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

JUN 23 1959

Mr. Peter A. Alosi
1929 Second Street
Susanville, California

Re: Docket No. OME-6016 (Molybdenum)
Peter A. Alosi
White Elephant Claims
Plumas County, California

Dear Mr. Alosi:

Reference is made to our letter of May 7, 1959, requesting additional information needed to process the subject application.

We have not received the requested information; therefore, in accordance with the above-mentioned letter, we are considering your application as having been withdrawn and are placing it in our inactive file.

We regret the necessity of taking such action. However, it is taken without prejudice to your proposed project. If at some future time you desire to reopen this case, you may do so by filing a new application, referring to the subject application by the OME docket number, and furnishing the information previously requested, together with any other information that you think might be helpful.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

FMMurphy/gla
6-22-59
cc to: Director's Reading File
Mr. Kirkham, USGS
OME Field Team, Region II (2)
Mr. Murphy

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

MAY 7 1959

Mr. Peter A. Aloni
1929 Second Street
Susanville, California

Re: Docket No. OME-6016 (Molybdenum)
Peter A. Aloni
White Elephant Claims
Plumas County, California

Dear Mr. Aloni:

Reference is made to Mr. Knouse's letter of March 13, 1959, requesting additional information relating to the subject application.

We wish to cooperate with you in allowing ample time to furnish such information, but, if we do not receive your acknowledgment of this letter within 30 days from this date, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

FMMurphy/GMcC
May 6, 1959

cc: Docket
Director's Reading File
T. H. Killsgaard, Rm. 5224
OME Field Team, Region II (2)
F. M. Murphy

Mr. Kiilsgaard, Rm. 5224

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

MAR 1[illegible]

Mr. Peter A. Alosi
1929 Second Street
Susanville, California

Re: Docket No. OME-6016 (Molybdenum)
Peter A. Alosi
White Elephant Claims
Plumas County, California

Dear Mr. Alosi:

Your application for exploration assistance has been reviewed by the Division of Rare and Miscellaneous Metals. As submitted, the application lacks essential information required by this Agency to complete its processing.

The additional information required is outlined below:

1. In your application the "Certification" is signed by "Wade M. Dale, Agent." However, no evidence was submitted showing that he has your legal power of attorney. Such evidence should be submitted; otherwise, you should sign this certification since it is part of the financial criteria needed to process the application. Therefore, we are enclosing five OME application forms, MMR 40, for possible use in the event Mr. Dale is not legally authorized to act for you.

2. The copies of replies from credit sources, as requested under Item 1 (a) (4), are acknowledged. However, we also require copies of the correspondence relating to sub items (1), (2), and (3) on this matter.

3. A financial statement showing your assets, liabilities and net worth.

4. The date the subject claims were recorded and their book and page numbers.

5. The map submitted shows only the geology of the area adjacent to the open cut. We require a map showing the location of the claims with reference to the NW corner of Section 1. The location of the open cut should be shown on this map. Also, bids from three independent contractors for the proposed drilling should be submitted.

6. You state that your share of the exploration costs will be provided by services and use of equipment. We believe that the value of such contributions would not cover your share of the cost of the proposed project since it is likely that your estimates for the cost of these items would be reduced considerably. In our contracts on projects similar to yours, the total cost per foot of HX size core drilling, including incidental costs such as bulldozing and supervision, has been lower than your estimate of $6.50 for drilling only. With this in mind, kindly advise whether or not you can provide sufficient funds, in addition to services and equipment, to cover your share of the cost of the proposed work.

With regard to the Government's share of the costs under a contract, the Government does not advance its share of the costs. The operator pays all costs, then submits its vouchers to the Government for approval and reimbursement. Hence, the operator must have funds available to cover all the project costs for at least two months. This period of time is required for the Government to process the vouchers and reimburse the operator for its share of the approved costs. Thereafter, normally, the operator is reimbursed at monthly intervals.

Please submit four copies of the above-requested information. We will hold the subject application in abeyance pending your reply.

