DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE Idm-E NO._____ DMEA NO. 4802

Application
- [x] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports

- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

DMEA

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 31 1957

DATE	INITIALS	COPY

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

July 29, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Tungsten)
Atolia Tungsten, Ltd.
Blackhawk Placers
San Bernardino County, Calif.

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

S. Ricker

Attachments

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED JUL 31 1957 D.M.E.A.

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. 4802
Metal or Mineral Tungsten
Date Received 7/31/57
Estimated Cost Not given
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: Atolia Tungsten, Ltd., a Nevada Corporation Domesticated in California., 316 North Norton, Los Angeles 4, California.
President G. G. Moore, Sec.-Treas. E. M. Perkins

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Mining Claims, "association"- CORONATION 140 acres, GORDON 20 acres, HOWARD 20 acres, EVELYN 20 acres, MAUD 20 acres, EUNICE 20 acres, BELLE 20 acres, Total 260 acres; Situate in the Rand Mining District, San Bernardino County, Calif., all in Sec. 7, TWP 30 S. Range 41 E, MDB&M. See Exhibit 1 attached.

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it 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 Exhibit 2 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 Exhibit3 attached

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None

(*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 Exhibit 3 attached

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Exhibit 3 attached

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.
See Exhibit 3 attached

16—66551-1

Atolia Tungsten, Ltd.
316 No. Norton
Los Angeles 4, Calif.

Exhibits ~~2~~ 1 & 2

Exhibit 1

3. (a) Legal description of Mining Claims.

CORONATION: SW¼ of the NE¼ of the SW¼ of the SE¼ of the NE¼ of the SW¼; S½ of the NW¼ of the NE¼ of the SW¼; S½ of the NE¼ of the NE¼ of the SW¼; SW¼ of the SE¼; SW¼ of the NW¼ of the SE¼; S½ of the NW¼ of the NW¼ of the SE¼; SE¼ of the NW¼ of the SW¼; S½ of the NE¼ of the NW¼ of the SE¼; SW¼ of the NE¼ of the SE¼; NW¼ of the SE¼ of the SE¼:

GORDON: NE¼ of the NE¼ of the SE¼ of the NW¼; NW¼ of the NW¼ of the SW¼ of the NE¼; E½ of the SE¼ of the NE¼ of the NW¼; W½ of the SW¼ of the NW¼ of the NE¼; SW¼ of the NW¼ of the NW¼ of the NE¼; SE¼ of the NE¼ of the NE¼ of the NW¼:

HOWARD: SW¼ of the SW¼ of the NE¼; S½ of the NW¼ of the SW¼ of the NE¼; N½ of the NW¼ of the NW¼ of the SE¼:

EVELYN: SW¼ of the SE¼ of the NW¼; S½ of the NW¼ of the SW¼ of the NW¼; n½ of the NW¼ of the NW¼ of the SW¼:

MAUD: SE¼ of the SE¼ of the NW¼; The S½ of the NE¼ of the SE¼ of the NW¼; N½ of the NE¼ of the SW¼; n½ of the NW¼ of the NE¼ of the SW¼:

BELLE: N½ of the NE¼ of the NW¼ of the SE¼; SE¼ of the SW¼ of the NE¼; S½ of the NE¼ of the SW¼ of the NE¼:

Eunice: NE¼ of the NW¼ of the SW¼ of the NE¼; NW¼ of the NE¼ of the SW¼ of the NE¼; SE¼ of the NW¼ of the NW¼ of the NE¼; SW¼ of the NE¼ of the NW¼ of the NE¼; W½ of the SE¼ of the NW¼ of the NE¼; E½ of the SW¼ of the NW¼ of the NE¼:

All in Section 7, TWP 30 South, Range 41 East MDB&M of record in the office of the County Recorder of San Bernardino County, State of California.

Exhibit 2

3. (f) The book and page numbers of the above mining claims as recorded in the records of San Bernardino County, Calif. are as follows:

	BOOK	PAGE
CORONATION	333	495
GORDON	333	175
HOWARD	333	176
EVELYN	333	177
MAUD	333	178
BELLE	333	367
EUNICE	333	368

EXHIBIT #3

Atolia Tungsten, Ltd.
316 No. Norton
Los Angeles 4, Calif.

4. (a) Highway U. S. 395 runs through and on surface of the property.

(c) The geology of this area is described on page 72, Bulletin No. 95, Calif. State Mining Bueau. It is known as the " Stringer District ". The rocks involved are gray to green schist, inticately joined and fractured and easily broken into angular and lenticular lumps. These placers are the result of the erosion of this schist, producing an alluvial fan. Certain znes zones in the schist contain a large proportion of ferro-magnesian minerals. It is in these particular zones that the tungsten mineralization is found.

These claims are probably the only area unexplored in this district which in the past forty years has produced in excess of 1,100,000 units of WO3.

Attached hereto is a map of the property which includes also an area, physically a part of this alluvial fan but not a part of this project, upon which 23 holes have been drilled to bedrock, all of which assayed commercial values. These Assays are attached and marked A, B, & C. No return required.

(d) U. S. Highway 395 runs through the property which adjoins Red Mountain, California.

(e) There is an ample labor supply in the immediate area. It is 150 miles to Los Angeles for materials and supplies. The California Electric Power Co. Services this area and applicant owns developed water wells 5 miles distant with pipeline franchise to this property.

Exhibit 4

5. (b) Maps referencing 4 (c) are applicable.
In the 260 acres embraced in this project it is estimated that the average depth of the deposit to bedrock is 60 feet. To properly explore it, we are advised, 80 holes of 30" diameter about 600' apart will be required to fairly indicate the merit of the deposit. This means 4800' of drilling.

(d) The president of the applicant Co. has had ten years experience in this area and the Engineer who will supervise has had twenty years experience in this immediate area.

Exhibit 5

6. Estimate of Costs.

The George F. Casey Co. proposal of using Cal-Weld drilling rig operated and maintained, with 2 man crew 8 hrs. per day @ 150.00 plus subsistance of 6.00 per day per man means 162.00 per day.

Casey makes no guarantee of performance, but based on our own drilling of 23 holes in the same character of deposit adjacent, we estimate 40' per 8 hrs. of drilling or a time required of 120 days of 5 days per week in 6 months. Estimated cost of drilling rig, men & maintenance for 120 days @ 162.00 equals $ 19,440.00. Moving equipment to and from the project is 450.00. Total estimated cost by Casey Co. is $ 19,890.00.

Additional costs would be: Rent of one pickup truck for 6 months @ 100.00 per month, 600.00. Purchase of a Jones Sampler, 57.50. Two Samplers @ 25.00 ea. per day for 120 days, 6,000.00. Supervision, geological Consultant, and Engineer @ 40.00 is 4800.00. 160 assays, sacks and shipment of samples @ 5.00 ea. is 800.00. Accountant @ 20.00 per day equals 2400.00.

Based upon the Casey proposal the total cost of $ 34,547.50 without guarantee of performance would indicate an estimated cost of $ 7.20 per foot of drilling.

Applicant will contract to perform all the work at $ 5.10 per foot, including all other services mentioned in the budget.

Atolia Tungsten, Ltd.
316[illegible]. Norton
Los Angeles 4, Calif.

A

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
Andike 9328

ED. EISENHAUER, Jr.

ASSAYER -- METALLURGIST -- CHEMIST

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

OFFICIAL FILE COPY
D M E A
RECEIVED JUL 31 1957
DATE | INITIALS | CODE

June 9/53

Atolia Tungsten, Ltd
Los Angeles
Calif.

Subject : Assays of Placer Samples.

Marked	WO3 Lbs.	Value	Gold per cu.yd.	Tungstic Oxide	(tSt)
Hole # 1-0'-10'	0.54	$1.70	6.1 ¢	.037	$1.761
Hole # 1-10'-11'7"	0.66	2.08	8.3 ¢	.033	2.163
Hole # 2-0'-10'	0.60	1.89	5.5 ¢	.030	1.945
Hole # 2-10'-20'	0.72	2.205	7.4 ¢	.036	2.279
Hole # 2-20'-24'	0.80	2.52	10.2 ¢	.040	2.622
Hole # 3-0'-10'	0.56	1.764	3.6 ¢	.028	1.80
Hole # 3-10'-20'	1.02	3.213	16.9 ¢	.051	3.382
Hole # 3-20'-30'7"	1.24	3.906	24.4 ¢	.062	4.15
Hole # 4-0 '-10'	0.64	2.016	9.8 ¢	.032	2.114
Hole # 4-10'-20'	1.10	3.465	18.9 ¢	.055	3.654
Hole # 4-20'-30'	1.22	3.853	23.3 ¢	.061	4.076
Hole # 5-0'-5'	1.08	3.402	16.7 ¢	.054	3.569
Hole # 5-5'-10'	1.38	4.347	18.4 ¢	.069	4.531
Hole # 10'-15'-# 5	1.48	4.662	26.6 ¢	.074	4.928
Hole # 6-15'-17'	1.60	5.04	20.8 ¢	.080	5.328
Hole # 6-10'-18' 7"	0.90	2.835	10.8 ¢	.045	2.993
Hole # 7-0'-10'	0.60	1.89	5.0 ¢	.030	1.94
Hole # 7-10'-20'	0.64	2.016	7.7 ¢	.032	2.093
Hole # 8-0'-10'	0.70	2.205	9.1 ¢	.035	2.296
Hole # 8-10'-20'	0.68	2.142	8.6 ¢	.034	2.228
Hole # 8-20'-30'	1.20	3.78	22.8 ¢	.060	4.003
Hole # 8-30'-40'	1.54	4.851	30.5 ¢	.077	5.156
Hole # 8-40'-44'	1.44	4.536	31.1 ¢	.072	4.847
Hole # 10-0'-10'	0.62	1.953	2.2 ¢	.031	1.975

6

1.06 lbs.

