conclusions:

The Field Team believes there is little possibility of developing any quantity of ore of a minable grade and recommends denial of the application for exploration assistance. The Commodity Division of the Bureau of Mines concurs in the conclusions and recommendations of the Field Team. The Commodity Division of the Geological Survey concurs in the conclusions and recommendations of the Field Team with some reservations. The applicant is being advised that our denial is written without prejudice to the property.

W S Martin

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

OFFICIAL FILE COPY DMEA RECEIVED JAN 29 1957		
DATE	INITIALS	CODE
1-29	cw	220
1/29	wsm	400

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

Date January 28, 1957

DMEA Docket No. 4484
DMEA Contract No. Idm-E44 ?
Commodity Tungsten
Name of applicant Union of Texas Oil Company
Name of property Ameil, et al, Claims
Location of property Mono County, California
Estimated cost of project

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA HWR.
Through: Chief, Br. of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals and Ferroalloys

Subject: Review of Report of Examination by Field Team
(Application, Field Team Report, etc.)

1. Date of subject document: 1/11/57. 2. Date received by reviewer: 1/24/57.

3. Prior reports on this property known to reviewer: Yes [ ], No [x].

4. Prior reports on nearby properties known to reviewer: Yes [ ], No [x].

5. Information available on past production: Yes [ ], No [x].

6. Other pertinent factors known to reviewer: Yes [ ], No [x].

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location [ ]
   b. Ownership [ ]
   c. Evidence of mineralization [ ]
   d. Geology [ ]
   e. Proposed exploration method [ ]
   f. Alternate exploration method [ ]
   g. Costs [ ]
   h. _____ [ ]

9. Action advised:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [ ]
   c. Denial [ ]
   d. Agree with Field Team [X]
   e. Disagree with Field Team [ ]
   f. Suggest alternate plan [ ]
   g. Request another examination [ ]
   h. Approval [ ]
   i. Consult with Mr. _____ at _____ Alt office.

10. Remarks: (Use back of page if necessary) The examiners found little evidence of the presence of significant amounts of tungsten ore and recommend denial. I concur in the recommendation.

R. W. Holliday

R. W. Holliday

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
D M E A
RECEIVED JAN 29 1957

DATE	INITIALS	CODE
1-29	cw	220
1/30	WSM	400

January 28, 1957

Re: DMEA 4484
Union of Texas Oil Co.
Ameil, etc. (Morris) Claims
Mono County, California
$107,950.00 - Tungsten

Memorandum

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

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

Subject: Review of Field Team Report.

The applicant requested assistance in exploring a wide tactite-marble-hornfels zone in a property adjoining on strike a producing mine.

Although geologic conditions on the adjoining properties appear to be similar, the examiners conclude the producing areas are, essentially, on the westerly limb of an anticlinal structure and the low grade showings on the referenced property are on the east flank in which there is a notable lack of worthwhile masses of scheelite-bearing tactite.

From study of the map, Plate 88 of U. S. Geological Survey Bulletin 922-S, I conclude the most southwesterly red spot on the map, denoting scheelite-bearing tactite marks the then distant outcrop at what is now No. 9 Pit. No good reference point is given, but the contour line, 7050, appears to fit reasonably well. I assume the No. 9 Pit is the one referred to in the M. W. Ditto report of the application. If such is the case and substantial production has come from the 300-foot pit which is on or near the crest of the anticline and according to Mr. Ditto 40 feet deep, it appears the ore might extend into the Ameil No. 3 Claim, as inferred by Mr. Ditto.

If the pit, shown as No. 9 Pit, is a prospect pit rather than a mining pit as said by Mr. Ditto, the conclusion and recommendation of denial of the examiners are well taken and I concur with them.

However, as a matter of information, I would welcome a statement concerning the well recommended Mr. Ditto's optimistic observations.

N. E. Nelson

N. E. Nelson

DMEA

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

1605 Evans Avenue
Reno, Nevada

January 15, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4484 (Tungsten)
Union of Texas Oil Company
Ameil, et al, Claims
Mono County, California
(Your letter dated December 21, 1956)

Enclosed are four copies of a report on subject property by B. H. Sheahan, Bureau of Mines, and D. B. Tatlock Geological Survey.

Roscoe Smith and I are in agreement with the recommendation that the application for DMEA exploration aid be denied.

S. Ricker

Encls.

ORIGINAL FILE COPY
DMEA
RECEIVED JAN 17 1957

DATE	INITIALS	CODE
1-17	C	220
		130
1-24	C	220
1/24	WSM	400

Reviewed by
DMEA OPERATING COMMITTEE
1-23-57
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 17 1957

DATE	INITIALS	CODE
		130
		220
1/24	WSM	400

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA-4484 (Tungsten)
Union of Texas Oil Company
Ameil, et al. claims (Sam Morris property)
Mono County, California

by

B. H. Sheahan
U. S. Bureau of Mines

D. B. Tatlock
U. S. Geological Survey

January 11, 1957

Reviewed by
DMEA OPERATING COMMITTEE
1-23-57
(Date)

CONTENTS

	Page
Introduction	1
Conclusions and Recommendations	2
Location, Accessibility, and Local Facilities	3
History and Production	3
Property and Ownership	4
Development	4
General Geology	5
Ore Deposits	6
Sampling	7
Ore Reserves	8
Applicant's Proposed Exploration	8

ILLUSTRATIONS

Figure 1 . . . . . Index map

2 . . . . . Geologic map

INTRODUCTION

Union of Texas Oil Company, 527 Texas National Bank Building, Houston 2, Texas, applied to the Defense Minerals Exploration Administration, docket DMEA-4484, for Government assistance to explore for tungsten on a group of unpatented mining claims known as the Sam Morris property, Mono County, California. The claims are adjacent to the southeast end of the Wah Chang Corporation's Black Rock mine (DMEA-1377, Idm-E44).

The company proposes expenditures of $107,950.00 to conduct surface trenching, diamond drilling, and drifting. Locations of the proposed work and definite exploration targets are not contained in the application.

An examination of the property was made October 10 and 11, 1956 by B. H. Sheahan, U. S. Bureau of Mines, and D. B. Tatlock, U. S. Geological Survey. The applicant was not represented.

The examination included lamping the main open cut trenches with ultraviolet light, geologic mapping, and sampling. The examiners conferred with employees of the Black Rock mine and with Mr. Len Palmer, a diamond drill contractor, who is familiar with drilling conditions on the property.

CONCLUSIONS AND RECOMMENDATIONS

Traces of scheelite, the only tungsten mineral seen, occur sporadically in only one small area in tactite near the eastern edge of the Ameil No. 3 claim along the southern boundary of the Black Rock property. No scheelite was seen elsewhere on the property. There are no reserves of any classification.

The applicant proposes to explore the property by an unspecified amount of trenching, diamond drilling, and underground work.

It is recommended that the application for Government assistance be denied. The probability of a significant discovery is poor because:

(1) The Morris property lies along the east flank of a north-plunging anticline immediately south of the Black Rock mine. This east flank has been extensively explored to within at least 200 feet of the Morris property and no significant ore bodies have been found.

(2) No scheelite is showing in surface outcrops or in the few surface trenches cut through tactite except for sporadic traces in one small area near the eastern edge of the claims.

(3) Three holes drilled by the applicant to depths of 128, 220, and 238 feet encountered only sporadic traces of scheelite.

(4) A 70-foot adit in tactite and hornfels is barren of scheelite.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The claims are in secs. 23 and 24, T. 3 S., R. 31 E., M.D.B.&M., Indian mining district, Mono County, California, on the east flank of the Benton Range at an altitude of 6,500 to 7,200 feet.

To reach the property from Bishop, California, follow U. S. Highway 6 northerly 24.6 miles, turn left and follow a paved road 7.2 miles westerly toward the Black Rock mine, turn left and follow an improved dirt road 1.3 miles southwesterly to a cabin near the workings. During and following heavy snow storms the dirt road is impassable.

HISTORY AND PRODUCTION

The property was acquired in 1936 by Mr. Sam Morris, an elderly prospector of Bishop. The claims probably were held because of their proximity to the Black Rock mine, the largest mine in the district and the subject of several published reports[/].

[/] Dupuy, Leon W., mining engineer, U. S. Bureau of Mines, 1948, Report of Investigations 4210, Black Rock Tungsten Deposit,

Mono County, California, p. 4.

Lemmon, Dwight M., geologist, U. S. Geological Survey, 1940, Tungsten Deposits of the Benton Range, Mono County, California, U. S. Geol. Survey Bull. 922-S, p. 591.

PROPERTY AND OWNERSHIP

Ten of the 15 unpatented claims are held by Mr. Sam Morris. Union of Texas Oil Company holds the five unpatented Houston claims.

A mining lease and option agreement between Mr. Sam Morris and Mr. Norman C. Hurd of Harris County, Texas, was dated March 19, 1956. This lease and option was assigned May 10, 1956 to C-Tex Mining and Production Company, Inc., who assigned the property to Union of Texas Oil Company on July 23, 1956.

DEVELOPMENT

A few shallow open cuts and a short adit are the only workings on the claims. The largest of the open cuts is on the Ameil No. 3 claim and it is approximately 15 feet deep, 20 feet wide, and 60 feet long.

Three holes were diamond drilled to depths of 128, 220, and 238 feet but ore was not found.

The only surface improvement is a small cabin which was previously used by Mr. Sam Morris. There is no equipment at the property.

GENERAL GEOLOGY

The Morris property adjoins the Black Rock mine to the south. In both the Morris and Black Rock areas a sequence of metamorphosed sedimentary rocks consisting of calc-hornfels, marble, and tactite totaling at least 400 feet in thickness is overlain by several thousand feet of quartz-sericite hornfels. The entire series has been folded into an asymmetric north-plunging anticline with a gently undulating crest. The west flank of the anticline has been intruded by granite which crops out for about a mile along and a half a mile across the strike.

The tactite-marble-hornfels core of the anticline is exposed for 1,000 to 1,400 feet across the strike. Within the core fine- to medium-grained, massive to irregularly layered tactite is the most abundant rock. Light gray, massive, medium-grained marble and minor calc-hornfels are exposed as lenses and pods within the tactite.

The Morris property is on the east flank of the anticline and almost all of the rocks dip moderately to steeply to the east. In the Black Rock mine area several minor north-trending faults cut the west flank of the anticline; faulting is considerably less prevalent on the east flank. No faults are evident on the Morris property, but surface debris, which is thicker here than at the Black Rock mine, may cover minor faults. The surface exposures on the Morris property are somewhat lower stratigraphically than those on the Black Rock property.

