MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1360
Approval expires Dec. 31, 1963

6038

APR 20 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.)*

M. F. Van Horn
625 Market Street - Room 205
San Francisco 5, California

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6038

DATE RECEIVED: 4/14/59 4-20-59

REGION: II

DIVISION CODE: 400

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [ ]
- PARTNERSHIP [X]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
M. F. Van Horn	625 Market St., Rm. 205, San Francisco	
G. H. Bragg	P.O. Box 1506, Fresno, Calif.	
E. H. Keller	100 Montgomery St., San Francisco	
J. J. Holwerda	625 Market St., Rm. 205, San Francisco	
Hugo Zivi	1115 San Ysidro, Beverly Hills, Calif.	

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Mercury

ESTIMATED COST OF PROJECT: $20,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Evelyn Mine	San Luis Obispo	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.

4-6-59
DATED

M. F. Van Horn
BY *(Signature)*

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. 48740

1. (a) Copies of letters to banks and replies attached.

(b) None

(c) The partners will contribute an appropriate amount.

2. (a) Four copies of lease attached.

(b) PARCEL NO. 1: Government Lots 1, 2, and 4 in the Southeast quarter of Section 33, Township 26 South, Range 10 East, Mount Diablo Meridian, in the County of San Luis Obispo, State of California as per government plat thereof approved January 30, 1880 by the surveyor general. Except from said Lot 1 that portion thereof, described as follows:

Commencing at the quarter section corner common to Sections 33 and 34, Township 26 South, Range 10 East, Mount Diablo Meridian, thence South 89° 58' west, along the North line of said Lot 1 634.92 feet more or less to a half inch iron pipe; thence South 5° 17' East 230.64 feet to a 1-1/2 inch iron pipe; thence North 71° 10' 30" East 648.39 feet, more or less to the section line common to said Sections 33 and 34; thence North 0° 02' West along said section line 50 feet, more or less to the point of beginning.

(c) None

3. (a) The owners and operators of the Evelyn Mine have built an access road and drilled two exploration holes (cross section #4). Hole #1 was 406 feet deep and penetrated into the potential ore zone at 328 feet (where the zone is dipping at about 70° to 75°) into a hard calcareous fine grained sandstone. The potential ore zone here is very hard, it contains marcasite but no cinnabar. At 345 feet we drilled into the footwall. Hole #2 was 242 feet deep and penetrated into the potential ore zone at 218 feet where we lost circulation. After spending four days trying to obtain circulation, hole #2 was given up without getting any samples from the potential ore zone. There are no existing mine workings and no production facilities.

(b) Above operations were performed by Evelyn Mine.

(c) From the Evelyn Mine property there has been no production whatsoever. From the adjoining mineralized zone on the Buena Vista property there was 3000^{+} flasks produced this last year. (Personal communication with Buena Vista Mine superintendent.)

(d) Occurence of ore, or ore reserves on Evelyn Mine property not known, as drilling is necessary to determine them. The ore reserves of the adjoining Buena Vista Mine are not published or known by other then the owner of the mine, but they probably are 10,000 flasks or better.

3. (e) The geologic features of the property consists of very tight folds in Tertiary sediments, Monterey Formation, which have capped the older clays which compose the footwall material. On the Buena Vista property a hard limestone fold cap has trapped marcasite and cinnabar bearing solutions and has formed a vein of high grade ore 350 feet in exposed length, 10 feet to 40 feet wide, and extending down dip (40° to 60°) for a unknown distance, (Known only by owner) but probably exceeding 150 feet. The above same fold continues onto the Evelyn Mine property which is 200 feet from the face of the ore body. Stripping operations to remove 200 feet of overburden are in progress by the Buena Vista Mine, which when completed will leave the ore body about 25 feet from Evelyn Mine property. The above described fold is shown along strike by cross section 1 and 2, and along dip by cross section 3 and 4.