Sincerely yours,

F. L. Knouse, Acting Chief
Division of Rare and
Miscellaneous Metals

Enclosures

FMMurphy/gla
3-12-59
cc to: Director's Reading File
THKillagaard, 5224
FMMurphy
OME Field Team, Region II (2)

April 30, 1959

Memorandum

To: F. L. Knouse, Office of Minerals Exploration

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

Subject: Review of application, OME 6016, Peter A. Alosi; White Elephant Property, Plumas County, Calif. (Molybdenum)

The applicant proposes to explore for molybdenum ore deposits on three unpatented lode claims. The claims are located in an area of primary igneous rocks that has produced small amounts of molybdenum over a period of many years. The applicant's geologic map shows the 'ore' as a pegmatite with a quartz core.

The applicant claims to have taken an unselective sample from the property that assayed "over 0.80 percent Mo." Using the applicant's geologic map, it appears that his estimate of the presence of some 30,000 tons of molybdenum-bearing rock is reasonable.

The applicant's proposed project consisting of geophysical surveys, followed by diamond drilling appears to be a good exploration approach. Some of his costs are excessive, however, and it seems doubtful that $37,000 should be spent on the basis of the showing on the property at this time.

The past history of the district and the pegmatite nature of the occurrences point toward small tonnages of ore. Under those conditions the application might be denied. A better and more complete analysis would involve field examination and sampling of the applicant's property.

W. P. Williams

cc: (OME) (3)
Wilmer McInnis, 3515
Director's reading
Branch reading
Chron. file
Docket file
WPWilliams/mm
G-MD-4-30-59

OME Form 40
Rev. 1958

6016

Budget Bureau No. 42-R1368
Approval Expires Dec. 31, 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

MAR 6 1959
O.M.E.

# APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

| NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)* | APPLICANT DO NOT USE THIS BLOCK |
|---|---|
| PETER A. ALOSI<br>1929 SECOND STREET<br>SUSANVILLE, CALIFORNIA | DOCKET NUMBER: OME 6016<br>DATE RECEIVED: Reno 3/9/59 3-6-59<br>REGION: II<br>DIVISION CODE: 700 |

| BUSINESS ORGANIZATION *(Check one)* | LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE | | |
|---|---|---|---|
| | NAME | ADDRESS | TITLE |
| INDIVIDUAL [X]<br>CORPORATION [ ]<br>PARTNERSHIP [ ]<br>OTHER *(Specify)* [ ] | | | |
| STATE IN WHICH FIRM IS ORGANIZED | | | |

| MINERAL(S) FOR WHICH YOU WISH TO EXPLORE | PROPERTY NAME | LOCATION COUNTY | LOCATION STATE |
|---|---|---|---|
| URANIUM | | | |
| ESTIMATED COST OF PROJECT $7,000.00 | UNNAMED | PLUMAS | CALIFORNIA |

## GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

## 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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

27, FEBRUARY 1959
DATED

Wade M. Dale
BY *(Signature)*
WADE M. DALE, AGENT
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

# INFORMATION REQUIRED WITH THIS APPLICATION

## 1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the exploration [redacted] cost.

## 2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

## 3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

## 4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

## 5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

## 6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

## 7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 48140

Cable Address—BANKAMERICA

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

SUSANVILLE BRANCH • 735 MAIN STREET • SUSANVILLE, CALIFORNIA

February 12, 1959

Mr. Peter A. Alosi
1929 Second Street
Susanville, California

Dear Mr. Alosi:

I regret that it is necessary for us to decline the application of the White Elephant Molybdenum Mine for a loan in the amount of $37,000.00. It is not our policy to make such loans at the present time.

Very truly yours,

W. L. Nichols
Manager

WLN:mb

**First Western Bank**
AND TRUST COMPANY

*800 Main Street • Susanville, California*

February 11, 1959

Mr. Peter A. Alosi
1929 Second Street
Susanville, California

Dear Mr. Alosi:

SUBJECT: White Elephant Molybdenum
Mine Loan Application

Your application for a $37,000.00 loan in connection with the subject mine has been declined.