ORE DEPOSITS

Traces of scheelite, the only tungsten mineral seen, occur sporadically in the easternmost part of the tactite zone (fig. 2) on the Morris property. No scheelite was seen elsewhere on the property. In the large open cut on the Ameil No. 3 claim trace amounts of molybdenite and powellite were seen. A selected sample across one foot of the best material assayed 0.11 percent molybdenum and less than 0.01 percent WO_3. A 70-foot adit in tactite and hornfels, about 1,000 feet southeast of the open cuts, is barren of scheelite. The applicant has diamond drilled three holes beneath the open cuts (fig. 2). These holes are inclined 30 degrees to 35 degrees and are from 128 to 238 feet deep. No ore was encountered. A specimen sample of the best material from

one of the cores was assayed at the Black Rock mine and showed 0.19 percent WO_3 and 0.19 percent molybdenum.

As the Morris property is on the east flank of the anticline, it is improbable that a southward extension of the Black Rock ore bodies will be found. Almost all of the Black Rock ore bodies, both on the surface and at depth, are on the west flank. The only surface exposure of ore on the east flank is at Junior Pit (fig. 2), a few hundred feet north of the Ameil No. 3 claim. The downward extent of the Junior Pit ore body probably is only a few tens of feet at most as two diamond drill holes which cut tactite at 50 and 100 feet below the surface about 100 feet south of the pit revealed no minable ore. Holes drilled in the vicinity of the No. 9 pit (fig. 2) near the crest of the anticline did not encounter ore and no scheelite was seen on the Morris property a few hundred feet south of the pit.

SAMPLING

The following samples were taken after lamping the main open cut with ultraviolet light. Locations are indicated on geologic map, figure 2.

Sample No.	Width, feet	Percent WO_3	Percent Mo.	Remarks
S-543	1.0	<0.01	0.11	Select, tactite with powellite.
S-544	10.0	<0.01	0.08	Typical tactite.

ORE RESERVES

There are no reserves of any classification on the Morris property.

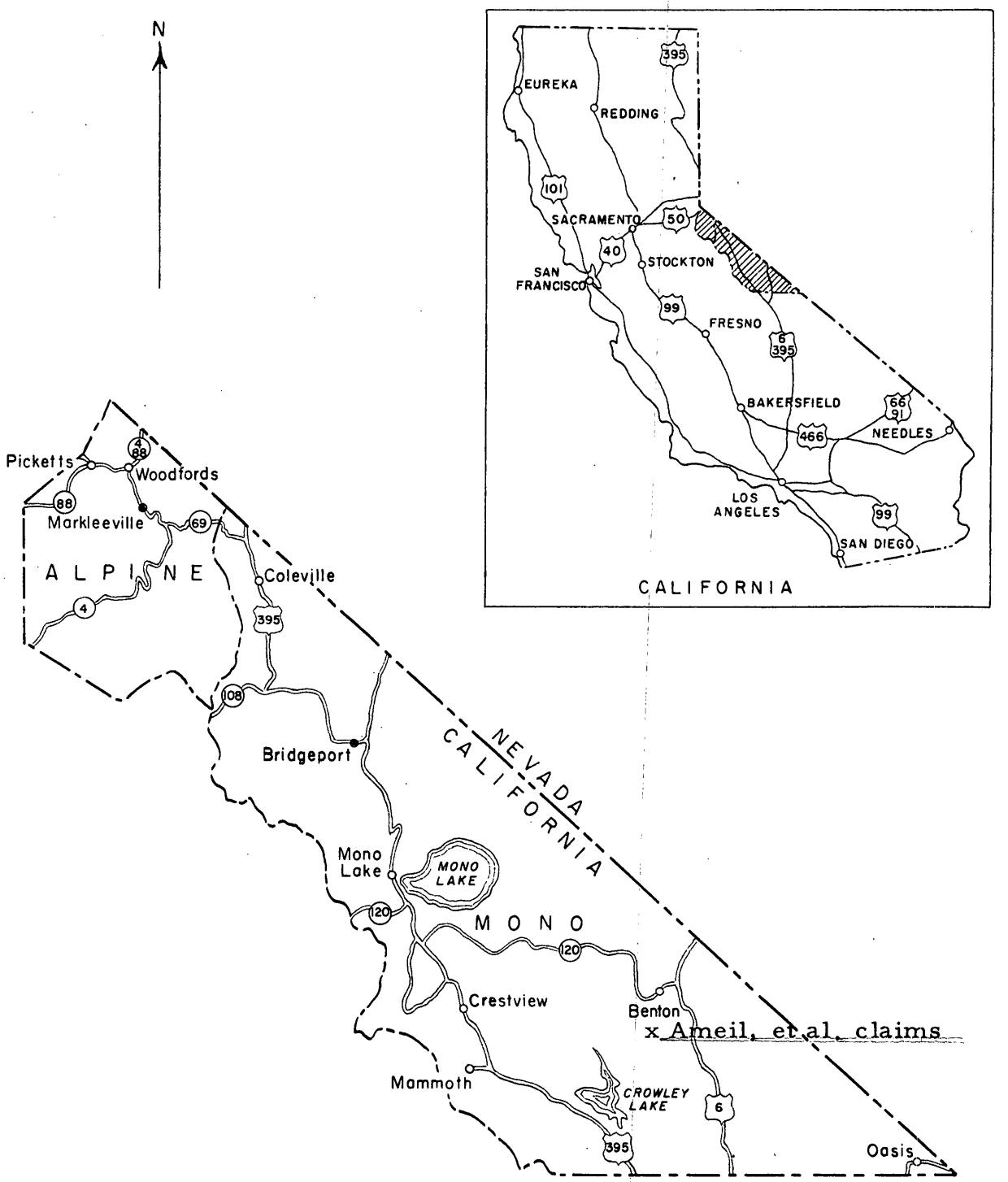
If any ore is to be found on the property it would probably be at depths of 200 feet or more as three diamond drill holes and a 70-foot adit have revealed no ore to a depth of at least 180 feet.

APPLICANT'S PROPOSED EXPLORATION

The applicant proposes to explore the tactite zone by an unspecified amount of trenching, about 3,500 feet of diamond drilling, and about 500 feet of underground work at a total cost of $107,950.00. No geologic map was submitted and locations for the proposed work are not indicated in the application.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-4484
(Tungsten)



x Ameil, et al. claims

Figure 1. INDEX MAP OF ALPINE AND MONO COUNTIES, CALIFORNIA

0 20 40 80 Miles

400

DOCKET
SURNAME
Chapman
Martin
Selfridge
Mathews

DEC 21 1956

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

Re: Docket No. DMEA 4484 - Tungsten
Union of Texas Oil Company
Ameil, et al., claims
Mono County, California

Dear Mr. Hicker:

Reference is made to your telegram of October 22, 1956, advising that an examination of the subject property indicates that a contract is not justified. If you do not expect more factual data from the applicant please send us a report on the property at your early convenience so that we may take appropriate action.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (DHB)

APPROVED:

Frank D. Lamb (DHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (DHB)
Member, Geological Survey

TLChapman:am 12-20-56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

R.G.S.

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

OA394

1956 OCT 22 PM 10 25

O REB029 NL PD=RENO NEV 22

OPERATING COMMITTEE DEFENSE MINERALS=

EXPIRATION ADMN INERIOR SBLDG WASHINGTON DC=

WSM

REURTEL OCT 19TH DMEA DOCKET 4484 MR SALMON VERBALLY ADVISED TO SUBMIT LOCATION AND TYPE OF PROPOSED WORK ASSAYS AND COST BREAKDOWN OWING POSSIBILITY OF SNOW PROPERTY ALREADY EXAMINED WITHOUT REFERRAL DOES NOT JUSTIFY LAON APPLICANT HAD NO REPRESENTATIVE PRESENT DURING EXAMINATION=

S RICKER=.

RECEIVED

OCT 23 1956

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

INTERIOR DEPARTMENT

DMEA

14X4401, Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund
to the Office of the Secretary)

DOCKET
SURNAME

Martin
Selfridge
Mittendorf

MR. SPANGLER RICKER, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION II
1605 EVANS AVENUE
RENO, NEVADA

REURLET SEPTEMBER 27, 1956, TRANSMITTING TUNGSTEN APPLICATION OF UNION OF TEXAS OIL COMPANY, AMEIL, ET AL., CLAIMS, MONO COUNTY, CALIFORNIA, DOCKET DMEA 4484. PLEASE ADVISE WHETHER YOU INCLUDED BREAKDOWN OF COSTS DATA IN REQUESTING FACTUAL INFORMATION FROM MR. SALMON.

George C. Seifridge
CHAIRMAN, OPERATING COMMITTEE (2+B)

WSMARTIN/foc
10/19/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

R.G.S.

Docket

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

October 11, 1956

WSM

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

Subject: Application
DMEA 4484 (Tungsten)
Union of Texas Oil Company
527 Texas National Bank Bldg.
Houston, Texas
$107,950.00.-

Subject application is very well prepared and in an area well known by previous work. It is adjacent to the Wah Chang property formerly known as the Black Rock mine.

I recommend referral to the Field Team for appraisal regarding costs and feasibility.

R. W. Holliday

IN REPLY REFER TO:

Hacket

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

RECEIVED
OCT - 9 1956

October 9, 1956

Copy retained 400

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

WSM

Subject: Review of application, DMEA 4484, Union of Texas Oil Company, Ameil, et al. claims, Mono County, California, (tungsten).

The applicant proposes to search for tungsten ore deposits by means of an exploration project that would cost an estimated total of $107,950. The property involved consists of 15 mining claims. The proposed work would consist of surface trenching, core drilling, and underground drifting.

The applicant states that previous exploration on the property consisted of three diamond drill holes, seven surface trenches, and one large open cut. Assay certificates of samples from the property are submitted which show as much as 1.90 percent WO_3 and 1.26 percent molybdenum.

The application is vague and incomplete. No maps have been submitted that show geologic contacts, the location of previous exploratory work, or the location of the proposed work. Estimated costs are generalized and seem to be excessive in some categories.

If the applicant's sampling has been representative, the property may warrant further exploration. It would be reasonable to ask the applicant to remedy omissions in the application. An alternative would be to refer the application to the Field Team for field examination and report.

W. P. Williams

W. P. Williams

Copy retained 400

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

October 3, 1956

Union of Texas Oil Co.
527 Texas Natl. Bank Bldg.
Houston 2, Texas

Subject: DMEA-4484
Re: Exploration Assistance
Ameil et al.

Gentlemen

Your application for exploration assistance, dated September 24, 1956 submitted to our office at Reno, has been assigned Docket Number DMEA-4484 and referred to the Iron and Ferro-Alloys Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Region II. Reno, Nevada

✓Code 400

3571

DMEA

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

RECEIVED
OCT - 1 1956

1605 Evans Avenue
Reno, Nevada

Sept. 27, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Tungsten)
Union of Texas Oil Company
Ameil, Jumbo, Sheep Range, Houston Claims
Mono County, California

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

You will note from covering letter that I had advised Mr. Salmon that he should submit more factual data in order that a conclusion could be reached as to the justification for the cost of a field examination by DMEA engineers.