We expect to find ore because of the fact that the fold which contains the ore body of the Buena Vista Mine continues across the Evelyn Mine property, and there is no apparent reason for the ore body to end. There are no apparent faults or disturbances of any kind. All indications point to the continuation of the vein as it is very wide and very rich and very apparently heading for the Evelyn Mine peoperty. No chance for sampling as ore is too deep.

(g) Not necessary to return any of the cross sections or geologic maps.

4. (a) The consultant geologist who will meet any O.M.E. representative is: Elio R. Giusti
Giusti Mining and Exploration
c/o Walter Alley
Box 71
Shandon, California

can be reached at Paso Robles 82J3.

Mr. Giusti will meet any O.M.E. representative in Paso Robles and escort him to the Evelyn Mine property, which is 16 miles west of Paso Robles. There are access roads to where the exploration work is in progress, but there are no existing mine workings.

(b) The flasks of mercury are shipped by truck from the mine, direct to purchaser.

5. (a) The exploration work will consist entirely of drilling. We will drill open hole until reaching the potential ore zone and then core through the ore zone. The drill holes will consist of 12 holes, each which will be about 225 feet to 250 feet, in depth, and 6 holes, each ranging from 350 feet to 400 feet in depth. The 225 feet to 250 feet holes will be drilled along the crest of the fold, hoping to explore the potential ore body at its top. These holes will be similar to drill hole #2 (see cross section No. 4) which was drilled by Evelyn Mine, but which met failure. A couple of these holes will be drilled near hole #2 and the rest (the exact location of each will depend upon the information received from the previous holes) will be drilled along ridge 1614 to SE from the Buena Vista property line. The deeper 350 feet to 400 feet holes will be drilled on the NE flank of the fold to explore the potential ore zone at depth, these will be similar to drill hole #1 (see cross section No. 4). It has been estimated that 5000 feet of drill hole will be necessary to fully explore the potential ore zone.

For location see the brief geologic map.

(b) The access road has allready been built by the Evelyn Mine.

(c) Work would be started as soon as contract is executed and operations would take about 4 to 6 months. Drilling will be completed on an average basis of 1000 feet per month.

DESCRIPTION OF DRILL HOLES #1 TO #18

Hole #1: Will be drilled about 7' to 10' from property line on the possible strike of the vein. Depth 225' to 250'.

Hole #2: Will be drilled 8' to the north of hole #1. If ore is found in hole #1, then #2 will check on the width of the ore zone. If no ore is found in hole #1, then #2 will be used to try and find ore. Depth 250' to 300'.

Hole #3: Will be drilled 8' to 10' to the southeast of hole #1. This will be used to find the potential length of the ore zone. Depth 225' to 250'.

Hole #4: Will be drilled to explore the potential ore zone along the strike of the fold. Depth 225' to 275'.

Hole #5: Will be the same as hole #4.

Hole #6: Will be the same as hole #4 and #5.

Hole #7: Will be drilled on an angle to the northeast (which will depend upon the results of the first six holes). Depth 250' to 300'.

Hole #8: Same as hole #7.

Hole #9: Will be used to explore the potential ore zone further along the fold. Depth 225' to 325'.

Hole #10: Same as hole #9.

Hole #11: Same as hole #9 and #10.

Hole #12: Same as hole #9, #10 and #11.

Hole #13: Will be used to explore the potential ore zone at depth on the northeast flank of the fold. Depth 250' to 375'.

Hole #14: Same as hole #13.