We are very sorry that we cannot accomodate you at this time. If you wish to discuss the reasons for our decision further, please do not hesitate to call us.

Sincerely yours,

Kent Hall
Assistant Cashier

KH/pam

APPLICANT: PETER A. ALOSI, 1929 Second St., Susanville, Calif.

1. FINANCIAL ELIGIBILITY:

   a. Pertinent correspondence attached hereto

   b. None

   c. By services and equipment

2. APPLICANT'S RIGHTS IN LAND: Property consists of three lode claims, 600' x 1500', unpatented. These claims are located on public land in the NW ¼ of the NW ¼ of Section 1, T.25 N, R 12 E, Mt. Diablo Meridian.

   The claims are located and filed under the applicant's name. They are free of any liens or encumbrances. Assessment work has been done and duly recorded. The property is located in Plumas County, California, with locations and assessment work recorded at Quincy, County Seat. Claims are recorded as the White Elephant #1, #2, #3 lode claims.

3. Physical description:

   a. The present workings consist of the location work shafts on claims #2 and #3. Claim #1 has an open cut as shown on the accompanying sketch and cross section. The ore body is exposed for sampling and examination in this open cut, 4' x 10' x 5'.

   b. The writer is agent and engineer for applicant. Fee basis.

   c. There has been no production from this property. Molybdenum ore has been produced from this area in small quantities since 1910 (Bradley report, 1917). Most records of the tonnage produced from this geomorphic province during War II have been published. U. S. Vanadium's Pine Creek district reports over 500,000 lbs. Molybdenum for 1951, 1952, 1953.

   d. Strictly speaking there are no known reserves blocked out. There is good evidence of "probable ore" assaying over 0.80% Mo. This assay was made on a sample of approximately thirty pounds taken unselectively across a ten foot face exposed in the cut in #1 claim. There are approximately 360 tons

APPLICANT: PETER A. ALOSI
1929 Second St.
Susanville, California

Physical description continued:

of ore per foot of depth at the sampling site. On the assumption that the ore will continue to a depth equal to two-thirds of it's exposed length, it may be said that there are over 30,000 tons of ore as "probable reserves". This same sample assayed Au 0.05 oz.; Ag 2.3 oz.

e. The deposit is similar to Climax, consisting of an irregular mass of orthoclase pegmatite which has a quartz core in it's central part (see attached cross section). The host rock is a Jurassic acid intrusive. Mineral enrichment is attributed to magmatic differentiation. Bundles of Molybdenite "leaves" one-fourth inch wide and two to three inches long, occur in recesses left where the orthoclase phenocrysts have been replaced. The molybdenite is held loosely and unattached within the recesses as pseudomorphs.

Overburden covers the entire area except where the high water of Last Chance Creek has exposed the present showing described above. There is evidence that a geophysical survey of the entire area, outlining fault systems and magmatic differentiation zones, would delineate the most probable zones where similar bodies of ore may be found.

4. a. The OME representative can call the applicant's agent, Wade Dale, at Susanville, California, phone 6698, or write him at General Delivery, Susanville, California. The property is in a mountainous area at 5,560 ft. elevation. Winter conditions may be such that it will be necessary to wait until early summer for examination. The best road into the property turns west off Highway 395 one mile south of Janesville.

b. Reno, Nevada, is the nearest point of supply - 32 miles. Western Pacific Railroad is 12 miles.

5. a. Preliminary work consisting of magnetometer and electrical resistivity surveys together with mapping of geological data and topography is proposed.