S. Ricker

Encls.

9/27
letter

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

RECEIVED
OCT - 1 1956

1605 Evans Avenue
Reno, Nevada

Sept. 27, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Tungsten)
Union of Texas Oil Company
Ameil, Jumbo, Sheep Range, Houston Claims
Mono County, California

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

You will note from covering letter that I had advised Mr. Salmon that he should submit more factual data in order that a conclusion could be reached as to the justification for the cost of a field examination by DMEA engineers.

S. Ricker

Encls.

UNION OF TEXAS OIL COMPANY

TEXAS NATIONAL BANK BUILDING

HOUSTON, TEXAS

Bishop, California

September 25, 1956

RECEIVED
OCT - 1 1956

Mr. S. Ricker
Mine Section
Bureau of Mines
Reno, Nevada

Dear Mr. Ricker:

After talking to the Houston office this morning, it was decided to submit the applications which we discussed yesterday. Work will begin as soon as possible on the assay and geological maps and perhaps complete by the time this information is requested. Under separate cover I am mailing this date, the four copies of the application.

I shall be leaving tomorrow for Houston, for two or three weeks and should you find it necessary to contact me regarding the applications, the telephone number is Capital 4-9751.

Very truly yours,

Eldredge Salmon
P. O. Box 488
Bishop, California

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT - 1 1956

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. 4484
Metal or Mineral Tungsten
Date Received 10/1/56
Estimated Cost $104,950
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: Union of Texas Oil Company - a corporation, incorporated in Texas.
527 Texas National Bank Building
Houston 2, Texas

(*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. (See Attached)

(*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 Ameil Claims 1 through 3; Jumbo 1 through 3; Sheep Range 1 through 4; Houston 1 through 5. All claims are situated in the Indian Mining District, County of Mono, State of California, Mt. Morrison Quadrangle, Sections 23 & 24, T3S, R31E. (See plats attached)

(*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 Owner of Houston Claims; purchaser under contract of Ameil, Jumbo, and Sheep Range Claims

(*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. (See attached)

(*e*) If you own the land, describe any liens or encumbrances on it None

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

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)

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

(*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. (See attached)

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

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

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 contact veins, ore-bearing beds, etc. (See attached)

(*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. (See attached)

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)? Yes

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

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

Explain in detail on acompanying paper.

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 September 24, 1956

UNION OF TEXAS OIL COMPANY
(Applicant)

By Eldredge Salmon
Agent for UNION OF TEXAS OIL COMPANY,
a Corporation

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

UNION OF TEXAS OIL COMPANY
TEXAS NATIONAL BANK BUILDING
HOUSTON, TEXAS

RECEIVED
OCT - 1 1956

1. (c) Officers of Union of Texas Oil Company:

Louis L. Seiffert, Jr. - President
527 Texas National Bank Bldg.; Houston, Texas

J. H. Tichenor - Vice-President
4614 Montrose Blvd.; Houston, Texas

Herbert C. Von Eiff - Secretary
527 Texas National Bank Bldg.; Houston, Texas

B. W. Shudde - Treasurer
3628 Inwood Drive; Houston, Texas

3. (f) Book and page numbers of recorded location notices:

Name	Book	Page
Ameil No. 1	4	217
Ameil No. 2	4	217
Ameil No. 3	5	56
Jumbo No. 1	5	475
Jumbo No. 2	5	475
Jumbo No. 3	5	476
Sheep Range No. 1	4	93
Sheep Range No. 2	4	93
Sheep Range No. 3	4	94
Sheep Range No. 4	4	94
Houston No. 1	15	20
Houston No. 2	15	21
Houston No. 3	15	22
Houston No. 4	15	23
Houston No. 5	15	24

4. (a) Operations to date consist of exploration. Roads have been cut across the Ameil No. 3 claim. Cuts were blasted and dozed on seven different outcrops and samples taken for assay. Three core holes were drilled on the Ameil No. 3 for total depths (drilled at approximately 35 degree angles) of 128', 220', and 238'. These cores are available for examination. A large open pit cut has been made on the east end of Ameil No. 3 and shows some molybdenum as well as tungsten ore. All cuts and drill sites are readily accessable for examination.

4. (b) The property has never been produced.

UNION OF TEXAS OIL COMPANY
TEXAS NATIONAL BANK BUILDING
HOUSTON, TEXAS

4. (d) Access roads: Macadam road to within one-half mile of the claims, with a very good unsurfaced road from the macadam to the claims.

Distances to shipping: Approximately two miles to Wah Chang Corporation's mill and approximately 40 miles to Molybdenum Corporation's mill south of Bishop, California.

Supply and residence points: Bishop, California approximately 33 miles to the south.

4. (e) Manpower, materials, supplies, and equipment are available from Bishop. Water is being furnished from the adjoining Black Rock Mine of Wah Chang Corp. Although a power line crosses near the NE corner of Houston No. 2, no need for power is anticipated during the exploratory phase of operations.

5. (b) The Company proposes to do extensive surface trenching and dozing along all outcrops in the lime contact zones. A thourough geological survey will be made in order to eliminate the areas of least consequence. After the surface trenching, it is estimated that approximately 3500' of coring will be done to crosscut the ore bearing formations and to delineate the ore bearing zones. The cost of coring (the major item of the exploration program) is estimated at $15.00 per ft. since without casing, little more than 50% of the core can be recovered. This cost per foot includes abandoned casing. Also included in the proposed exploration will be approximately 500' of drifting.

5. (d) While the Company's major field of operations has been in the exploration for and the production of oil and gas it has, since beginning exploration for other minerals, relied on contractors and consultants who specialize in the mining field. Consultants for this project will be Mr. Clayton T. McNiel of San Francisco and Mr. M. W. Ditto of New York and San Francisco, whose qualifications can be furnished upon request. The drilling contractor will be the Palmer and Decker Company of Bishop, California, and which has done extensive drilling for the Wah Chang Corp., and VCA. Supervision will be by Mr. Eldredge Salmon who has supervised exploration in New Mexico and Utah for the past two years.

UNION OF TEXAS OIL COMPANY
TEXAS NATIONAL BANK BUILDING
HOUSTON, TEXAS

RECEIVED
OCT - 1 1956

6. (a)	INDEPENDENT CONTRACTORS	
	Surface trenching - 1,000 hrs. dozer & blasting $21.50/hr.	$21,500
	Drilling - 3,500' at $15.00/ft.	52,500
	Drifting - 500' at $20.00/ft.	10,000
(b)	LABOR - Mapping and sampling - 5 mos. at $450.00/mo.	2,250
	SUPERVISION - 5 mos. at $600.00/mo.	3,000
	CONSULTANTS	4,200
	Geological Survey	1,500
(c)	OPERATING MATERIALS & SUPPLIES	
	Powder, fuses, caps, steel bits, gas, oil, etc.	3,000
(f)	NEW BUILDINGS, IMPROVEMENTS, INSTALLATIONS	
	Warehouse and living facilities	2,000
(g)	MISCELLANEOUS	
	Accounting, Workmen's compensation, and payroll taxes	1,000
	Assaying	2,000
(h)	CONTINGENCY - at approximately 5%	5,000
	TOTAL	$107,950

7. (b) The Company's proportionate share of costs can be paid as the costs occur, or the proportionate share can be deposited ina special account as Government funds are made available.

M. W. DITTO
595 MADISON AVENUE
NEW YORK 22, N. Y.

MURRAY HILL 8-4441

RECEIVED
OCT - 1 1955

April 19, 1956

Union of Texas Oil Co.,
San Jacinto Building
Houston, Texas

Attention: Mr. L. L. Seiffert

Gentlemen:

Attached is my report and comments relating to the tungsten property at Black Rock Mountain, now known as The Sam Morris Mine.

Very truly yours,

M. W. DITTO

mwd/h
Encl.

4. (c) UNION OF TEXAS OIL COMPANY
527 Texas National Bank Bldg.
Houston, Texas

RECEIVED
OCT - 1 1956

REPORT OF INVESTIGATION

OF

TUNGSTEN ORE PROPERTIES

NEAR

BISHOP, CALIFORNIA

AND

MINING AND MILLING COSTS

* * *

* *

*

*

SUMMARY OF INVESTIGATION

OF

TUNGSTEN ORE PROPERTIES

NEAR

BISHOP, CALIFORNIA

PART I

* * *

* *

*

*

SUMMARY OF INVESTIGATION
OF
TUNGSTEN ORE PROPERTIES
NEAR
BISHOP, CALIFORNIA

The Morris Black Rock Mine is located in Mono County, 33 miles north of Bishop, California. It is approached by paved road except the last two miles which is good dirt road. There is an electric line across the property and an ample supply of surface water near the property at the proposed mill site for milling and, if so desired, generating electricity. This property covers approximately the South one-half of Black Rock Mountain and the Wah Chang Mine covers the North one-half.

It consists of ten (10) full mining claims with 6000 feet of outcrops located along the long axis of these claims. This is a well-known Tungsten producing area and adjoins the property of Wah Chang which is a well-known Tungsten producer and is considered one of the best in the United States.

It is my understanding that Wah Chang paid $3,250,000 for their portion of Black Rock Mountain and are now producing from it 825 tons of mill grade ore per day. According to recent information obtained from this company, their ore heads are now running about 1% Tungsten. The rich ore bodies of the Wah Chang property are a part of the mineralized zone that extends into and through the Morris property.

The Wah Chang operation is operating and producing ore within a few hundred feet of the north line of the Morris property and, in their development work, followed the ore formation approximately 30' into the Morris Mine. At this point on the Morris property the ore was running up to 2% Tungsten.

The ore structure is clearly defined on the surface of the Morris claims for a distance of over 1000 feet and is the same ore bearing formation from which Wah Chang is extracting ore. The ore bearing dyke makes its presence known by massive outcrops in consolidated sand stone. The boulder ore mass is

Scheelite carried in a siliceous matrix rock, and dispersed throughout the ore mass is Molybdenite which Molybdenite should contribute enough concentrate to pay a large part of the milling and mining costs.

From the surface outcrops on this property and the 40' depth of the Wah Chang ore cut at the property line of the Morris property, I would expect that the vein structure on the Morris Mine should produce 250,000 tons of mill grade ore to this approximate depth and should yield better than $30.00 per ton.

The ore structure is well placed on the side of the mountain and will permit the production of ore by open pit for some time before it will be necessary to go under ground.

From the dip of the ore bearing vein I would expect the values to increase in depth and extend not less than 1200 feet below the outcrops. Near the common boundary of the Morris property, Wah Chang has cut a tunnel about half-way down the mountain which is about 600' below his open cuts.

In this tunnel the massive ore body was present and considerably higher in values.