Respectfully submitted

Ed. Eisenhauer Jr

Ed. Eisenhauer, Jr.

Average value WO3 @ $3.15 per lb. $3.335 per cu. yard.
" " Gold ~~xxxx~~ " oz. .17 " "
$3.505 " "

Atolia Tungsten Ltd. B
316 No. Norton
Los Angeles 4, Calif.

ORE TESTING
SAMPLINGS
and
SUPERVISION OF
ORE SHIPMENTS

Established 1916

Phone
VAndike 9320

ED. EISENHAUER, Jr.

ASSAYER -- METALLURGIST -- CHEMIST

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

April 28/54

Pacific Coast Securities Co
Los Angeles
Calif

Subject : Analysis of Placer Sample .

Marked : Plack Hawk Placer Composite

9-50'
10-52.5 '
13-28.5 '
16-22.5 '
17-37.5 '
18-17'
19-52.5 '
20-28'
21-13'
22-22.5'
23-29 '

Tungstic Oxide(WO_3)	.088 % per cu.yd.
Gold	15.1 ¢ " " "

Respectfully s ubmitted

Ed. Eisenhauer, Jr

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DATE	INITIALS	CODE

Atolia Tungsten Ltd.
16 No. Norton
Los Angeles 4, Calif.

C

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.

April 22/54

Pa cific Securities Co
Los Angeles
Calif

Subject : Assays of Placer Samples.

Marked :	Gold per cu.yd.	Tungstic Oxide(WO_3) per cu.yd.	Value
Hole 11-45'	10.9 cents	.05 %	$3.15
" 12-40'	14.6 "	.04 %	2.52
" 14-45'	9.7 "	.03 %	1.89
" 15-35'	13.2 "	.03 %	1.89
			11.34
average 4 holes	Tungsten		2.83
" "	Gold		.12
			$ 2.95

Respectfully submitted

Ed.Eisenhauer,Jr

RECEIVED JUL
DATE

PROPOSAL

July 15, 1957

To Otolia Tunston Ltd.
316 North Norton Ave.
Los Angeles 4, California
~~Attention: Mr. Moore~~

Job Test hole drilling
Red Mountain

Gentlemen: We propose to: Furnish Calweld Drilling rig fully operated and maintained, with two man crew to drill test holes as directed. This drill rig will be equipped with normal drilling buckets capable of earth drilling and soft shales, diameters up to 50" and depths of from 50 to 60 feet.

All the above work to be completed in a workmanlike manner ~~as directed by your field engineer.~~

For the sum of ~~One Hundred and Fifty~~---------- Dollars ($ 150.00) per week work day, that is Monday through Friday. For Saturday time, the equipment rate is the same as week days but a charge of $4.00 per hour is made for labor overtime. Sundays the charge is $8.00 per hour for labor overtime. The above prices are based on an eight hour day work day. Should the second shift be required, the equipment rate will be $140.00 per day instead of $150.00 plus the expense of getting second crew to job site.

Time involved in drilling through unforseen obstructions or delay due to no fault of our own, will be charged at our current hourly drill rig rate, in addition to above contract price. If through no fault of our own, we are unable to complete the work, we may terminate it by written notice and shall be paid for the percentage of work completed.

Obstruction time _____ dollars ($_____) per hour. It is further agreed: The drill crews are to be subsisted completely, either in your camp, or each man paid Six Dollars ($6.00) per day, seven days per week for subsistence.

Daily rental is figured when rig leaves our yard for the drill site and the same for returning.

Good drill crews and equipment will be made available and can start out on 2-days notice to proceed.

This bid is based on current prices of labor and material and if not accepted within ninety days from date hereof, the right is reserved to submit a new bid.
Payment to be made by the 10th of each month for all work completed by us during the preceding month.
Any alteration or deviation from plans or specifications will require an extra charge when approved in writing by parties concerned.

Respectfully submitted,
GEORGE F. CASEY CO.
7222 East Slauson Avenue, Los Angeles 22, California
RAymond 3-1201

By C. Y. Jernigan
C. Y. Jernigan

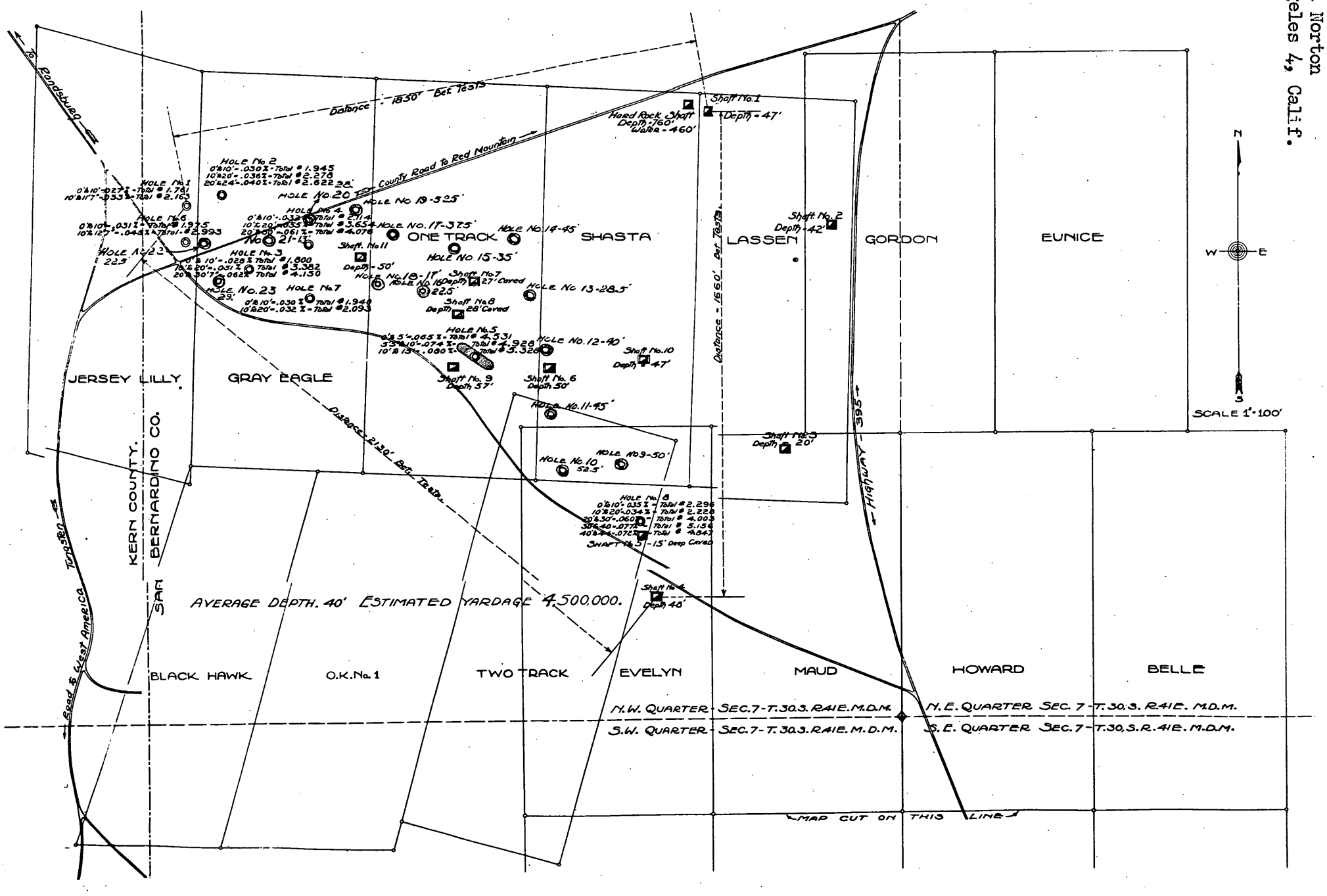
ACCEPTANCE:
We hereby accept the above proposal and authorize you to proceed with the work as specified.