APPLICANT: PETER A. ALOSI
1929 Second St.
Susanville, California

Physical description continued:

As this work progresses plans can be made to explore the most likely areas of mineralization. The geophysical and geological work, including calculations and summaries will require about twenty working days. A bulldozer will be required to expose near surface indications during the geophysical surveys. While the geophysical work is being done, five diamond drill holes are to be drilled in the ore body in Claim #1. Total drilling in this ore body estimated at 1,000 ft. EX-7/8" core. Another 2000 feet of coring is proposed for the exploration of the best geophysical indications.

b. Present roads are sufficient for exploration work. Bulldozer can assist driller in moving equipment about the property.

c. Work will start within sixty days of approval of loan.

6. EXPERIENCE: The work will be under the supervision of the engineer, Wade Dale. Past twenty years have been in geophysical and mining exploration for all types of ores both on a fee basis and as an employee of mining companies. Drilling will be done by a former contract driller.

7. ESTIMATE OF COSTS:

a. None

b. Geology, geophysical surveying, topographic mapping and technical supervision of all operations will be handled by W. Dale, Agent and Engineer for applicant. Geophysical equipment, including magnetometer, electrical resistivity instrument, transit, technical personnel, and all pertinent accessories will be furnished by the engineer and is included in his fee at $410.00 per day. Bulldozer will be furnished by applicant with operator at $16.00 per hour. Diamond drilling will be done by applicant at $6.50 per foot.

APPLICANT: PETER A. ALOSI
1929 Second St.
Susanville, California

7-b Continued:

| | |
|---|---|
| Geology, geophysical survey, topographic mapping and tech. supervision - estimated 20 days @ $410/da..... | $ 8,200 |
| 3000 ft. drilling EX @ $6.50/ft (100 days)..... | 19,500 |
| Dozer, 20 da. 160 hrs. @ $16.00/hr..... | 2,560 |
| Extra time on supervision of drilling - 80 days at $80.00/da | 6,400 |
| Analytical work..... | 340 |
| Total cost..... | $37,000 |

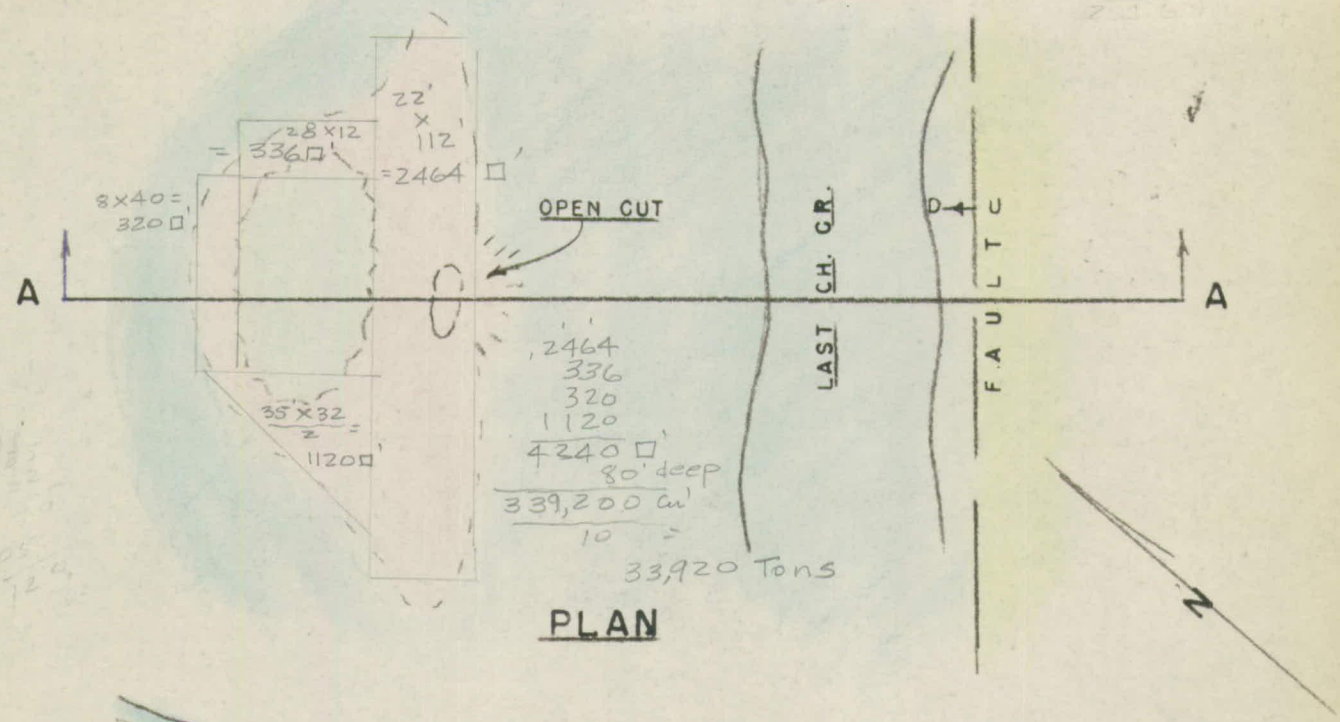
c. All items under "c" are covered in unit costs above. Breakdown will be submitted from past operations.