The ore on this property contains gold and silver with surface samples running to $7.70 per ton in gold, and $2.80 per ton in silver. It is reported that assays running $25.00 to $30.00 per ton in gold and high in silver have been taken from the 40' shaft on the south part of these claims.

The market and use of Tungsten and Molybdenum have been increasing steadily. Considering the obvious merits of this property and based on forty years of experience, I believe this property has all the earmarks of being a good mine.

Very truly yours,

M. W. Ditto

M. W. Ditto

March 10, 1956

RECEIVED
OCT - 1 1956

MINE AND MILLING COST

ON

THE MORRIS MINE

NEAR

BISHOP, CALIFORNIA

PART II

* * *

* *

*

*

MINING AND MILLING COSTS
ON
THE MORRIS MINE
NEAR
BISHOP, CALIFORNIA

For the purpose of calculating the income from this operation, I have averaged the ore values in Tungsten and Molybdenum from all the assays I am familiar with including those given in the Harry J. Wolf Report which were surface samples and the mill head value of the Wah Chang operation. Apparently not submitted

This gives Tungsten WO_3 at .72% and

Molybdenum MoS at .32%

For my calculations I have used the above averages, however, I am sure the Molybdenum values will increase on the south end of the property and the Tungsten values will increase with depth as is usual. The values in the deeper cuts on the Wah Chang property immediately adjoining this property have increased to in excess of 1% Tungsten.

WO_3 @ .72%	=	14.4 lb. Concentrate per ton of ore		
MoS @ .32%	=	6.4 lb. Concentrate per ton of ore		
14.4 x .9	=	12.96 lb. WO_3 Concentrate Recovered		
6.4 x .9	=	5.76 lb. MoS Concentrate Recovered		
1 Unit of WO_3	=	$63.00	or	$3.15 per lb.
1 lb. of MoS	=	1.05		
12.96 lb. WO_3 x $3.15	=	$40.82		
5.76 lb. MoS x $1.05	=	6.05		
		$46.87 per ton Recovery		
$46.87 x 75 tons	=	$3,515.25 per day Recovery		

COSTS:

MINING	Per Ton
Stripping	.10
Drilling	.174
Explosives	.26
Loading	.26
Pit Hauling	.12
Exploration	.21
Compensation Insurance	.016
Compressed Air	.17
Repairs & Maintenance	.20

Bin Loading	.05	
Drill Steel	.07	
Mine Supervision	.40	
		$2,030
Milling		$5.00
Hauling - Mine to Mill 5¢ Ton Mile - 45 Miles x .05		$2.35
Overhead (Travel Expense, contingencies, etc.)		$ .75
Total expense per ton of ore		$ 10.13

$10.13 x 75 Tons = $759.75 per day total operating costs.

Gross Recovery per day	$3,515.25
Cost per day	759.75
Net income per day before royalty purchase and taxes: on 75 ton mill	$2,755.50
*Less Royalty Purchase (Limited)	351.53
Net income per day before Taxes on 75 ton mill	$2,403.97

Tungsten is classified and allowed 23% for depletion of ore reserves.

*(Royalty Purchase is limited payment of $394,000.00 out of 10%. Based on the above, this payment would be eliminated in approximately 3 to 4 years.)

Capital outlay for 75 tons per day production:

ADDITIONS to Molybdenum Co. 75 ton mill.

1 Denver Duplex Jig	$ 1,800.00
2 Deister Tables	2,890.00
1 Krebs Classifier	900.00
2 Galigher Sand Pumps	2,100.00
	$ 7,690.00
Freight & Installation	5,000.00
Total mill additions	$ 12,690.00

Total Outlay

Mill Additions	$ 12,690.00	
Truck Loading Bin	8,500.00	
Trucks (one 5-ton & 1-pick-up)	13,200.00	
Road Repairs	4,000.00	
2 Air Compressors	18,000.00	
6 Air Drills	1,900.00	
Steel & Bits	1,500.00	
Air Hose (Pipe)	2,800.00	
Freight & Misc.	5,600.00	
Front-end Loader	15,000.00	
Total		$ 83,190.00

Total (Brought Forward)	$ 83,190.00
Working Capital	25,000.00
	$108,190.00*

*Plus cost of 75 ton Molybdenum Co. mill.

After your mining organization is set up with proper personnel and production is started it is my opinion that you will find it to be advisable to build a 300 to 500 ton mill on or adjacent to the mine which would enable the transportation of ore by aerial tramway. This mill would affect the costs as follows:

Hauling would drop to 10¢ per ton

Milling costs to $3.80 per ton

$2.35 - $ .10 = $2.25 per ton saving - hauling

$5.00 - $3.80 = $1.20 per ton saving - milling

$3.45 total increased income per ton

300 tons per day mill capacity

$46.87 per ton recovery	$14,061.00 per day
less cost - 300 tons x $6.68 per ton	2,004.00
Net per day before royalty purchase and taxes	$12,057.00
Less Royalty purchase (Limited)	1,406.12*
Net per day before taxes	$10,650.88

RECEIVED OCT - 1 1956

*(Royalty purchase is a limited payment of $394,000.00 out of 10%. Based on the above, this payment would be eliminated in less than one (1) year.)

No values are included for the gold as sufficient assays on same are not available. The presence of gold is known. I would advise that it be brought under the development program immediately.

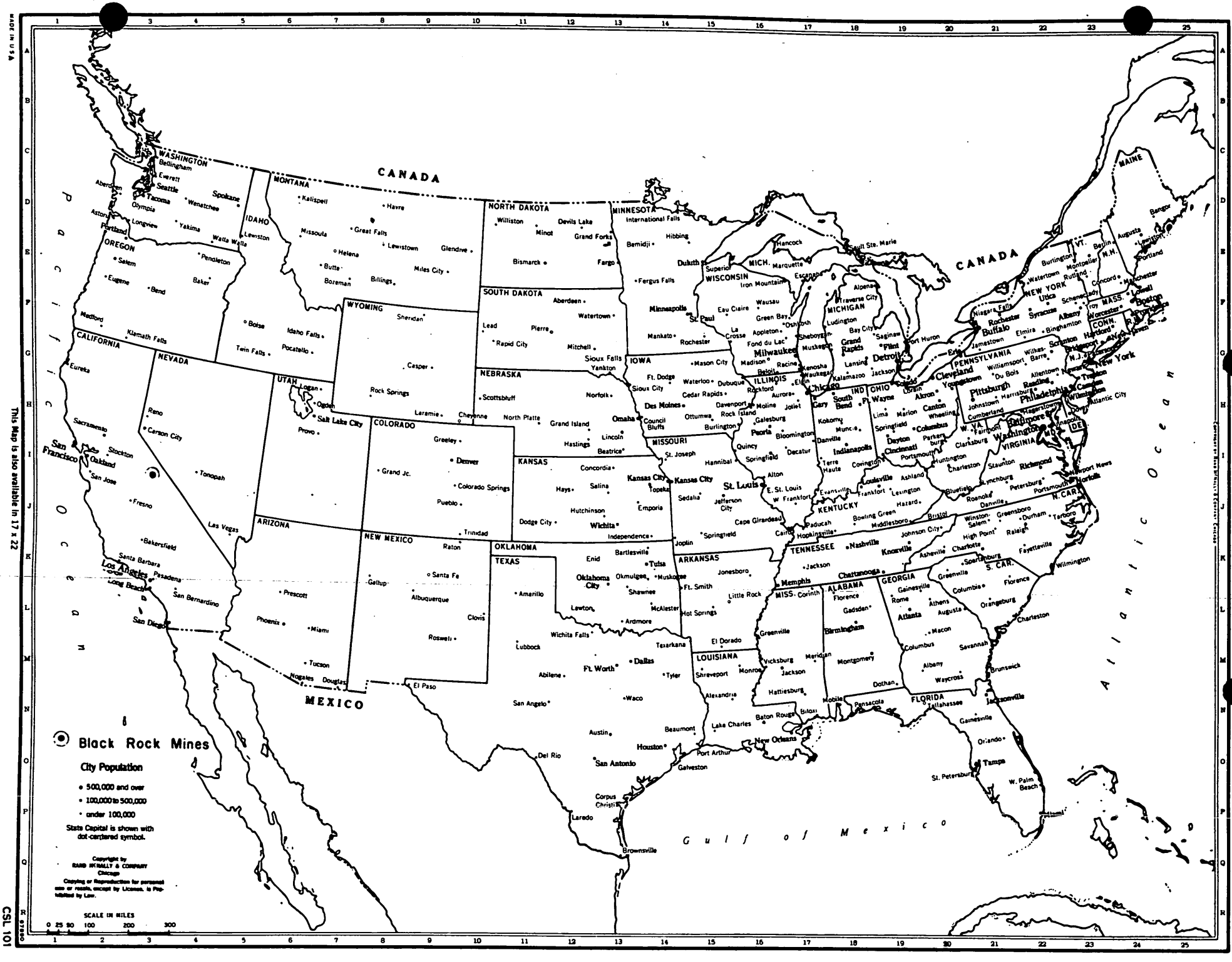
The proposed 300 ton mill would be equipped with aerial tramway and facilities to recover the gold, silver, copper and other minerals as well as the Tungsten and Molybdenum. I estimate that this mill could be built, equipped and put into production for $1,850,000.00.