Date _____ 19____

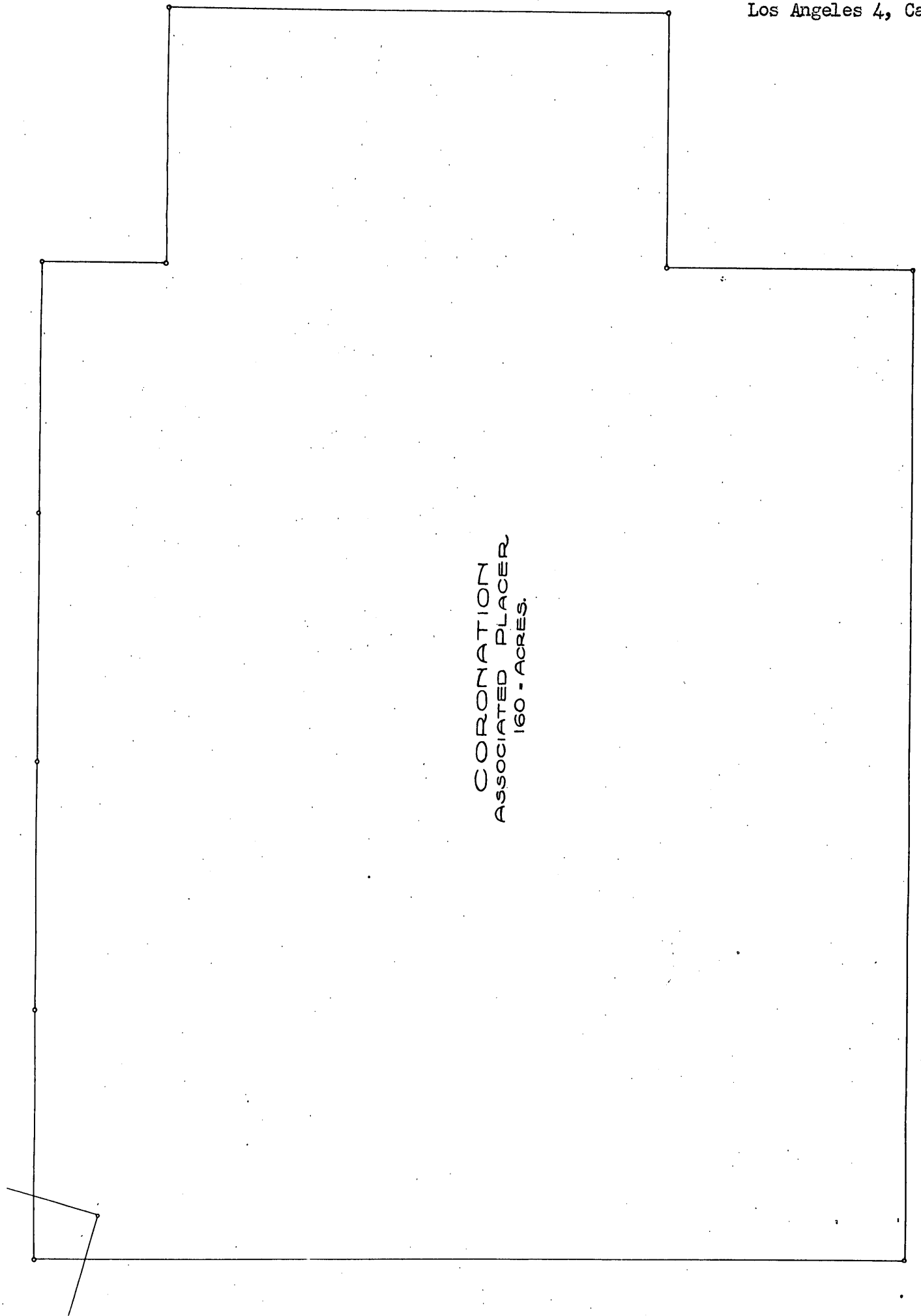
By _____

FORM 307 GRIER PRINTING CO.

Atolia Tungsten Ltd.
316 No. Norton
Los Angeles 4, Calif.



Atolia Tungsten Ltd.
316 No. Norton
Los Angeles 4, Calif.



U. S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1/46)

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2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
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[illegible]	STOP	Room 4756	STOP
Miss Nancy Jo [illegible] Room 4001 SA-2			RUN
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	STOP		STOP
Mr. A. J. [illegible] College [illegible]	RUN		RUN
	STOP		STOP
Edward [illegible] Room 4549 [illegible] Office	RUN		RUN
	STOP		STOP
Mr. A. J. Bray College Park Md	RUN		RUN
	STOP		STOP
Mr. [illegible] Room [illegible]	RUN		RUN
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A. M. Lansche Room 3617	RUN		RUN
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[illegible] Room [illegible]	RUN		RUN
	STOP		STOP

Send surplus envelopes to supply room for reissue.

Use other side

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4/5/58

Belive Op. Com. should see this because of policy angle. Herewe don't accept the estimates, but our letter does nothing to show our doubts, or ask any more questions WSG

MR. SELFRIDGE:

This is indicated for Committee. However, I don't know if it needs to go to Committee. The previous 2 letters to Applicant were about sending Mr. Gentry to the property.

HBerry

DMEA Form 7
(12-56)

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Date	Surname	Code
4-9	Chapman	400
4-9	Martin	400
4/9	Schmidt	430
4/9	Funk	130
4/9	Kiilsgaard	130
"	Brown	110
"	Butterday	400
		~~225~~ 220

APR 10 1958

Mr. George G. Moore, President
Atolia Tungsten, Ltd.
316 North Norton Avenue
Los Angeles 4, California

Re: Docket No. DMEA 4802 - Tungsten
Coronation, et al., placers
San Bernardino County, California

Dear Mr. Moore:

Thank you for your letter of April 2, 1958, outlining the results obtained by your drilling project on the subject property.

We appreciate your informing us of the results of your work.

Sincerely yours,

(for)

Administrator

TLCHAPMAN:foc
4-9-58
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
4-8	Chapman	400
4-8	Martin	400
		130
		110
		100
		220

Mr. George C. Moore, President
Atolia Tungsten, Ltd.
316 North Norton Avenue
Los Angeles 4, California

Re: Docket No. DMEA 4802 - Tungsten
Coronation, et al., placers
San Bernardino County, California

Dear Mr. Moore:

Thank you for your letter of April 2, 1958, discussing the assays obtained from 30 holes drilled (12 to bedrock) on the subject property.

We note your ~~estimate~~ statement that the results of the above-noted drilling make the property look very attractive, even at the present market level, and add a substantial tonnage to the possible tungsten available in the United States. We would appreciate knowing if your average of 4.9 pounds of WO_3 and 57 cents gold per cubic yard includes the average from the 16 holes mentioned in your letter of February 8, 1958.

~~Thank you for keeping us informed of the results obtained by your drilling. It is hoped that an engineer may be able to visit the property in the near future.~~ We appreciate your informing us of your work.

Sincerely yours,

Administrator

TLCHAPMAN/dlm 4-8-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

DMEA
RECEIVED APR 7

ATOLIA TUNGSTEN, LTD.
316 North Norton Avenue
Los Angeles, 4 California

April 2, 1958

Mr. C. O. Mittendorf,
DMEA.
Dept. of Interior
Washington, 25, D.C.

Re: Docket No. DMEA 4802 - Tungsten Coronation, et al.,

Dear Mr. Mittendorf:

Thank you for your letter of March 6, 1958. As we had just completed our drilling program, there was nothing that Mr. Ricker could contribute, so we did not contact him.

When your engineers Messrs. Gentry and Carlson were here last September, they concluded after a week's examination on account of the uniformity of the deposit both as to grade and quality that 20 holes drilled would be adequate to prove the deposit.

We have now the assays of 30 holes, 12 of which was drilled to bedrock establishing the following facts:

1. Average depth of the deposit 65½ feet
2. Cubic yards per acre 104,060
3. Total yardage 20,843,218
4. 27 assays by Ledoux & Co. and 3 by Eisenhauer Laboratries of 1,458 feet average scheelite content 4-9/10th's pounds per cubic yard.
5. Assays range from 1.76 pounds per cubic yard to 12.6 per cubic yard
6. Scheelite content on 200 acres in excess of 100,000,000 pounds or 5,000,000 units WO3
7. The gold averaged 57½ cents per cubic yard.

We have a 3¼ foot bucketline dredge with a capacity of 2,000 yards per day that can be operated for about 40 cents per cubic yard. There is sufficient gold to cover this cost.

The importance of what we have is not the size of the deposit, but the fact, in the present depressed condition of the tungsten market, where the domestic industry is at a standstill, we can afford to operate in competition with foreign imports.

As the department of the Government, responsible for acquiring knowledge of our mineral resources, we are furnishing the above for your records.

Sincerely yours,

Atolia Tungsten, Ltd.

By George G. Morse
president.

Thanks for copy sent Mr Ricker

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

March 12, 1958

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RECEIVED MAR 14 1958

DATE	INITIALS	CODE
3-14	C	220
	WSM	400
		225
Ret	[illegible]	
with	letter.	
		C.C.

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4802 (Tungsten)
Atolia Tungsten, Ltd.
Coronation, et al., Placers
San Bernardino County, California

Mr. Mittendorf's letter dated March 6, 1958, attached to your letter of the same date, was forwarded to Mr. Moore on March 10, 1958.

S. Ricker

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3-5	Chapman	400
3-5	Martin	400
3/5	Selfridge	130
3/5	[illegible]	130
3/5	Johnson	110
"	Whitbeckoff	100
3/7	C	220
		400

MAR 6 1958

Mr. George G. Moore, President
Atolia Tungsten, Ltd.
316 North Norton Avenue
Los Angeles 4, California

Re: Docket No. DMEA 4803 - Tungsten
Coronation, et al., placers
San Bernardino County, California

Dear Mr. Moore:

Thank you for your letter of February 8, 1958, regarding the cesspool holes that you propose to drill on the subject property for your own account.

We regret that we cannot send Mr. Gentry as you request, to check work that is not part of a DMEA project. It might, however, be possible to have an engineer visit your property when in the vicinity, and obtain whatever sampling information you care to furnish when your drilling program is completed and sampling results are available. If you would then like to have an engineer call at the property, please inform Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada.

As mentioned in the third paragraph of our letter of December 6, 1957, we noted the wide variation between the grade you reported as based on the assays of Ledoux and Company, and the assay reports of Ed. Eisenhauer, Jr., and Howard J. Potter.

Sincerely yours,

[illegible]

Administrator

TLCHAPMAN/dlm 3-5-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

Mails & Files

~~FROM:~~

Orig & 1 This letter to be sent to Field for mailing.