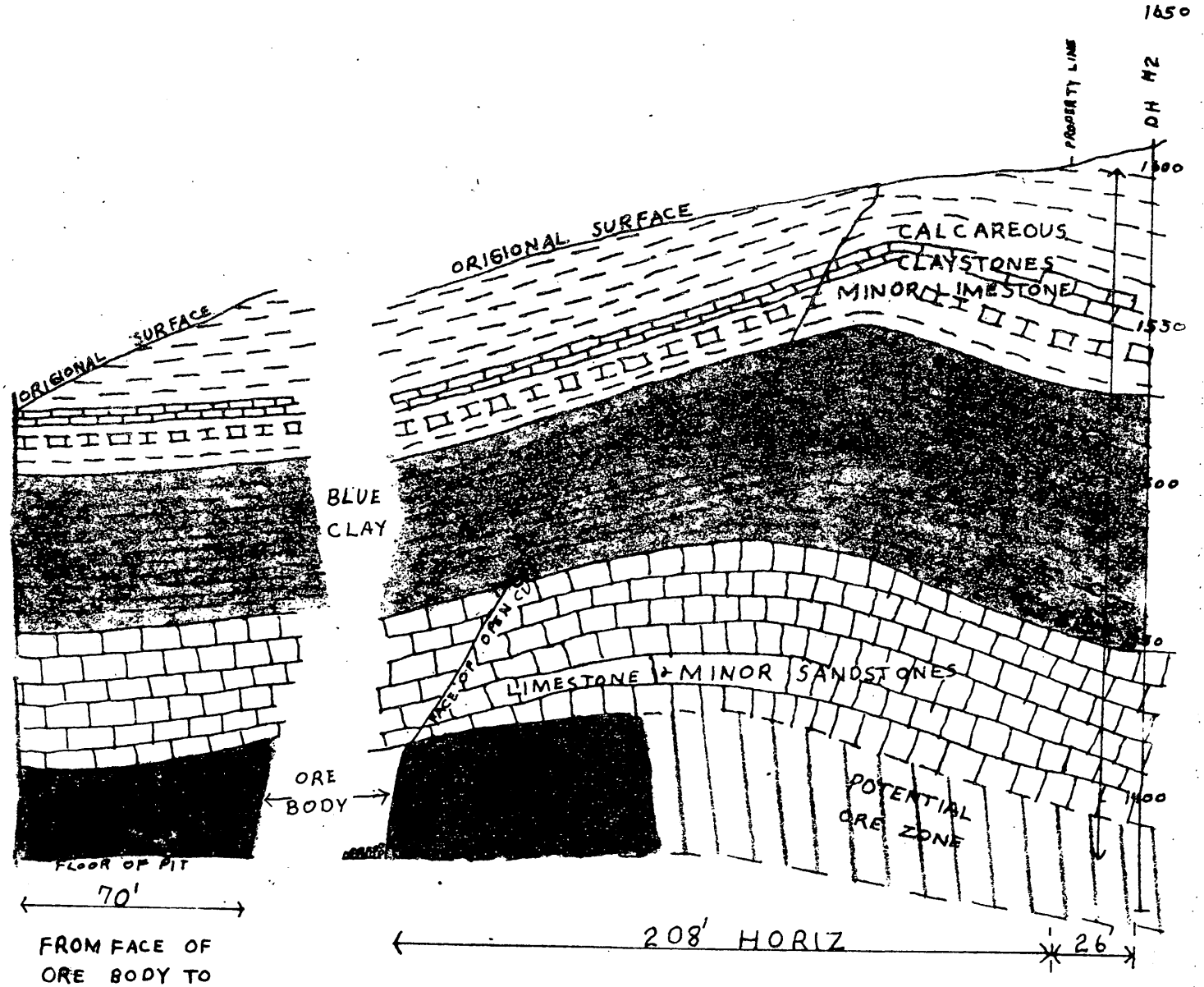
Description of Drill Holes #1 to #18 - (2)

Hole #15: Same as hole #13 and #14.

Hole #16: Same as hole #13, #14 and #15.

Hole #17: Will be used to explore the potential ore zone at depth on the northeast flank of the fold. Depth 375' to 400'.

Hole #18: Same as hole #17.