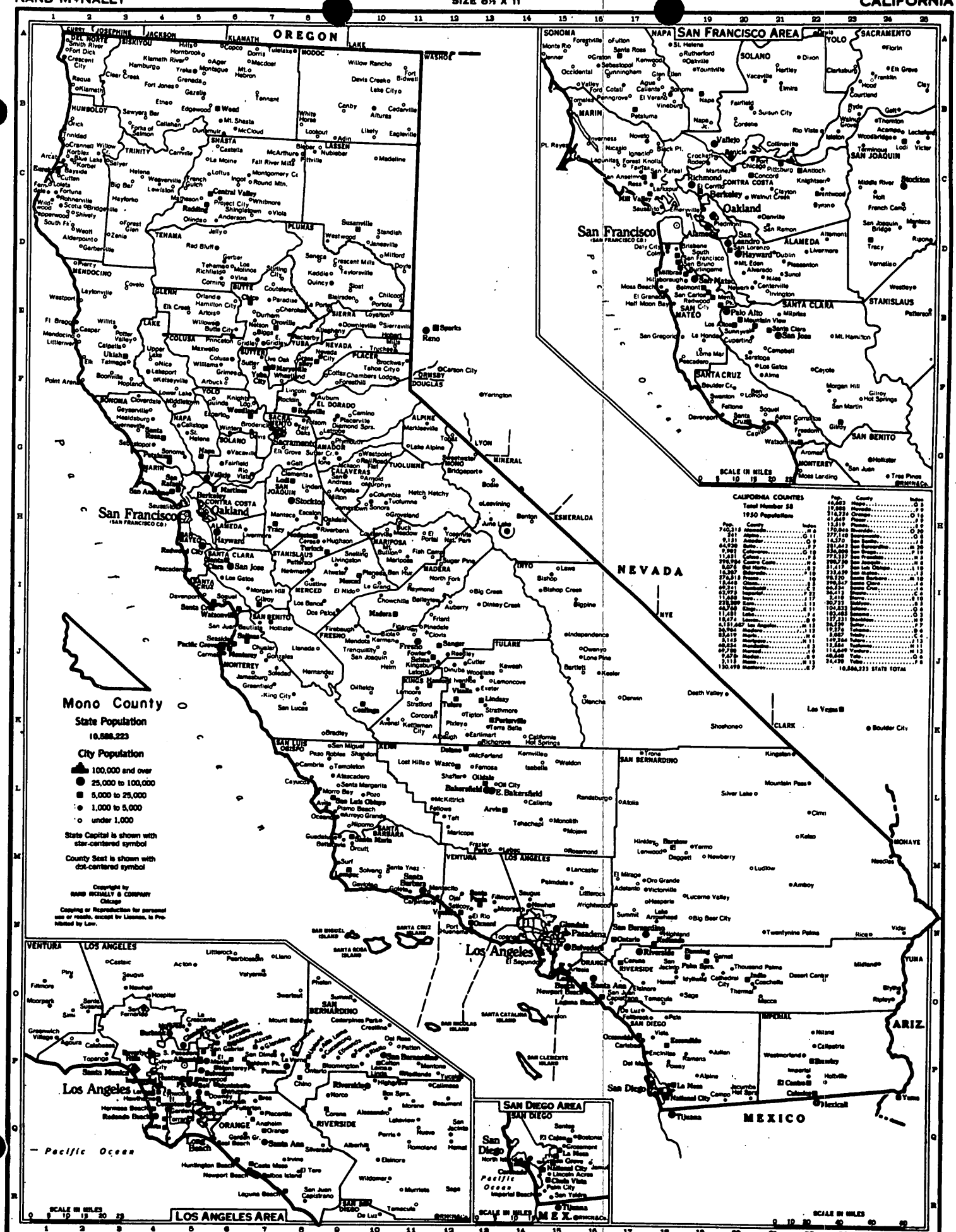
M. W. Ditto

M. W. Ditto

March 10, 1956

M A P S


RAND McNALLY
CITY-STATE MAP
SIZE 8½ X 11
UNITED STATES
MADE IN U.S.A.
This Map is also available in 17 x 22
CSL 101
CANADA
MEXICO
Pacific Ocean
Atlantic Ocean
Gulf of Mexico
WASHINGTON
OREGON
CALIFORNIA
NEVADA
IDAHO
MONTANA
WYOMING
UTAH
COLORADO
ARIZONA
NEW MEXICO
NORTH DAKOTA
SOUTH DAKOTA
NEBRASKA
KANSAS
OKLAHOMA
TEXAS
MINNESOTA
IOWA
MISSOURI
ARKANSAS
LOUISIANA
WISCONSIN
MICH.
ILLINOIS
IND.
OHIO
KENTUCKY
TENNESSEE
MISS.
ALABAMA
GEORGIA
FLORIDA
S. CAR.
N. CAR.
VIRGINIA
W. VA.
MD.
DE.
PENNSYLVANIA
NEW YORK
VT.
N.H.
MAINE
MASS.
CONN.
R.I.
N.J.
Black Rock Mines
City Population
500,000 and over
100,000 to 500,000
under 100,000
State Capital is shown with dot-centered symbol.
Copyright by RAND McNALLY & COMPANY Chicago
Copying or Reproduction for personal use or resale, except by License, is Prohibited by Law.
SCALE IN MILES
0 25 50 100 200 300



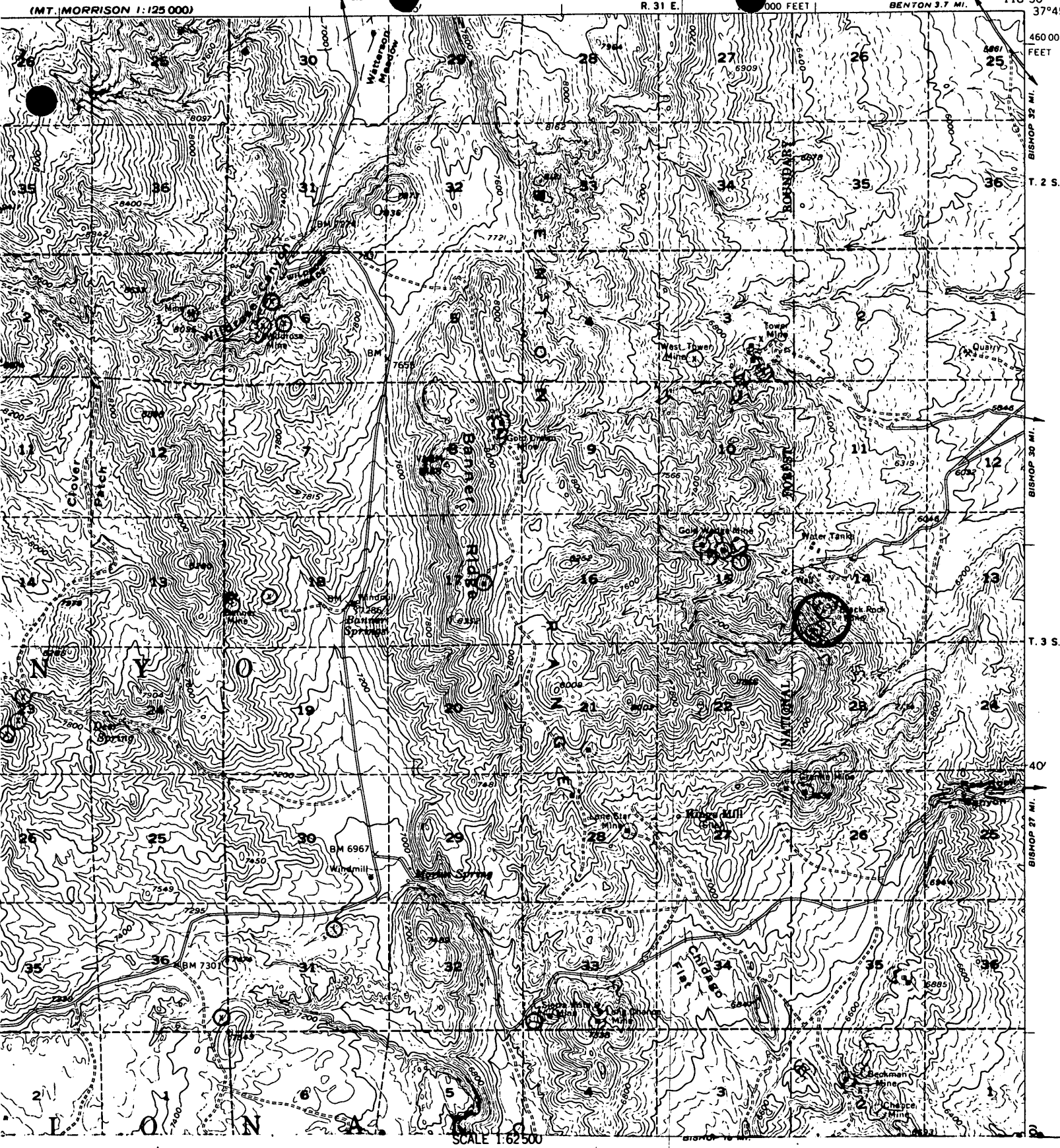
MADE IN U.S.A.

Specially prepared and indexed for use with the Rand McNally Commercial Atlas and Marketing Guide

This Map is also available in size 17 X 22

CL 04

CASA DIABLO MTN. QUADRANGLE
CALIFORNIA—MONO CO.
15 MINUTE SERIES (TOPOGRAPHIC)



1 ½ 0 1 2 3 4

3000 0 3000 6000 9000 12000 15000 18000 21000 FEET

1 .5 0 1 2 3 4 5 KILOMETERS

CONTOUR INTERVAL 40 FEET
DATUM IS MEAN SEA LEVEL

17°
TRUE NORTH
MAGNETIC NORTH
APPROXIMATE MEAN DECLINATION, 1953

○ Mining Operations

◎ Black Rock Mines

CALIF
QUADRANGLE LOCATION

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS

FOR SALE BY U. S. GEOLOGICAL SURVEY, FEDERAL CENTER, DENVER, COLORADO OR WASHINGTON 25, D. C.

C O P Y

Re: Mr. M. W. Ditto
595 Madison Avenue
New York 22, New York

RECEIVED
OCT - 1 1956

as checked and confirmed by a leading investigating agency in a four month study:

A native of the United States; born in Montana
Received primary education in schools of Butte, Montana

Started working in copper mines and smelters in Butte. Had gained considerable experience by the time his technical education was completed, which began at the University of Michigan where he completed his B. S. Degree in Chemistry, Post Graduate work in American Universities included Geology, Metallurgy and Mineralogy.

During early years occupied various positions with

Boston & Montana
Butte & Boston
Montana Ore Purchasing Co. (Now Anaconda Copper)
Butte Reduction Co. (Clark)

After leaving Butte worked in British Columbia lead and silver mines and smelter at Greenwood Lake (now combined as the Granby Consolidated)

Then became associated with British interests (Lord Rhonda) and examined many mines in British Columbia, U. S. A., South America and Mexico. Purchased three mines for these interests.

In 1912 became partner of K. C. Barton (Omaha & Grant Smelting & Refining) now American Smelting & Refining Co., and a partner in the Red Bird Mining Co. of Idaho. This an extremely successful and profitable venture.

Became Chief Mining Engineer and General Manager of Montana Consolidated engaged in concentration and cyaniding of gold ores and concentration of tungsten ores.

Acquired substantial interests in the Buckskin Copper (now Arizona Copper) and was vice president and general manager until 1919.

This was followed by operation of gold mines in Octava, Arizona, as Chief Engineer and Manager on amalgamation and cyaniding of gold ores.

The next few years traveling on professional work in South America, China and Mexico.

During the above period cited in last statement also operated in Colorado (the San Juan district) and Nevada in Austin and Goldfield.

Developed methods and apparatus for production of metallurgical coke from high oxygen coals, which lead to the building of a $15,000,000 coke and iron plant at East St. Louis, Mo., in 1924.

Specialized in metallurgy after 1930 and became associated with Irving Bonbright of Bonbright & Co., and with F. O. Blackwell of Velie, Blackwell & Buck. These gentlemen had extensive interests in mining and financing ventures in Canada, California, Costa Rica and British Guinea.