& FT's copies

HB
3/5/58

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3-5	Chapman	400
3-5	Martin	400
3/5	[illegible]	130
"	Johnson	110
"	Rutledge	100
		220

MAR 6 1958

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

Re: Docket No. DMEA 4802 - Tungsten
Atolia Tungsten, Ltd.
Coronation, et al., placers
San Bernardino, California

Dear Mr. Ricker:

Enclosed are original and your copies of a re-written letter to be forwarded to Mr. George G. Moore, president, Atolia Tungsten, Ltd., if it has your approval. We made the changes to comply with the suggestions in your memorandum of February 28, 1958.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

O. M. Bishop (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

TLCHAPMAN/dlm 3-5-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

Enclosure

8623

DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE
3/3	C	220
3	Com	100
	WSM	400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenuel
Reno, Nevada

February 28, 1958

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4802 (Tungsten)
Coronation, et al., placers
San Bernardino County, California

Reference is made to your letter of February 24, 1958, in which you enclosed Mr. Mittendorf's letter to Mr. Moore relative to subject docket.

I am very suspicious of Mr. Moore's motive for wishing a Government man to visit the property while drilling is in operation. I would, therefore, suggest that the point be made more definite that the visit by an engineer will be made after this drilling campaign is completed. It might be well to change the last sentence in the second paragraph to read "It might, however, be possible to have an engineer visit your property, when in the vicinity, and obtain whatever sampling information you cared to furnish when your drilling program is completed." The last sentence, last paragraph, could be changed to read "..... is completed and sampling results available."

The changes will avoid the probability of Mr. Moore requesting a visit while drilling is in progress, which I believe is what Mr. Moore wants.

These are minor changes and may not be necessary, so would appreciate a telegram if you wish me to send the letter as written. Otherwise, I will return the letters and copies upon receipt of replacement.

S. Ricker

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2-20	Chapman	400
2-20	Martin	400
2/21	[illegible]	130
"	[illegible]	110
"	[illegible]	[illegible]
2/24	[illegible]	220
		400

FEB 24 1958

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

Re: Docket No. DMEA 4802 - Tungsten
Atolia Tungsten, Ltd.
Coronation, et al., placers
San Bernardino, California

Dear Mr. Ricker:

Enclosed are original and your copies of a letter to be forwarded to Mr. George G. Moore, president, Atolia Tungsten, Ltd., if it has your approval.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

TLCHAPMAN:foc 8-20-58
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

APPROVED:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2-20	Chapman	400
2-20	Martin	400
2/21	Selfridge	420
"	[illegible]	110
	[illegible]	100
		220
		400

FEB 24 1958

Mr. George G. Moore, President
Atolia Tungsten, Ltd.
316 North Norton Avenue
Los Angeles 4, California

2/21 Kiilsgaard (130)

Re: Docket No. DMEA 4802 - Tungsten
Coronation, et al., placers 2/21 Lamb (130)
San Bernardino County, California

Dear Mr. Moore:

Thank you for your letter of February 8, 1958, regarding the cesspool holes that you propose to drill on the subject property for your own account.

We regret that we cannot send Mr. Gentry as you request, to check work that is not part of a DMEA project. It might, however, be possible to have an engineer visit your operation when in the vicinity, and obtain whatever sampling information you cared to furnish about any holes so drilled.

As mentioned in the third paragraph of our letter of December 6, 1957, we noted the wide variation between the grade you reported as based on the assays of Ledoux and Company, and the assay reports of Ed. Eisenhauer, Jr., and Howard J. Potter.

Please consult Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada, if you would like to have an engineer call at the property after your new drilling and sampling results are available.

Sincerely yours,

[illegible] (for)

Administrator

TLCHAPMAN:foc
2-20-58
cc to: Code 400
Admr. R. File
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

WSM

Excerpt from Mr. Mittendorf's diary, 2/19/58:

Late in the afternoon Henry Rathbone phoned in regard to Atolia Tungsten, Ltd. (DMEA-4802). He wondered if I had taken the matter up with the Operating Committee to ascertain their reaction to sending Gentry down to the property to examine drilling results.

I told him I had not, but that Martin was reviewing the case and was preparing a recommendation to bring before the Committee.

I also told him there was little hope of our sending anybody to the property. I explained that if we adopted that policy we would have engineers and geologists scattered all over the country watching the results of private work. I said our money does not come that easily. He understood perfectly.

He said he might be in the building tomorrow, and if so he would call on Martin. I told Martin of this conversation.

4802

Excerpt from Mr. Mittendorf's diary, 2/17/58

WSM

Henry Rathbone, a local lawyer, phoned in connection with the Atolia tungsten application which was recently denied. The applicant is his father-in-law. (DMEA-4802)

We have just received a letter from the applicant (George Moore), but I was under the impression that it did not require a reply. Rathbone, however, states that his father-in-law expects DMEA to have its representative on the ground to witness the results of additional drilling which will be done at no cost to the Government.

I told Rathbone that we have no precedent for sending our engineers or geologists to properties to examine or witness work which is not done under a DMEA contract. I said, however, that we would bring Moore's last letter to the attention of the Operating Committee.

DMEA

RECEIVED

New T[illegible] No. Hollywood 4 5476

2/10 10 Com 220 100 400

ATOLIA TUNGSTEN, LTD.

316 North Norton Avenue
Los Angeles, 4, California Feb 8, 1958

Mr. C.O. Mittendorf, Administrator
~~D.M.E.A.~~
Department of the Interior
Washington D. C.

Docket No. DMEA 4802 - Tungsten

Dear Mr. Mittendorf:

Within the next two weeks, we expect to commence the drilling of our cesspool holes to establish the tungsten content on the Black Hawk and Coronation placers, about 240 acres. We already have the results from 80 acres leaving 160 more to drill.

As both the report of the Attorney General and Material Survey Tungsten, which you were kind enough to forward me in connection with your letter of Dec 6, 1957, have written off the Atolia area as having " only small reserves and little promise of important future production ".

The results of our 16 holes drilled on 80 acres show scheelite reserves in virgin ground of about twice the amount of scheelite produced in this district in the past 40 years.

568 feet of 16 drill holes averaged 9 foot pounds WO3 per cubic yard assayed by Ledoux & Company, Teaneck, N.J. The holes averaged 35 feet in depth; 56,282 cubic yards per acre in a block of 80 acres; a total of 4,502,560 cubic yards; or at 9 pounds per cubic yard, 40,526,040 pounds WO3 , or 2,026,502 units WO3.
The low assay 2.99 pounds per cubic yard and the high 12.63 pounds per cubic yard.

As the remainder to be drilled is about 160 acres, with an average depth estimated at 50 feet instead of 35, we should reasonably expect to prove reserves at at least 4,000,000 units, or nearly one-half the estimated reserves in the U.S.

As these placers lie in the very heart of the Atolia district between Red Mountain and Atolia and have never been operated or drilled, the results should not be a surprise. The property belonged to the Clapp Estate since 1920, and was a part of a lode gold operation, but no one was ever able to trade with the Clapp Interests until we made the purchase.

So that there will be no doubt about the correctness of our results, We would like to have Mr. Gentry, the very able and experienced engineer of your Reno Office who outlined the drilling program sent to Red Mountain to supervise the job, so that your department will have first hand information. We have the richest deposit of scheelite in the U.S. and we want no doubt left in the records about it.

Very truly yours,
Atolia Tungsten Ltd.
George S. Moore
president

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12-5	Chapman	400
12-5	Martin	400
12/6	Selfridge	190
		~~190~~
		~~190~~
12/6	Johnson	110
"	Pittenger	100
12/9	gb	220
		225

DEC 6 1957

Mr. George G. Moore, President
Atolia Tungsten, Ltd.
316 North Norton Avenue
Los Angeles 4, California

Re: Docket No. DMEA 4802 - Tungsten
Coronation et al. placers
San Bernardino County, California

Dear Mr. Moore:

Your letter of November 27, 1957, advises us that the "Report of the Attorney General" (pursuant to section 708 (e) of the Defense Production Act of 1950, as amended) dated November 8, 1957, is the most complete summary that you have yet seen from any department of the government on the subject of tungsten. Your letter also expresses certain conclusions and makes various ore reserve estimates based on your understanding of the same report.

Enclosed for your convenience is a copy of "Materials Survey, Tungsten" compiled by the United States Department of Commerce, Business and Defense Services Administration, presenting in greater detail the ore reserve estimates which you found summarized in the report you cited to us. We believe you will be particularly interested in the paragraphs on pages II - 2 and II - 5 concerning the Atolia district and in "TABLE II - 2 TUNGSTEN RESERVES OF THE UNITED STATES, BY GRADE OF ORE, 1955," on page II - 2.

Your letter discusses 23 holes of which 15 had been assayed by Ledoux & Company with "an average in excess of ten pounds per cubic yard." That grade exceeds greatly the average WO_3 content of the assays by Ed. Eisenhauer, Jr., submitted with the subject application, or the 1.32 lbs. per cubic yard estimated in the report approved by Howard J. Potter, Engineer, of which we received a copy.

8623

You also advised us that you plan to drill the property at your own expense. We would be glad to receive any report on your results which you care to submit for our information.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

TLCHAPMAN/dlm 12-5-57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

Enclosure

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 2 1957

DATE		CODE
12/2	C	220
12/2	WSM	400
		225

ATOLIA TUNGSTEN, LTD.
316 North Norton Avenue
Los Angeles, 4, Calif.

November 27, 1957

Mr. O. O. Mittendorf
Administrator, DMEA
Department of Interior
Washington, D. C.

Re: Docket No. DMEA 4802

Dear Mr. Mittendorf:

We are in receipt of your favour of November 18, 1957, and note with interest that "Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position of the National Defense program."

On November 8th the Attorney General released the most complete summary covering the entire tungsten field that we have yet seen from any department of the government. Among other things, it stated that the Atolia region was one of the three principal sources of U. S. tungsten; that the proven reserves would be exhausted in forty years, and that the present consumption was about nine million pounds per year.

In other words, the estimated tungsten reserve in the United States is 360,000,000 pounds.