FROM FACE OF ORE BODY TO WHERE FAULT CUTS IT

TREND N60°W

FROM PROPERTY LINE TO FACE OF ORE BODY

TREND N74°W

SCALE 1" = 50'

CROSS SECTION NO 1

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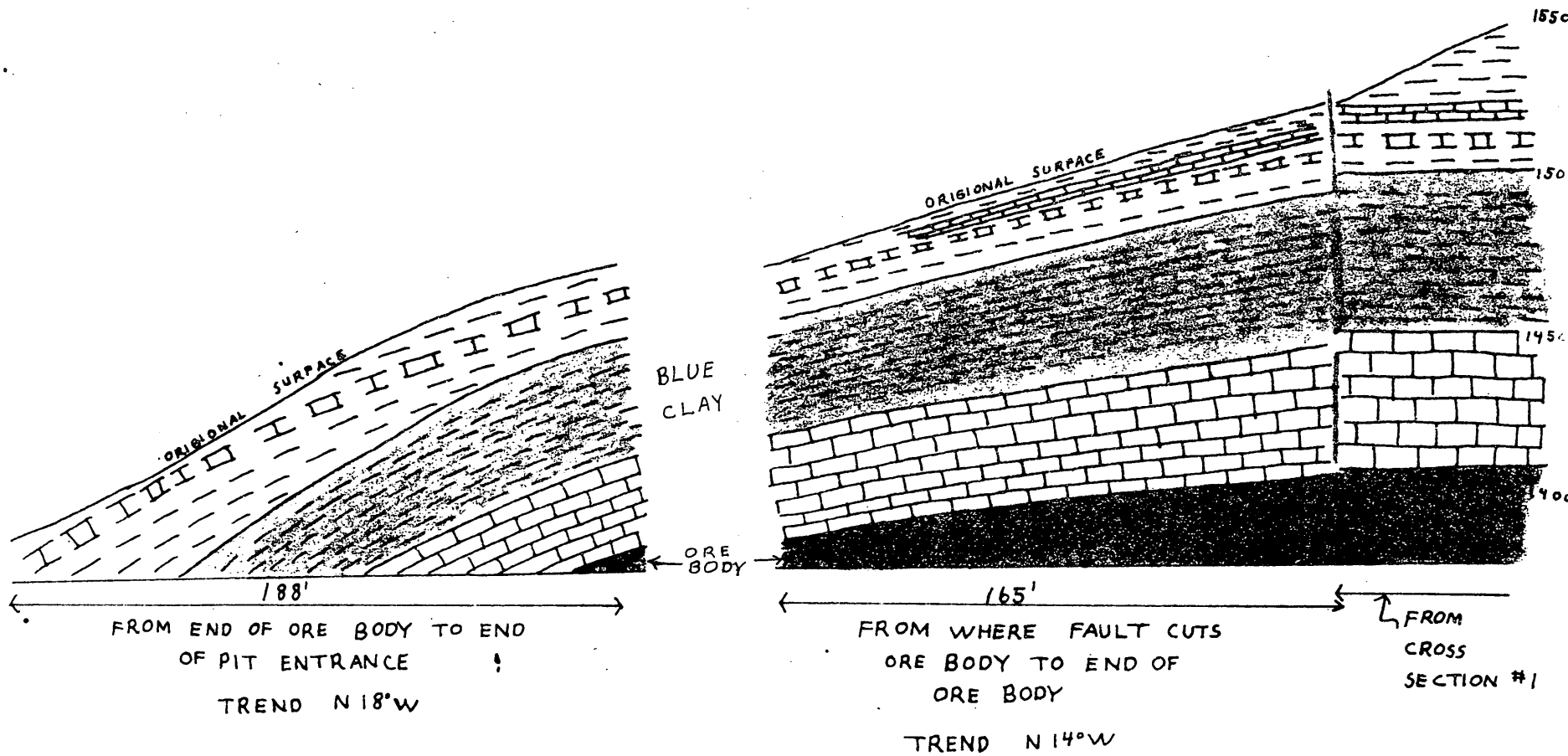
O. M. E.
RECEIVED: APR 20 1959
DATE