Was also associated with Sam Taylor, the president of American Institute of Mining and Metallurgical Engineers.

Also with B. C. Forbes, assistant to the President of United States Steel Corporation.

During the 1930's spent two years in Mexico, and two years in China and Japan on metallurgical research and professional work.

Research work has resulted in nearly 60 patents on processes and chemical methods and mechanical apparatus, granted by the U. S. Patent Office.

Has acted at various times as techical consultant on engineering and metallurgical problems to the governments of Japan, Brazil, Chile and Mexico.

At present, an independent engineering consultant and researcher, specializing in industrial processes.

Owner of substantial mining interests in Cuba.

Vice President	- C. B. Antill & Co. Engineers and Constructors Corpus Christi, Texas, and Edmonton & Calgary, Canada
President	- Columbion & Tantalum Corp. Construction & Mining, British Guinea
President	- Sulphur Corp. of America Lima, Peru
Director	- Amalgamated Growth Industries, Inc. New York, New York

The character and personal habits may best be epitomized from the prestige and repute he is credited with, to-wit:

He has appeared before the Congress of the United States, including secret sessions, as technical adviser on matters of defense.

He is well and favorably known by past and present chiefs of important governmental and departments.

At this present time 1954, the highest ranking echelons of the United States Department of Defense are working with Mr. Ditto on a top secret involving a revolutionary and basic improvement in the production of a vital military essential.

The latter development and project also embraces the solution of a major industrial production problem.

NOTTINGHAM & MARSON
THIRTY ROCKEFELLER PLAZA
NEW YORK 20, N.Y.

WILLIAM W. NOTTINGHAM
RALPH E. MARSON
HERBERT S. CROWTHER, JR.
MICHAEL PINTO

June 28, 1956.

Mr. Louis L. Seiffert, Jr., President
Union of Texas Oil Company
Texas National Bank Building
Houston, Texas.

Dear Mr. Seiffert:

Reference is made to your letter of June 26, 1956 requesting information as to Mr. M. W. Ditto.

I have known Mr. Ditto for more than twenty years and have done considerable legal work for him, particularly with reference to Patents in the petroleum and allied chemical fields.

Mr. Ditto is an engineer with extensive experience in the petroleum, chemical and mining fields and in my opinion, is entirely reliable and trustworthy, and I recommend him to you without reservation.

Very truly yours,

W. W. Nottingham

WWN/HEW

RECEIVED
JUL 2 1956

Winslow, Cohu & Stetson

INVESTMENT SECURITIES

TWENTY SIX BROADWAY

New York 4, N. Y.

BOWLING GREEN 9-4900

MEMBERS
NEW YORK STOCK EXCHANGE
AMERICAN STOCK EXCHANGE

PHILADELPHIA, PA
NEWARK, N. J.
SYRACUSE, N. Y.
HARRISBURG, PA.
CARLISLE, PA.
ROCHESTER, N. Y.
UTICA, N. Y.
PUNXSUTAWNEY, PA.

July 6, 1956

Mr. Louis L. Seiffert, Jr.
Union of Texas Oil Company
Texas National Bank Building,
Houston, Texas

My dear Mr. Seiffert:

I am in receipt of your letter of June 26th in connection with Mr. M. W. Ditto and am very happy to give him a very high recommendation.

We have had considerable experience with him and have always found him absolutely reliable, with a full knowledge of his business. I feel you could make no mistake in believing in his ability.

If there is anything further I can do, please do not hesitate to call upon me.

Very truly yours,

C. Gerard Lodge

CGD:fmf

C. Gerard Lodge

CLAYTON T. McNEIL, E. M.
822 BANK OF AMERICA BUILDING
300 MONTGOMERY STREET
SAN FRANCISCO 4, CALIFORNIA

TELEPHONE GARFIELD 1-2948

July 3, 1956

Mr. Louis L. Seiffert, Jr.,
President
Union of Texas Oil Company
Texas National Bank Building
Houston 2, Texas

Re: Black Rock Tungsten Property

Dear Mr. Seiffert:

As requested by you, I visited the Black Rock Tungsten property and reviewed the reports of Mr. Harry J. Wolf and Mr. M. W. Ditto. Mr. Ditto's estimates of tonnage are very conservative, however the work done to date is not sufficient to either prove or disprove the estimates of values. Unfortunately, the two drill holes which had been put down to date were not located so as to explore the extensions on strike of the Wah Chang Corporation property. Drill hole No. 1 was drilled at a 30° dip to the West and more or less parallels the dip of the formation. Drilling hole No. 2 was also drilled to the West and explores an area, which so far as we know, has not been productive on the Wah Chang property.

I have selected a new location for drill hole No. 3. This is in the canyon opposite drill hole No. 1, and should be drilled at a plus or minus 45° angle to the East, or at right angles to both the strike and dip of an outcropping which can be traced for several hundred feet along the formation and which reportedly has produced some high grade tungsten on the Wah Chang side of the hill at an elevation some 500 ft. below their top workings. A sample of ore reportedly from this tunnel which was obtained from a pile of ore left by an overturned truck is included in my samplings.

I located drill hole No. 4 in the Canyon opposite drill hole No. 2, also to be drilled at a plus or minus 45° dip to the East so as to cut the formation at right angles both on strike and dip.

The Drilling Contractor has had a great deal of difficulty in maintaining circulation because of voids principally in the limestone formation. It is important that drill cuttings should be saved, panned and lamped as a double check. This is especially important in areas where it is impossible to recover a core, and where it is impossible to restore lost circulation by cementing, the drill hole should be cased. Mr. Salmon reported that in cementing 50 ft. of drill hole the contractor recovered only a few feet of cement core when redrilling.

In addition to the drill holes, some seven pits have been dug with a bulldozer, and the following are the sample results as given to me:

	Tungstic Oxide (WO_3)	Molybdenum (MO)
Pit No. 1	.04%	.03%
Pit No. 2	.02%	.05%
Pit No. 7	1.33%	.12%
I was also furnished with samples marked "Union Cut No. 2"	0.15	1.26
Morris Cut, Pit No. 1	1.13	.44

You further advised that these represent a 4 ft. cut along the formation. I also took the following samples:

Pit No. 4, a 20 ft. cut across the formation showing garnitized material. This does not represent the full width as balance was covered by overburden (30 lb. sample)

	Tungstic Oxide (WO_3)	Molybdenum (MO)
Pit No. 5. Sample across 25 ft. lime garnet contact. (35 lb. sample). Sample of pile from overturned truck, reportedly from lower tunnel of Wah Chang property.		

The above samples were left at the Bishop Assay Laboratory and I expected to have the results to include with this report, however if they are not in at the time of mailing, I will forward them as soon as they are received.

If there are any further questions, please feel free to write or call me at the above number, or should your associates want further information, do not hesitate to have them call me.

Sincerely yours

Clayton T. McNeil

Clayton T. McNeil
Mining Engineer

CTM/ow

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
VAndike 9328

ED. EISENHAUER, Jr.

ASSAYER - - METALLURGIST - - CHEMIST

320-322 SOUTH SAN PEDRO STREET
LOS ANGELES 13, CALIF.

RECEIVED
OCT - 1 1956

June 21/56

Mr. John A. Croom
Mr. Hurd
Houston, Texas

Subject: Assays of Ore.

Marked:	Tungstic Oxide (WO_3)	Molybdenum (Mo)
Union Cut #1	.15%	1.26%
Morris Cut #1	1.13%	.44%

Respectfully submitted,

Ed. Eisenhauer, Jr.

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
VAndike 9328

ED. EISENHAUER, Jr.

ASSAYER -- METALLURGIST -- CHEMIST

320-322 SOUTH SAN PEDRO STREET
LOS ANGELES 13, CALIF.

March 29/56

Mr. John A. Croom
Houston
Texas

Subject: Assays of Ore.

Marked:	Tungstic Oxide (WO_3)	Molybdenum (Mo)
Black Rock #1	.97%	.09%
Black Rock #2	.16%	.02%
Black Rock #3	1.07%	.08%
Black Rock #4	.42%	.07%
Black Rock #5	.11%	.03%
Black Rock #6	1.90%	.07%

Charges: $ 42.00

Respectfully submitted,

Ed. Eisenhauer, Jr.

Ed. Eisenhauer, Jr.

Paid
E.E.

VErmont 8-5939
TExas 0-3749

HAL W. JOHNSON

Pacific SpectroChemical Laboratory

CHEMICAL AND SPECTROGRAPHIC ANALYSIS
RESEARCH

2558 Overland Avenue
Los Angeles 64, California

Mr. E. Salmon
Grand Junction
Colorado

April 30, 1956

Report of semiquantitative spectrographic analysis of samples A 23-21 and A 23-22, submitted by

Eisenhauer Laboratories
322 S. San Pedro Street
Los Angeles 13, California

	Pyrite #1 A 23-21	#2 A 23-22
Silicon-	24.0%	19.0%
Titanium-	0.014	0.013
Aluminum-	2.7	8.5
Magnesium-	1.5	0.88
Iron-	17.0	10.0
Manganese-	4.1	6.8
Tungsten-	0.46	0.52
Molybdenum-	0.0068	0.021
Tin-	nil	0.018
Vanadium-	nil	0.013
Copper-	0.11	0.0066
Silver-	trace	trace
Sodium-	nil	0.041
Zirconium-	trace	trace
Nickel-	0.0023	0.0032
Cobalt-	0.0019	trace
Chromium-	0.0014	0.0016
Calcium-	1.7	13.0
Uranium-	not detected - - - - less than 0.20 - - -	
Thorium-	not detected - - - - less than 0.10	
Rare earths-	nil	nil

Respectfully submitted

PACIFIC SPECTROCHEMICAL LABORATORY

Hal W. Johnson

Hal W. Johnson
Director

HWJ:lc

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
VAndike 9328

ED. EISENHAUER, Jr.

ASSAYER -- METALLURGIST -- CHEMIST

320-322 SOUTH SAN PEDRO STREET
LOS ANGELES 13, CALIF.

June 8/56

Mr. Eldredge Salmon
Bishop
California

Subject: Assays of Ore.

Marked:	Tungstic Oxide (WO_3)	Molybdenum (Mo)
#1	.04%	.03%
#2	.02%	.05%
#7	1.33%	.12%

Charges: $ 19.50

Respectfully submitted,

Ed. Eisenhauer, Jr.

Ed. Eisenhauer, Jr.

RECEIVED
JUN 11 1956

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
VAndike 9328

ED. EISENHAUER, Jr.

ASSAYER -- METALLURGIST -- CHEMIST

320-322 SOUTH SAN PEDRO STREET
LOS ANGELES 13, CALIF.

June 14/56

Mr. Eldredge Salmon
Bishop
California

Subject: Assays of Ore.