On the report submitted to you of our project , showing 23 holes of which 15 had been assayed by Ledoux & Company, Teaneck, New Jersey, a composite sample of four of these holes showed 12.632 pounds per cubic yard, and the remaining eleven holes showed 8.71 pounds, an average in excess of ten pounds per cubic yard.

At our own expense, we are proceeding next week to drill the property on the plan and map outlined by your engineers from the Reno office, Messrs. Gentry and Carlin, on their trip to the property in September. They felt that the deposit was so uniform that twenty holes would prove the project as against the eighty holes proposed in our application. We will also drill three holes in key positions on the patented ground. Overall samples of each hole will be made through a Jones Splitter and forwarded to Ledoux & Company for assay. The reliability of Ledoux & Company as assayers is certainly not open to question.

ATOLIA TUNGSTEN, LTD.

From our knowledge of the ground we expect the drilling to establish at least 16,000,000 cubic yards. If the Ledoux assays on fifteen holes already drilled hold up this would indicate that the assay content of our tungsten is 160,000,000 pounds. Our latest tests have indicated a recovery of seventy five percent, or that this field should yield 120,000,000 pounds of tungsten.

As this would represent a sufficient quantity of tungsten to supply the entire United States for thirteen years, and also represents an addition of one-third to the nation's present proven reserves, we would be interested to know if you would like us to keep you further informed when we complete the test.

In this connection, the ground in question was owned by an estate in Pittsburgh and is the only large virgin ground left in the Atolia area.

Very truly yours,

GGM:fg

ATOLIA TUNGSTEN, LTD.

George G. Moore

George G. Moore
President

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/15	Chapman	400
11/15	Martin	400
11/15	Martin	130
11/15	Williams	130
11/15	Lamb	130
"	Johnson	110
"	Mittendorf	100
11/19	C	230

NOV 18 1957

Atolia Tungsten, Ltd.
316 North Norton
Los Angeles 4, California

Re: Docket [redacted] 4802 - Tungsten
Corona[redacted]al., placers
San Be[redacted] County, California

Gentlemen:

Your application for [redacted]ion assistance and other data available to us in Washington [redacted] the referenced property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position of 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 significant ore reserves is not sufficiently promising to justify Government participation. Under these circumstances we regret to advise you that your application is denied.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

TLCHAPMAN:foc 11/15/57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS
H. T. Rathbun, 616 Transportation Bldg.
Washington 6, D. C.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/15		400
11/15	Martin	400
		100

November 15, 1957

MEMORANDUM

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Denial of the subject application for exploration assistance in the amount of $34,547.50
Docket No. DMEA 4802 - Tungsten
Atolia Tungsten, Ltd.
Coronation, et al. Placers
San Bernardino County, California

A denial of the subject application is recommended by this Division based on the following information.

The above noted property was the subject of a request dated July 25, 1957, for exploration assistance in drilling 4,800 feet of 30 inch hole on a placer property at an estimated cost of $34,547.50. The property was examined on September 4 and 5, 1957, by G. G. Gentry, Bureau of Mines, and J. E. Carlson, Geological Survey, accompanied by Messrs. George G. Moore, president of Altolia Tungsten, Ltd., and H. J. Potter.

Applicant: Atolia Tungsten, Ltd.
316 North Norton Street
Los Angeles 4, California

Property Ownership: The property in the application consists of seven placer mining claims, unpatented, with a total of 260 acres, located in section 7, T. 30 S., R. 41 E., MDB&M, San Bernardino County, California. The property is owned by the Applicant. The claims are recorded as follows:

Name	Acres	Book No.	Page No.
Cornation	140	333	495
Gordon	20	333	175
Howard	20	333	176
Evelyn	20	333	177
Maud	20	333	178
Belle	20	333	367
Eunice	20	333	368
	260		

8623

Geology: The claims are on an alluvial fan on the south flank of the Rand Mountains, a south-sloping fault block consisting of Rand schist of Precambrian age that has been intruded by Atolia quartz monzonite of Jurassic age, and by latite dikes of Tertiary age. The type of rock underlying the alluvium is unknown. The alluvium is 40 to 60 feet thick and is derived chiefly from Rand schist. The placer ore occurs chiefly as scheelite and flour gold.

Development: The work on the property consists of three pits 15 to 48 feet in depth. An adjoining property under lease to applicant, but not included in application, has been tested with 23 30-inch holes to bedrock; an open cut 500 feet long, 25 feet wide and 25 feet deep; and several prospect shafts and pits.

Ore Values and Tonnage: Fourteen samples taken from channels, or drill cuttings of holes, on the adjoining property and the applicant's property assayed less than 0.01 percent WO_3. A composite of two of the above samples showed a trace of gold and less than 0.01 percent WO_3.

The Applicant estimates that the leased property has 4,500,000 cubic yards of material and the Coronation area 20,000,000 cubic yards that will average 0.07 units of WO_3 and $0.22 in gold.

The examining team considers that the above estimated yardage is too low, and estimates the grade as a trace of gold, with less than 0.015 units of WO_3 per cubic yard.

Exploration: The Applicant proposed to drill 80 30-inch holes to an average depth of 60 feet at an estimated cost of $34,547.50.

Comments and Conclusions: The examining engineer and geologist, with concurrence of the Field Team, conclude that the deposit has no potential value as a tungsten reserve in the foreseeable future owing to its low tungsten content, and recommend that the application be denied.

The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the recommendation of the Field Team.

W S Martin

W. S. Martin, Director
Division of Iron and Ferro-Alloys

TLCHAPMAN/foc
11-15-57 cc; Admr. R. File, Oper. Comm. Code 400

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DATE	INITIALS	CODE
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	WSM	400

November 7, 1957

4802

Tungsten

Atolia Tungsten, Ltd.
Coronation, et al. Placers
San Bernardino Co, Calif.

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

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

Report of Examination

Oct. 25, 57 Nov. 1, 57

X

X

X

X

DMPA - 2350, July 16, 1952

X

X

I concur with the Field Team recommendation of denial.

R. W. Holliday

IN REPLY REFER TO:

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

November 4, 1957

Memorandum

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

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: Review of Field Team Report, DMEA Docket 4802 (Tungsten)
Atolia Tungsten, Ltd., San Bernardino County, California

Field examiners state that the applicant controls a placer property having a large yardage of placer material, but that this material is low in grade, being estimated to average 0.015 units WO_3 per yard and a trace of gold. They furthermore state that metallurgical tests indicate that only 50 percent of the tungsten is recoverable. On the basis of their studies, they recommend denial of the application.

The examiners' recommendations seem to be sound. There is little chance that this property could become productive. I therefore concur and recommend denial of the application.

T. H. Kiilsgaard

T. H. Kiilsgaard

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 5 1957

DATE	INITIALS	CODE
11/5	C	220
	WSM	400

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

October 28, 1957

10/30	C	220
11/1	243	130
11/5	C	220
11/5	WSM	400

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4802 (Tungsten)
Atolia Tungsten, Ltd.
Coronation, et al. Placers
San Bernardino County, California
(Your letter, August 8, 1957)

Enclosed are three copies of a report on subject property by J. E. Carlson, Geological Survey, and G. G. Gentry, Bureau of Mines, recommending that application for DMEA exploration aid be denied.

Roscoe Smith and I concur in the recommendation.

S. Ricker

Attachments.

Reviewed by
DMEA OPERATING COMMITTEE
11-4-57
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE
11/4	SHB	130
		220

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-4802 (Tungsten)
Atolia Tungsten, Ltd.
Coronation et.al., claims
San Bernardino County, California

by

G. G. Gentry
U. S. Bureau of Mines

J. E. Carlson
U. S. Geological Survey

October 25, 1957

Reviewed by
DMEA OPERATING COMMITTEE
11-4-57
(date)

CONTENTS

	Page
Introduction	1
Conclusions and Recommendations	1
Location, Accessibility, and Local Facilities	2
History and Production	3
Property and Ownership	4
Development	4
General Geology	5
Ore Deposits	6
Sampling	7
Ore Reserves	8
Exploration	9

EXHIBIT "A" . . .Flow sheet of dredge and clean-up plant

"B" . . . . . Company's progress report to stockholders

ILLUSTRATIONS

Figure 1 . . . . . .Index map

2 . . . . . Claims and Assay map

INTRODUCTION

Atolia Tungsten, Ltd., 316 North Norton, Los Angeles 4, California, applied to the Defense Minerals Exploration Administration, docket DMEA-4802, for Government assistance in a $28,000 program to explore for tungsten on the Coronation placer and adjacent mining claims, San Bernardino County, California.

A field examination was requested by the Operating Committee and was made on September 4 and 5, 1957 by G. G. Gentry, U. S. Bureau of Mines, and J. E. Carlson, U. S. Geological Survey, accompanied by Messrs. George G. Moore, president of Atolia Tungsten Ltd., and H. J. Potter.

Inasmuch as the applicant had a satisfactory map showing claim boundaries and also the prospect work on the adjoining Atlas claims, no attempt was made to remap the property. Data from Application Report DMPA-2350, dated July 16, 1952, is included in the body of this report. The examiners resampled the drill holes, pits, and cuts on the adjoining Atlas claims to check the applicant's sampling.

CONCLUSIONS AND RECOMMENDATIONS

The tungsten placer and mining claims contain an estimated 20,000,000 cubic yards of low-grade scheelite- and gold-bearing alluvium averaging 0.015 units of WO_3 or less and a trace of gold

per yard which the applicant proposes to work with a dredge.

Metallurgical tests by the Bureau of Mines on a similar type of material in the same area would indicate that the WO_3 recovery would not exceed 50 percent with modern dredging and beneficiation equipment.