d. Explained in "b".

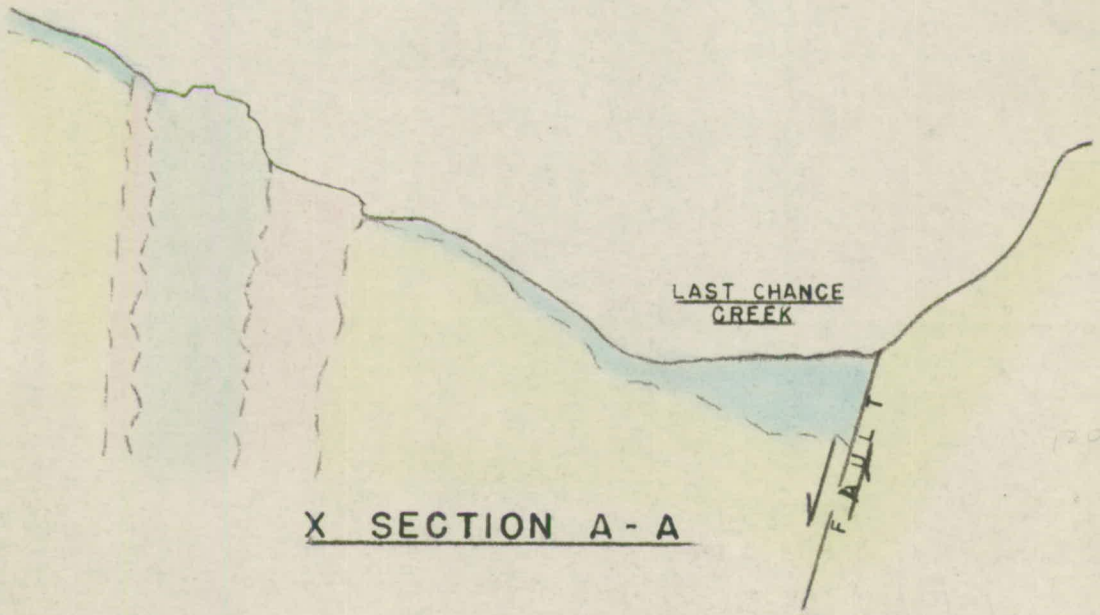
e. D-8 Tractor, skid mounted diamond drill. Trailer, house. No costs involved other than unit operating costs shown in 7-b.

f. None

g. Maintenance and repairs included in unit costs above.




PLAN




X SECTION A-A

PEGMATITE (ORE) GRANITE QUARTZ PLUG

OVERBURDEN SCALE 1" = 40' PLUMAS CO. T.25 N., R.12 E.

# THE WHITE ELEPHANT MOLYBDENUM MINE

EXTRA COPY
O. [illegible] E.
RECEIVED MAR 6 1959

| DATE | [illegible] | [illegible] |
| --- | --- | --- |
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