Marked:	Tungstic Oxide (WO_3)	Molybdenum (Mo)
#1-BRI-1-8	0.10%	0.09%
#2-BRI-8-15	0.07%	0.08%

Respectfully submitted,

Ed. Eisenhauer, Jr.

RECEIVED
OCT - 1 1956

MINING LEASE AND OPTION TO PURCHASE

THIS AGREEMENT, by and between Sam Morris, a single man, of Bishop, Inyo County, California, party of the first part, hereinafter called lessor, and Norman C. Hurd, of Harris County, Texas, party of the second part, hereinafter, called lessee,

W-I-T-N-E-S-S-E-T-H

WHEREAS, party of the first part is owner in possession, subject to the paramount title of the United States of America, of those certain unpatented lode mining claims situated in the Indian Mining District in the County of Mono, State of California, Mt Morrison Quadrangle, Section 14, T. 3 S., R. 31 E., adjoining the Black Rock Mining property to the south, generally described as the Morris mine, or the Morris group of claims, which claims are individually named and recorded in the Official Records of Mono County, California, as follows, to-wit:

Name	Book	Page	Recording Date
Ameil No 1	4	217	June 28, 1937
Ameil No 2	4	217	June 26, 1937
Ameil No 3	5	56	Feb. 23, 1938
Jumbo No 1	5	475	Sept 25, 1939
Jumbo No 2	5	475	Sept 25, 1939
Jumbo No 3	5	476	Sept 25, 1939
Sheep Range No 1	4	93	Nov. 2, 1926
Sheep Range No 2	4	93	Nov. 2, 1926
Sheep Range No 3	4	94	Nov. 2, 1926
Sheep Range No 4	4	94	Nov. 2, 1926

WHEREAS, it is the desire, intent and purpose of the parties hereto that first party lease unto second party the above described mining claims, with all improvements, rights and privileges appurtenant; and,

WHEREAS, it is further the desire, intent and purpose of the parties hereto that during the time of said mining lease, the lessee shall have the right to purchase said mining claims, with improvements, and privileges, it is agreed that in consideration of the premises, covenants, conditions,

3. (d) UNION OF TEXAS OIL COMPANY
527 Texas National Bank Bldg.
Houston, Texas

terms and provisions herein contained, and in further consideration of the payment by second party unto first party of the sum of $10.00 and other good and valuable consideration, cash, receipt of which is hereby acknowledged by first party, the respective parties hereto agree to the following:

1. Lease. Lessor, for and in consideration of the rents, royalties, covenants and agreements herein set forth, has let, demised and leased unto lessee all the unpatented lode mining claims hereinbefore particularly described.

TO HAVE AND TO HOLD said demised premises together with the appurtenances and all of lessor's rights and interests therein or appertaining thereunto for the purpose of mining ores, minerals and materials therefrom, from the date of this agreement and during such time as lessee complies with terms and provisions of this agreement, and/or until the full amount of royalties provided for herein have been paid at which time lessor's title shall vest in lessee and lessor shall have no further claim to said property or royalties therefrom.

After execution of this agreement the lessee shall have the right and privilege of entering upon siad demised premises and have the right to begin exploration and/or mining operations, with the right to use any equipment, houses and improvements pertaining thereto.

Lessee shall have the right to mine and extract and remove from said mining claims, according to lessee's wish and judgment, so long as the work is carried on in a proper and miner-like manner, all ore, ore-bodies, metal-bearing quartz, rock or earth, metals, minerals, mineral substances, valuable stones, chemicals, metallic or non-metallic substances, therein or thereon contained, including all tailings, or otherwise, and to smelt, mill, concentrate, reduce, sell, irrespective of form produced or obtained therefrom.

Lessee shall have the right to prospect and explore said holdings, provided, only, that all such work be done pursuant to provisions in this agreement and in compliance with the regulations of the United States of America and the State of California relating to mining.

2. Mining Methods. Lessee covenants that he will operate the mine in the manner necessary to good and economical mining, with due regard for the safety and preservation of said premises as a workable mine or mines, and in accordance with all Executive regulations of the Government and State. Lessee agrees to sufficiently timber said mine or mines at all points where proper and necessary, and will at all times during the life of this agreement, permit the lessor, or his duly authorized agent, to enter, at his sole risk, into and upon all parts of the mine or mining property, provided, however, that the lessor does not interfere with the mining operations being conducted on said mining claims.

Notices of Non-responsibility. Lessee agrees to permit lessor to post and to keep posted in a conspicuous place or places upon siad premises, one or more notices of non-responsibility in the manner and form prescribed by law.

3. Accidents. Lessee will at all times save harmless the lessor from any and all responsibility for accidents to lessee's employees, sub-lessees, licensees, agents, assistants, or visitors upon siad premises.

4. Insurance. It is agreed that lessee will carry adequate Workmens' Compensation Insurance in accordance with and pursuant to the laws of the State of California, and that lessee will otherwise operate said premises in full accord with the laws and regulations pertaining to the operations of mining.

5. Taxes. Lessee agrees to pay when due and before delinquency occurs all taxes levied and assessed during the term hereof against or upon

said mining premises and/or any equipment or improvements situated thereon.

6. Liens. Lessee agrees to at all times keep lessor's interest in said mining premises, royalties and reversionary interest free and clear of all liens by reason of lessee's operation of the holdings, or by any person or persons acting for or under lessee, and to pay all indebtedness incurred in the operation of said mining property, for labor, supplies, materials, or otherwise; and should any lien or encumbrance be placed against lessor's interest in the premises, royalties and reversionary interest lessee hereby agrees to take immediate steps to lift the same.

7. Records. Lessee agrees to make available to lessor at lessor's request and at reasonable times a duplicate copy of all mill-runs, assay reports, weight-slips, maps and other data relating to and pertinent to mine operations on which royalties are to be paid. All books and records directly pertaining to the payment of royalties shall be open to lessor at all reasonable times.

8. Assessment Work. Lessee agrees to perform all annual assessment work upon the mining claims as required by law and to file the 'Proof of Laobr' with the Mono County Recorder thirty (30) days before expiration date for such annual assessment work to be done, and to mail a true copy thereof to lessor on such date.

9. ROYALTIES. Lessee covenants and agrees to pay to lessor a royalty of ten (10%) percent on all ore mined and sold from said property, on the 15th day of the calendar month succeeding the calendar month in which sales are made. ~~Royalties shall be computed by deducting from the gross receipts from sales of any of the ores, minerals, metals or concentrates, the cost of hauling or shipping to mill or other reduction plant and the cost of milling, concentrating or otherwise treating the ores, and the royalty of 10% shall be~~

~~computed after deducting such costs.~~

After production has begun and not later than March 19, 1957, a minimum royalty of $5,000.00 per annum thereafter is agreed to be paid to lessor; this minimum royalty shall remain a fixed sum during the life of this agreement, until the total sum of $394,000.00 has been paid according to the terms of this agreement. Should the basic 10% royalty fall below the minimum royalty named herein in any annual period after the above date, then the minimum annual royalty shall be the royalty to be paid for such annual period; and on the fifteenth day of the calendar month next after the expiration of such annual period, lessee shall pay lessor such sum, if any, as may be necessary when added to the basic royalty paid during such period to amount to such minimum royalty.

10. Option to Purchase. Lessor hereby grants unto lessee, his heirs, successors, executors or assigns, the exclusive right, option and privilege to purchase, at any time during the life of this agreement, all and singular, the aforesaid mining claims, together with any improvements situate thereon, for the sum of three hundred ninety-four thousand ($394,000.00) dollars. Such option may be exercised by written notice and the payment into the escrow hereinafter provided for of the sum of $394,000.00, less the total amount of royalties thereto for paid under the terms of this agreement, and for delivery of the deed to be deposited in escrow as hereinafter provided.

11. Title. Lessor hereby covenants and warrants that he owns a good, sufficient and marketable title to the lode mining claims which are the subject-matter of this agreement, and agrees to make, acknowledge and deliver to Bank of America, Bishop, California as escrow holder a grant deed to the lode claims, subject only to the paramount title of the United States of America, said deed to be delivered to lessee by the escrow holder

at the time of full payment of $394,000.00 as above provided. A copy of this agreement, together with the deed shall be delivered to escrow holder within ten (10) days after the execution of this agreement.

12. Suits. If any legal action is commenced, arising by or through lessor, or for failure to deliver title as aforesaid, then lessor warrants that he will take immediate steps to clear and protect said title, to pay all court costs and fees in relation to the action. In case of any ;such action the lessee promises to do all in his power to help defend the title but assumes no responsibility as to the outcome of legal proceedings.

13. Default. Upon violation or default of the terms of this agreement, the lessor may at his option state in writing the nature of the breach or violation, giving lessee a reasonable time not less than thirty (30) days to commence curing the same. If the lessee fails to remedy the default or rectify the breach in the period given so to do, then the lessor has the right to terminate this Mining Lease and Option to purchase and all rights and privileges under the agreement shall be at an end.

14. Termination of Agreement by Lessee. Lessee has the right to terminate this agreement by a thirty (30) day written notice to lessor so to do, provided, however, that all royalties due lessor are paid to date, and further provided that outstanding obligations, such as labor bills, supply costs shall be cared for in ways that lessor shall remain harmless from liens or judgments. If any lien is filed, or any suit commenced affecting lessor's title adversely, because of lessee's operations of the property, then such lien shall be lifted or in the process of being lifted so that lessor suffers no harm thereform. In event of termination of this agreement by default, or otherwise, lessee agrees to surrender the property peacefully and render a quitclaim to the claims to clear the title to same.

RECEIVED
OCT - 1 1958

15. Removal of Equipment. After the termination of this agreement, prior to the payment of the full sum, by either party hereto, a reasonable time not less than a sixty (60) day period is given lessee to remove from the premises all equipment, machinery and appurtenances not permanently affixed, provided, however, that the conditions outlined in Section 16 shall have been fulfilled.

16. Communications. All communications, notices to be given or demands made, shall be given in writing, postage prepaid, and registered, then deposited in the United States mails, to lessor at Bishop, Inyo County, California, c/o P. O. Box 51; and to lessee at 527 Texas National Bank Bldg., Houston, Texas; or to such change of address as to which either party shall hereafter give the other party notice.

17. Acts of God. In the event mine operations are held in abeyance, temporarily shut down because of strikes, storms, wash-outs, inability to secure labor or supplies in the open market, Executive or Governmental orders, or for any other reason beyond the control of lessee, then the obligations of lessee shall be suspended, except the obligation to pay the minimum royalty, until the situation can be righted.

18. Waiver. Any waiver made or allowed to be made under the terms of this agreement shall not be construed as a continuing waiver of any other condition or term of this agreement.

19. Assignment. This Mining Lease and Option to Purchase may be assigned or sub-leased, it being provided, however, that any assignment, sub-lease or contract made shall remain subject to this agreement in all and singular terms, conditions and provisions in the agreement contained.