We conclude that the deposit has no potential value as a tungsten reserve in the foreseeable future owing to its low WO_3 content. Exploration is, therefore, not warranted and denial of application for DMEA exploration is recommended.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The associated placer and mining claims are in Sec. 7, T. 30 S., R. 41 E., M.D.B.&M. in the Rand mining district, San Bernardino County, Calif. (Fig. 1). They are adjacent to the southern limits of the town of Red Mountain and two miles north of Atolia. U. S. Highway 395, an all-weather road, goes through the eastern part of the property and graded roads lead from this highway to all parts of the claim area.

Electric power is available at Red Mountain. Common labor can be obtained in the immediate area and dredge personnel can be obtained from northern California. Materials and supplies are available in Mojave.

The AT&SF and Southern Pacific railroads provide telegraph and railroad freight services at Mojave.

The applicant owns three water wells 5 miles north of the claim area which he believes can supply enough water for dredging; and he owns a used 3-1/4 foot bucket-type floating dredge which has a reported capacity of 2,000 cubic yards of placer material per 24 hours. This dredge boat is virtually dismantled and is in a dry pit near the west sideline of the One Track claim. It must be repaired, assembled, and set up in operating condition. The applicant estimates this work will cost $10,000 and will require several months to complete.

In order to make a marketable tungsten concentrate, the applicant intends to provide a clean-up plant near the dredge. Copies of the flow-sheets of the dredge and clean-up plant are attached to this report as "Exhibit A".

HISTORY AND PRODUCTION

The mining claims and associated Coronation placer were recently purchased by the applicant and there has been no production by either the applicant or the former owners. The claims are in an active mining area; production from this area is approximately 1,100,000 units of WO_3 during the past 42 years.

PROPERTY AND OWNERSHIP

Atolia Tungsten, Ltd., a Nevada corporation, reports ownership of the following claims recorded in San Bernardino, California:

Claim name	Area, acres	Book	Page
Coronation	140	333	495
Gordon	20	333	175
Howard	20	333	176
Evelyn	20	333	177
Maud	20	333	178
Belle	20	333	367
Eunice	20	333	368

The adjoining claims, owned by Atlas Consolidated Tungsten Mines, Inc., and leased by the applicant, are Shasta, One Track, Gray Eagle, Jersey Lily, and Lassen.

DEVELOPMENT

The mining claims leased by the applicant and excluded from the DMEA application have been tested by twenty-three 30-inch drill holes to bedrock, by an open cut 500 feet long, 25 feet wide, and 25 feet deep, and by several prospect shafts or pits. The mining and placer claims owned by the applicant, and shown within the heavy

line on figure 2, are unexplored except for drill holes Nos. 8, 9, and 10, and three shafts or pits 15 to 48 feet deep that lie within the overlap area of the claims owned and those leased by the applicant.

The applicant expects to begin development work on the adjoining claims, and to work them out before moving the dredge to the claims included in the application. In order to supply water for the dredge he proposes to purchase and install 5 miles of pipeline and the necessary pumping equipment at an estimated cost of $35,000.

GENERAL GEOLOGY

The claims are on an alluvial fan on the south flank of the Rand Mountains, a south-sloping fault block consisting of Rand schist of Precambrian age that has been intruded by Atolia quartz monzonite of Jurassic age, and by rhyolite and latite dikes of Tertiary age. Less than a mile east of the claim area, the Rosamond series of late continental sedimentary rocks crop out, and the contact between these rocks and the Rand schist is covered by the alluvium of the fan. The south part of the claim area is near outcroppings of Atolia quartz monzonite. Owing to an absence of deep drill holes or shafts in the claim area, the type of rock underlying the alluvium is not known.

Alluvium covering the claim area consists of moderately consolidated schist, milky quartz and granitic rock fragments that range from silt to

fragments as much as 6 inches in diameter. This alluvium is derived chiefly from the Rand schist which is predominately mica-albite and amphibole schists, dips about 3° NE, and is between 40 and 60 feet thick. It is rudely stratified and cross-bedded, and some beds are graded. The material becomes progressively finer from the north to the south boundary of the claims.

ORE DEPOSITS

The ore occurs as scheelite and flour gold in a placer deposit on an alluvial fan about one-quarter of a mile wide and three-quarters of a mile long. The particles of scheelite, as seen by black light, are generally less than sand-size, although an occasional pebble of one-tenth inch diameter is present. The gold is so fine that jigs and tables in the dredge are not likely to recover more than a small percentage of the total.

The areal distribution of the ore minerals throughout the claims is uniform although there is vertical zonation. Some channels probably occur in the bedrock, and they would contain a greater concentration of scheelite and gold than the main body of the deposit. The applicant's engineer, Mr. Potter, stated that

cuttings in the lower half of the drill holes on adjacent claims assayed roughly twice as much tungsten as did the upper half. The applicant's assays show the grade to range from 0.05 units in the upper layers to 0.10 units of WO_3 in the lower layers.

SAMPLING

The applicant reported that the drill holes on the Atlas claims had been sampled by collecting a grab sample at each 10-foot interval while the drilling was in progress.

Check sampling by the examiners was confined to the Atlas claims, and to the north part of the Evelyn claim. Samples were taken chiefly from piles of drill cuttings near the hole collars, but one channel sample was cut from the bottom of drill hole 5 to the top of the upper bed in the open cut. This sample (2344 to 2347) is representative of the average grade in this area. Two hundred to three hundred pounds of material from each sample site was mixed, coned, and quartered for the final sample. The sacked sample weighed 50 to 75 pounds. Each of the sample sites were lamped dry and a few were lamped wet; very low scheelite content was indicated. Many of the prospect shafts and all but one drill hole (No. 5) are inaccessible.

BM Sample No.	Width, feet	Location	Hole depth, feet	Percent WO_3
2341	cuttings	DH 3, Gray Eagle claim	12.0	<0.01
2342	"	DH 7, Gray Eagle claim	24.0	0.01
2343	"	DH 4, Gray Eagle claim	28.5	<0.01
2344	7.0	DH 5, open cut on One Track claim, bottom of pit, 23 ft. to 30 ft. below surface.		<0.01
2345	5.2	Gravel bank of open cut, 6 ft. south of No. 2344, NE bank of cut.		<0.01
2346	6.0	Gravel bank of open cut, 56 ft. south of No. 2345, NE bank of cut.		<0.01
2347	6.5	Gravel bank of open cut, 50 ft. south of No. 2346, NE bank of cut.		<0.01

(Samples 2344 through 2347 represent the vertical side of an open cut which has a maximum depth of 23 feet and a drill hole 7 feet in depth below the bottom of the open cut. This material is assumed to be similar in character and grade to that which the applicant wishes to explore)

2348	cuttings	DH 12	40.0	<0.01
2349	"	DH 11	40.0	<0.01
2350	"	DH 10	47.0	<0.01
2351	"	DH 9	53.0	<0.01
2352	"	DH 9		<0.01
2353	5.0	DH 8, north face of 10-ft. prospect pit, 40 ft. south of hole.		<0.01
2354	cuttings	DH 8	40.0	<0.01

Composite sample: BM-2341 - BM-2354: trace Au oz/T. <0.01

ORE RESERVES

The applicant estimates the claims he leased from Atlas Consolidated Tungsten Mines contain 4,500,000 cubic yards of material averaging 0.07 units of WO_3 and $0.22 in gold, as indicated

See first page of Exhibit B last ¶

by the assays of the drill hole cuttings. He infers that the reserves on the Coronation property are about 15,000,000 cubic yards of material of similar grade, and he assumes that there is probably no significant variation in grade on the claims to be explored.

The applicant's estimate of reserve yardage is too low, and the average grade is too high. Using an average depth of 50 feet, the claims contain reserves of about 20,000,000 cubic yards of placer material, and using the examiners' sample data the average grade is a trace of gold and less than 0.015 units of WO_3 per cubic yard.

EXPLORATION

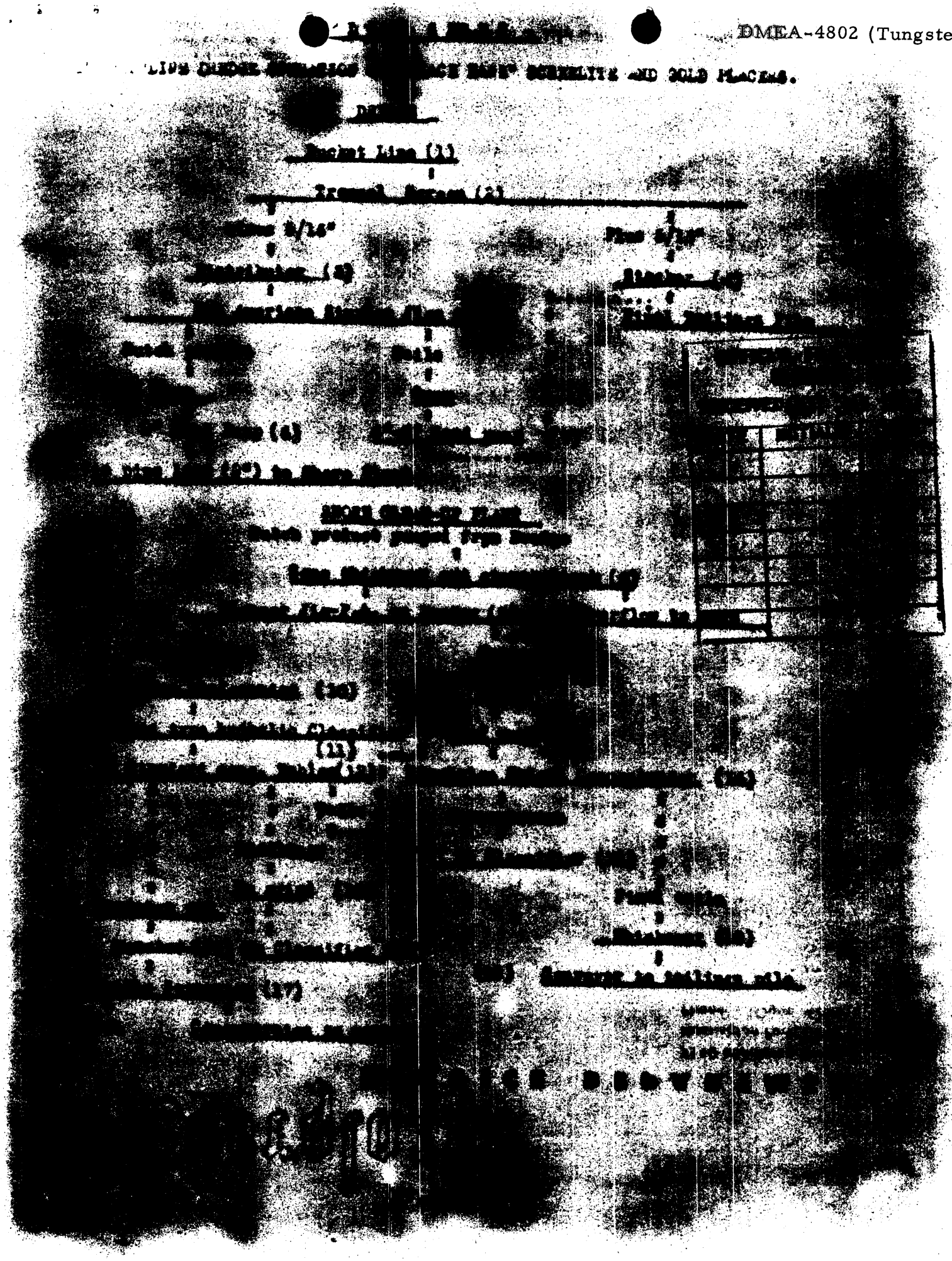
The applicant proposes to drill eighty 30-inch holes of average 60-foot depth on his claims to test the alluvium to bedrock, and recommends a cesspool-type drilling rig because of its mobility, drilling speed, and large sample recovery. This drilling program is not warranted because of the indicated low grade of the deposit. Recovery of the tungsten and gold probably would not exceed 50 percent even with modern dredging equipment.

The material on the applicant's property is similar to that tested during a previous examination in the Atolia district, although it contains less gold. The U. S. Bureau of Mines, in an application report (pp. 6-9) dated July 16, 1952, DMPA-2350, MacAfee and Company,

Black Hawk tungsten project near the town of Atolia, California, stated:

"A (laboratory) procedure was followed which was intended to recover at least as much scheelite and gold as the gravity concentration plant proposed for this project. It actually recovered 18 cents worth of gold per ton of gravel, which was as much as shown in the head assay. One cent worth of silver was also recovered by the same amalgamation. Only 1.025 cent worth of WO_3 as scheelite was recovered by the gravity concentration procedure. Any scheelite which was not recovered was included in the very fine locked grain mineral particles noted during the test.

"These particles were too light weight to respond to any form of gravity concentration, and even if recovered would have required fine grinding before practical concentration could be attempted on them, and most of the scheelite would have been lost in the slime tailings."



On February 2[illegible], 1957 the Commission granted its permit [illegible] the following work has been accomplished.

We have purchased, on a conditional sales contract, a 3½' bucket type floating dredge [illegible] capacity of 2000 cubic yards per 24 hours for the processing of your gravels. The Yuba Mfg. Co. [illegible] of largest size Dredges in America, has quoted a price of $300,000.00 [illegible] dredge of the type, size, weight and equipment of your [illegible] dredge. The balance [illegible] our deposit $38,500.00 payable at [illegible] with a [illegible] of $1,500.00 per month commencing October 1, 1957 [illegible] has been moved to your [illegible] with operations [illegible] We [illegible] 1,000,000 shares [illegible] Dredging Co. for the services [illegible] We [illegible] contract with this company [illegible]

[illegible]

[illegible] 1,000 H.P. [illegible]

[illegible]

[illegible] 40 years [illegible]

[illegible] 19,060,000 cubic yards [illegible] of the remainder of [illegible] additional acreage to your company [illegible]

[illegible] gravels and deposits, containing tungsten [illegible] the type of dredge [illegible]

[illegible] recovery [illegible] 2,000 yards per day [illegible]

Exhibit B

profit in tungsten at $1.00 per lb. plus its gold recovery. The price of domestically produced tungsten is protected by an import duty of .50c per lb. of contained tungsten against foreign mined tungsten. This duty alone exceeds your company's estimated operating cost of .40c. It is planned to achieve this low cost per cubic yard by volume operation and a relatively small crew, most of whom are skilled experts in their various lines.

On the dredge the material is dug, screened and distributed to a battery of standard type jigs, which reduce it to a rough concentrate. These concentrates will be pumped to the finishing plant on shore through flexible hose and pipe, where it is upgraded to 60% W03, the standard marketable product.

It has been estimated that the average value per cubic yard of the tungsten in the property would be 1.32 lbs of W03 and that the recovery would approximate 65%. Based upon the present market price of $1.40 per lb. of W03, the recovered value per cubic Yd. would be approx. $1.20. In a test conducted for gold recovery, approx. 5½ cubic yds. of the gravels taken from the test holes showed a recovery of .22c per cubic yard. It is estimated that the earnings of the company dredge operation when going at full time should be approximately as follows:

60,000 cu. yds.	Tungsten @ 1.20		$72,000.00
	gold @ .22		13,200.00
	total gross production		$85,200.00
Less:			
Royalties 15%		12,780.00	
Operating costs		24,000.00	$36,780.00
	Estimated Net Profit per month		$48,420.00

Of the gross production of tungsten, 23% is tax exempt to cover depletion of resources. 23% of the estimated production of $72,000.00 is 16,560.00. Of this exemption the lessor is allowed 15%, or 2,484.00 and the company is allowed 85%, or 14,076.00.

As and when the Government implements Public Act 733, which calls for a payment of $2.75 per lb. of W03, the price increase from present would be $1.35 per lb. Inasmuch as the operating costs would not increase, the net profit would become 117,270.00 per month and the amount exempt from taxes would increase from $14,076.00 to $29,911.00.

The total amount of your capital stock, now authorized to be sold to investors is 150,000 shares @ $1.00 par value. Until 100% of their investment has been repaid to investors plus a 5% dividend, the promotion stock is escrowed.

The money realized from the sale of the stock is considered adequate to purchase the necessary recovery equipment and supply sufficient working capital to put your property in commercial production.

Respectfully,

WILLEDD ANDREWS

Approved
HOWARD J. POTTER
Engineer

Approved
C. E. ROE
Secretary & Treasurer

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-4802
(Tungsten)

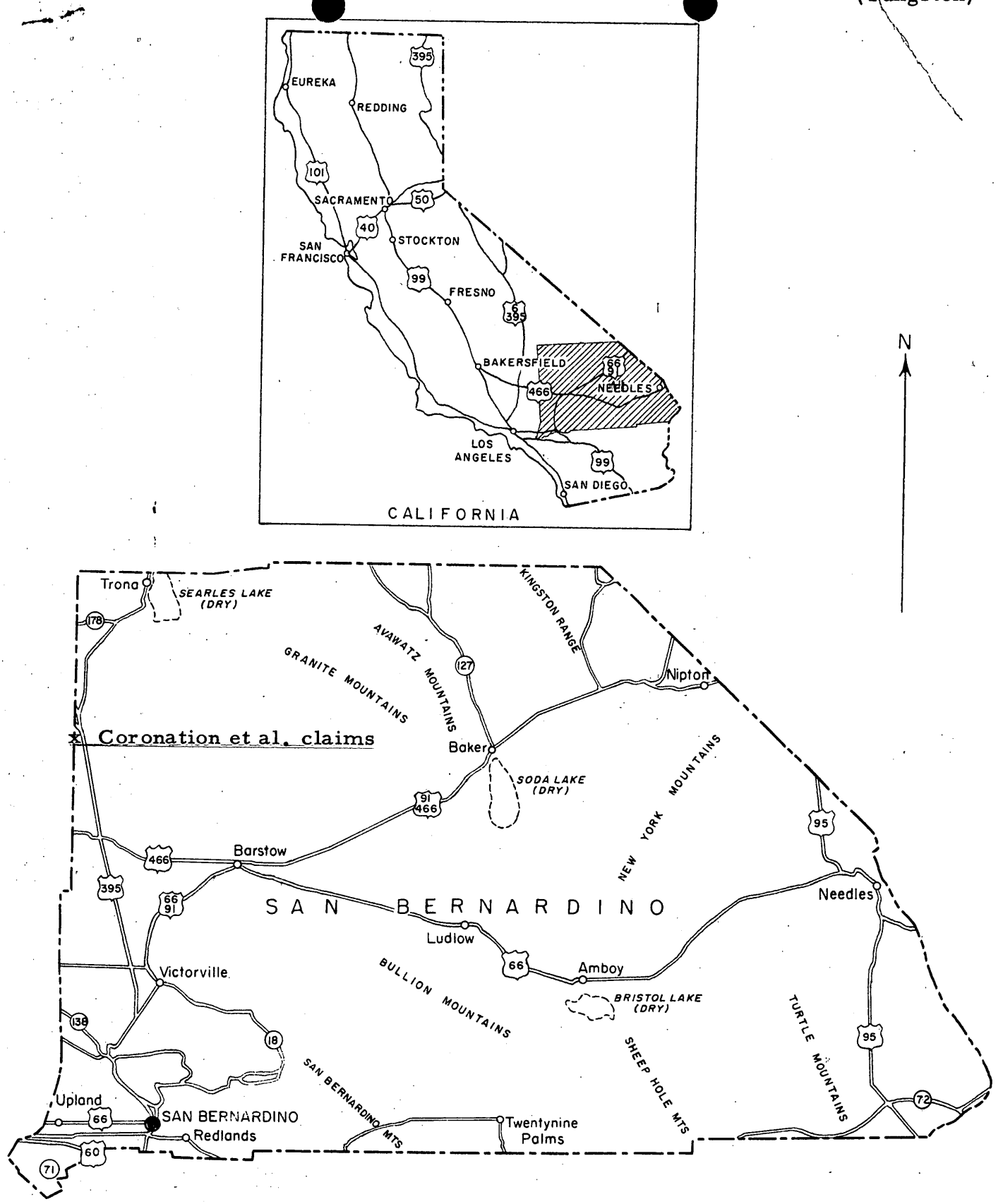


Figure I. INDEX MAP OF SAN BERNARDINO COUNTY, CALIFORNIA

0 30 60 90 Miles

Dmea 4802
Atolia Tungsten, Ltd

October 17, 1957

Henry Rathbun ME8-0834 called at this office during the parade. Telephoned him and gave him status of project.