20. Royalties Accrued. Any royalties paid under this Agreement, both base and minimum, shall accrue to the credit of lessee on the exercise of the

option herein contained. In the event of termination before the payment of the sum of $394, 000.00 the total royalties paid lessor shall be regarded as lease rental royalties and be liquidated damages unto lessor hereunder.

21. Inurement. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors, executors, administrators and assignes.

IN WITNESS WHEREOF, the parties hereto have executed this Mining Lease and Option to Purchase this 19th day of March, 1956.

Sam Morris
Lessor

Lessee

STATE OF CALIFORNIA)
) SS.
COUNTY OF INYO)

On this 19th day of March 1956, before me, the undersigned, a Notary Public in and for said County of Inyo, personally appeared SAM MORRIS, known to me to be the person- whose name- is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Gwendolyn B. Grunwell
Notary Public in and for said County and State.

My commission expires March 20, 1958.

STATE OF CALIFORNIA)
) SS.
COUNTY OF INYO)

On this 19th day of March 1956, before me, the undersigned, a Notary Public in and for said County of Inyo, personally appeared

NORMAN C. HURD, known to me to be the person- whose name- is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Gwendolyn B. Grunwell
Notary Public in and for said County and State.

My commission expires March 20, 1958.

THE STATE OF CALIFORNIA :

COUNTY OF MONO :

WHEREAS [illegible] County, [illegible] lease and option agreement, [illegible] executed by San Mineral of Mono County, [illegible] Norman C. [illegible], which said mining lease and option to purchase is recorded in Volume [illegible], page [illegible] of the Official Records of Mono County, California, reference to which instrument is [illegible] made, and which said instrument covered the following described unpatented [illegible] located in the [illegible] Mining District [illegible] Mountain Quadrangle [illegible] acres of land, [illegible] named and recorded [illegible] of Mono County, California, to-wit:

Name	Book	Page	Recording Date
[illegible]	[illegible]	[illegible]	June 23, 1937
[illegible] No. 2	[illegible]	217	June 2[illegible], 1937
[illegible]	[illegible]	[illegible]	Feb. 23, 1937
Jumbo [illegible]	[illegible]	[illegible]	Sept. 23, 1939
Jumbo [illegible]	[illegible]	[illegible]	Sept. 23, 1939
Jumbo [illegible]	[illegible]	[illegible]	Sept. 23, 1939
Sheep Range [illegible]	[illegible]	[illegible]	Nov. 2, 192[illegible]
Sheep Range No. 2	[illegible]	[illegible]	Nov. 2, 192[illegible]
Sheep Range No. [illegible]	[illegible]	[illegible]	Nov. 2, 192[illegible]
Sheep Range No. [illegible]	[illegible]	[illegible]	Nov. 2, 192[illegible]

[illegible] the sum of [illegible] Norman C. [illegible] and [illegible] Norman C. [illegible] and [illegible] Angeles,

[illegible] SELL, ASSIGN and CONVEY unto

[illegible] successors and assigns, the above described

[illegible] and Option to Purchase, together with all property

[illegible] and [illegible] covenants

[illegible], Lease and Option to Purchase

[illegible] and encumbrances arising

[illegible]

[illegible] day of May, [illegible].

[illegible]

[illegible] Notary Public, [illegible]

[illegible] and [illegible]

[illegible]

[illegible]

[illegible] the same.

[illegible] and affixed my seal on this date [illegible] hereinbefore [illegible].

Notary Public in and for
[illegible] County, Texas

My Commission expires May [illegible], [illegible].

STATE OF CALIFORNIA)(

COUNTY OF MONO)(

RECEIVED
OCT - 1 1956

WHEREAS, C-Tex Mining and Production Company, Inc., a Texas corporation, is the owner and possessor of that certain Mining Lease and Option to Purchase dated March 19, 1956, executed by Sam Morris of Inyo County, California, as owner of the hereinafter described mining claims, which said Mining Lease and Option to Purchase is recorded in Volume 35, Page 44 of the Official Records of Mono County, California, and which said lease covers the following described unpatented lode mining claims situated in the Indian Mining District in the County of Mono, State of California, Mt. Morrison Quadrangle, Section 14, T 3 S, R 31 E, covering 200 acres of land, more or less, and adjoining the Black Rock Mining property to the south, generally described as the Morris Mine, or the Morris Group of claims, which said claims are individually named and recorded in the Official Records of Mono County, California, to-wit:

Name	Book	Page	Recording Date
Ameil No. 1	4	217	June 28, 1937
Ameil No. 2	4	217	June 26, 1937
Ameil No. 3	5	56	Feb. 23, 1938
Jumbo No. 1	5	475	Sept.25, 1939
Jumbo No. 2	5	475	Sept.25, 1939
Jumbo No. 3	5	476	Sept.25, 1939
Sheep Range No. 1	4	93	Nov. 2, 1936
Sheep Range No. 2	4	93	Nov. 2, 1936
Sheep Range No. 3	4	94	Nov. 2, 1936
Sheep Range No. 4	4	94	Nov. 2, 1936

NOW THEREFORE, for and in consideration of the sum of Ten ($10.00) Dollars, and other good and valuable consideration in hand paid by Union of Texas Oil Company, hereinafter called Assignee, the receipt of which is hereby acknowledged, C-Tex

Mining and Production Company, Inc., hereinafter called Assignor, does hereby BARGAIN, SELL, TRANSFER, ASSIGN and CONVEY unto Assignee, its successors and assigns, the above described Mining Lease and Option to Purchase, together with all property used or obtained in connection therewith, and for the same consideration Assignor for itself, its legal representatives and assigns, does covenant with said Assignee, its successors and assigns, that it is the lawful owner and holder of said Mining Lease and Option to Purchase, that all assessment work due on said claims to date hereof has been completed and evidence thereof filed for record in the Mining Claim Records of Mono County, California; that Assignor has good right and authority to sell and convey said Mining Lease and Option to Purchase and that same is free and clear of all liens and encumbrances, and that Assignor will warrant and defend the same against the lawful claims of all persons whomsoever, subject to limitation of liability agreement of even date between C-Tex Mining and Production Company, Inc., et al and Assignee herein.

EXECUTED this 23rd day of July, 1956.

C-TEX MINING AND PRODUCTION COMPANY, INC.

ATTEST:

By _____
President

_____
Secretary

STATE OF TEXAS)
COUNTY OF HARRIS)

On this the 24th day of July, 1956, before me, the undersigned, a Notary Public in and for said County of Harris and State of Texas, personally appeared JOHN A. CROOM, known to me to be the person whose name is subscribed to the foregoing instrument as President of C-TEX MINING AND PRODUCTION COMPANY, INC., a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

WITNESS my hand and official seal.

_____
Notary Public, in and for
Harris County, Texas

My Commission expires June 1, 1957

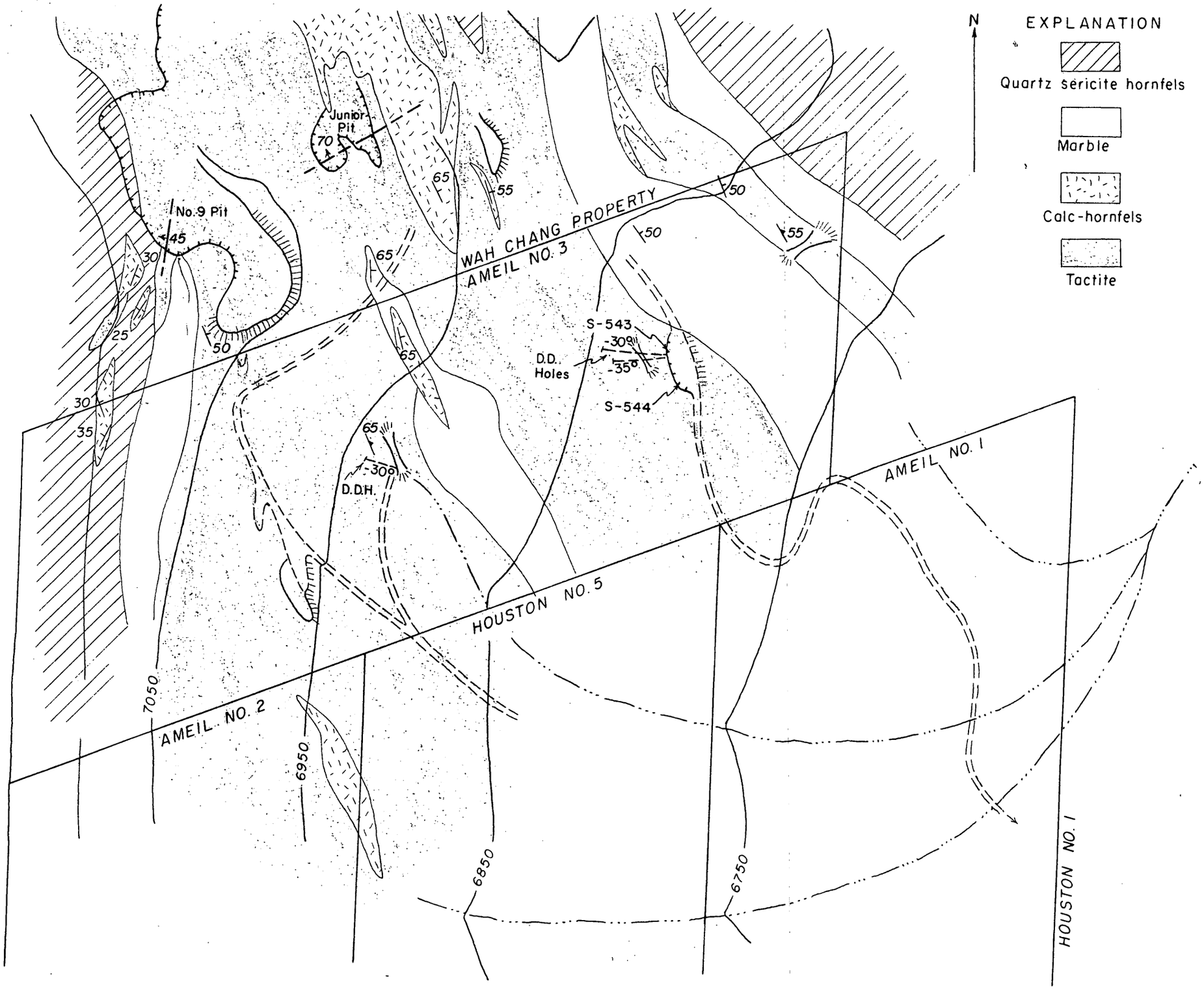


Figure 2. AMEIL AND HOUSTON CLAIMS, MONO COUNTY, CALIFORNIA

0 200 400 600 FEET

RECEIVED
JAN 17 1957
D.M.E.A.