W. S. MARTIN

(Lawyer with offices in Transportation Building)

H.T. Rathbun
616 Transportation Building
Washington 6, D. C.

11-12-57
9:45 am

Mr. Martin:

Mr. Rathbun called and wanted to know if the report had come in from the Field examiners on Docket No. DMEA 4802 - Tungsten. He would like to have any info you might have.

foc

Told him field report was here and we hoped to get an [illegible] out [illegible] next week

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/7	Chapman	400
8/7	Martin	400
8/7	Martin	130
"	Johnson	110
"	Mittendorf	100
8/8	P.K.	225
8/7	Kilsgaard	130
8/7	Yopes	130
		400

AUG - 8 1957

Atolia Tungsten, Ltd.
316 North Norton Street
Los Angeles 4, California

Re: Docket No. DMEA-4802, Tungsten
Atolia Tungsten, Ltd.
Coronation et al. placers
San Bernardino County, California

Gentlemen:

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

TLChapman/esf - 8/7/57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT REG II
THKillsgaard, USGS
RWHolliday, USBM

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/7	Chapman	400
8/7	Martin	400
8/7	Martin	130
"	Johnson	110
"	Matteucci	100
		225

Yopes

AUG - 8 1957

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

Re: Docket No. DMEA-4802, Tungsten
Atolia Tungsten, Ltd.
Corporation et al. placers
San Bernardino County, California

Dear Mr. Richer:

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

Copies of memoranda dated August 1 and 5, 1957, by N. E. Nelson, Geological Survey, and R. W. Holliday, Bureau of Mines, respectively, relating to the project are enclosed. Also enclosed is an extra copy of the application for the use of the Field Team.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (2HB)

APPROVED:

P. F. Yopes (2HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (2HB)
Member, Geological Survey

Enclosures

TLChapman/esf - 8/7/57
cc to: Docket
Code 400
Admr. R. File
Oper. Committee
FT REG II
Mr. T. H. Kiilsgaard, USGS
Mr. R. W. Holliday, USBM

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	P.K.	220
		400
August 5, 1957		
		WSM

Memorandum

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

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

Subject: DMEA No. 4802 (Tungsten)
Application
Atolia Tungsten, Ltd.
316 No. Norton
Los Angeles 4, California

Subject application indicates an average 60 foot depth over an area of 260 acres which at the estimated grade of slightly more than 1.0 pound of WO_3 per yard would comprise a substantial deposit. Grade and tonnage estimates are based largely on the drilling of 23 holes in an adjacent area. Values are computed on a basis of $63.00 per short ton unit which is about 4 times the current price.

Information on possible mining methods, on exploration drilling costs, and on the need for 30" diameter holes would be of interest.

I recommend referral to the Field Team for appropriate action.

for
R. W. Holliday
W. McDonnell

OFFICIAL FILE COPY
D M E A
RECEIVED AUG 2 1957
IN REPLY REFER TO:

DATE	INITIALS	CODE
8/2	C	220
8/2	WSM	400

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

August 1, 1957

Re: DMEA 4802
Atolia Tungsten, Ltd.
Blackhawk Placers
San Bernardino County, Calif.
$24,480 - Tungsten

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring by drilling 4800 feet of 30-inch holes, a placer property of 260 acres.

The placer ground is in what has been a very productive tungsten area. Testing of an adjoining property by the applicant, by drilling, indicated 4,500,000 yards of material carrying:-

Average value WO_3 at $3.15/lb.	$3.335/cu.yd.
Average value Gold at $35.00/oz.	.17/cu.yd.
Total	$3.505

I assume the two properties would be combined for operation.

Information concerning the results of testing by three shafts, Lassen, 2 and 3, and Evelyn No. 4 is not given. Hole No. 8 on the Evelyn claim is up to average. Values obtained in pertinent holes, Nos. 9 and 10, and shaft No. 10 are not given.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

July 31, 1957

Atolia Tungsten, Ltd.
316 North Norton
Los Angeles 4, California

Subject: DMEA 4802

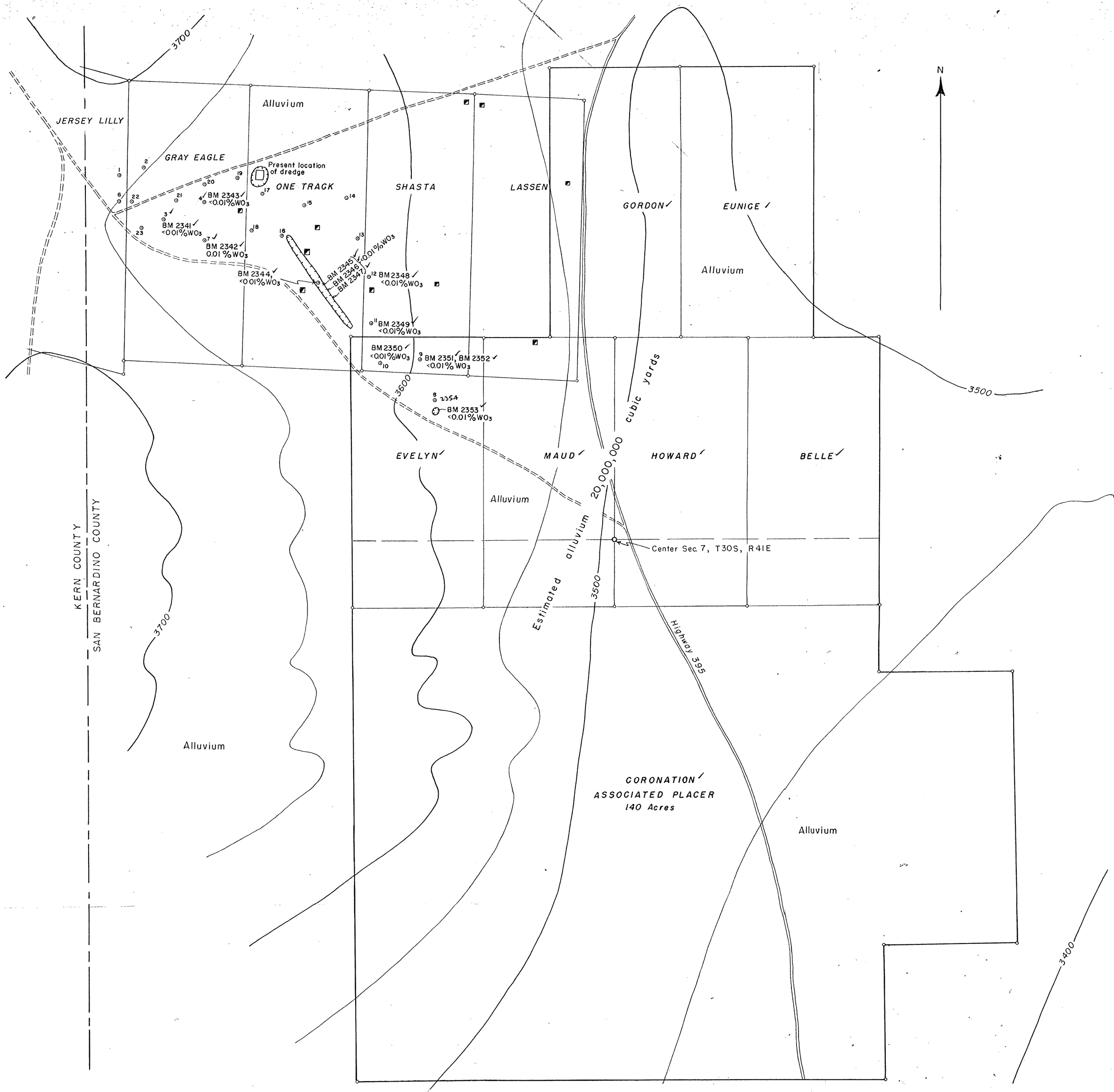
Gentlemen:

Your application for exploration assistance, dated July 25, 1957 submitted to our office at Reno, Nevada has been assigned Docket Number 4802 and referred to the Division of Iron and Ferro-Alloys in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:
Region XI



Modified from Map by Atolia Tungsten Ltd.

Figure 2. ATOLIA TUNGSTEN LTD., PLACER CLAIMS, SAN BERNARDINO COUNTY, CALIFORNIA

0 300 600 900 Feet

Contour interval 50 feet