CROSS SECTION NO 2

SCALE = 1" = 50'

extra
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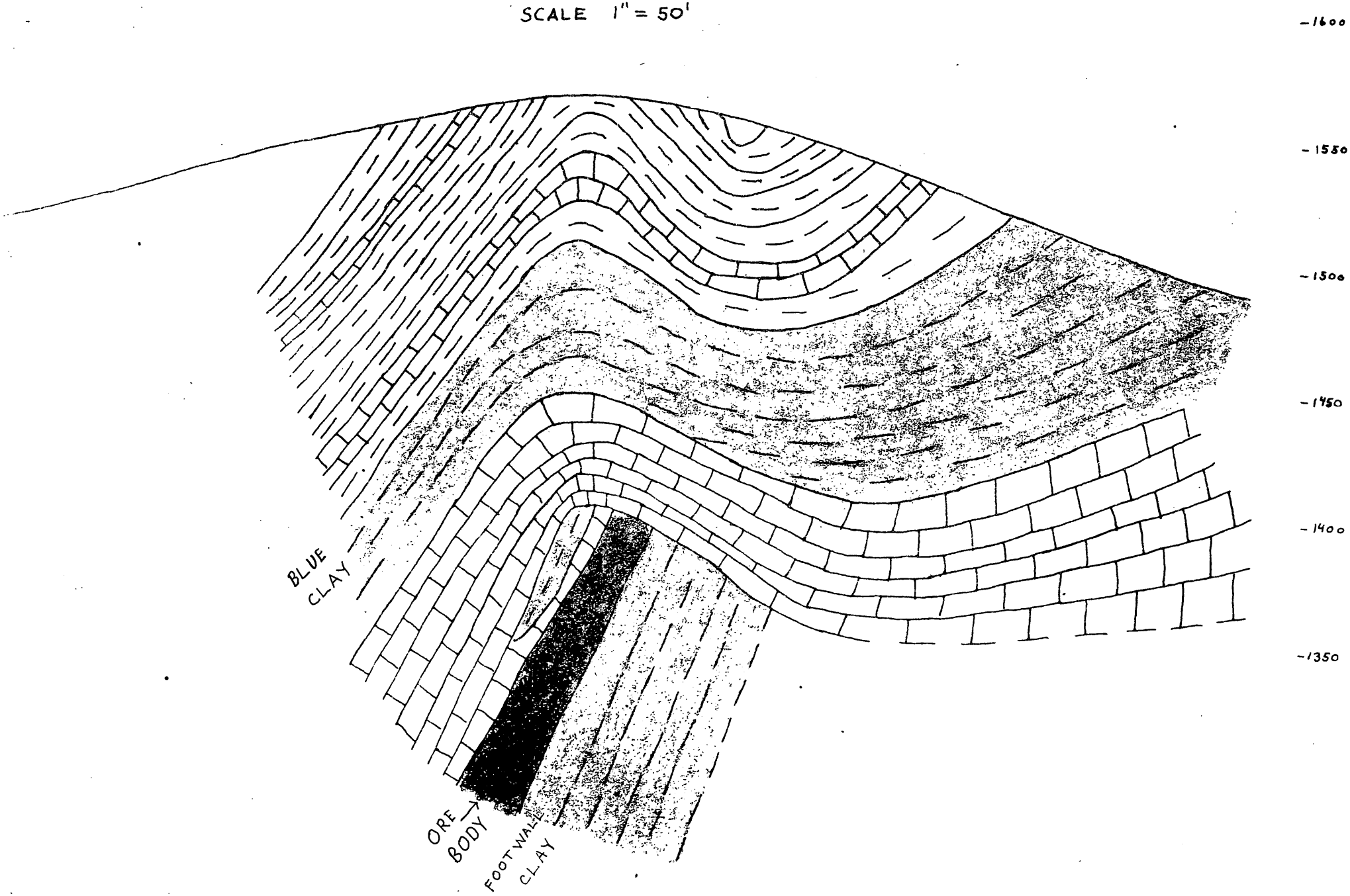
DATE | INITIALS | ...

CROSS SECTION NO 3

FROM PROPERTY LINE TO PROPERTY LINE ACROSS

BUENA VISTA MINE ON LINE A – A'

SCALE 1" = 50'



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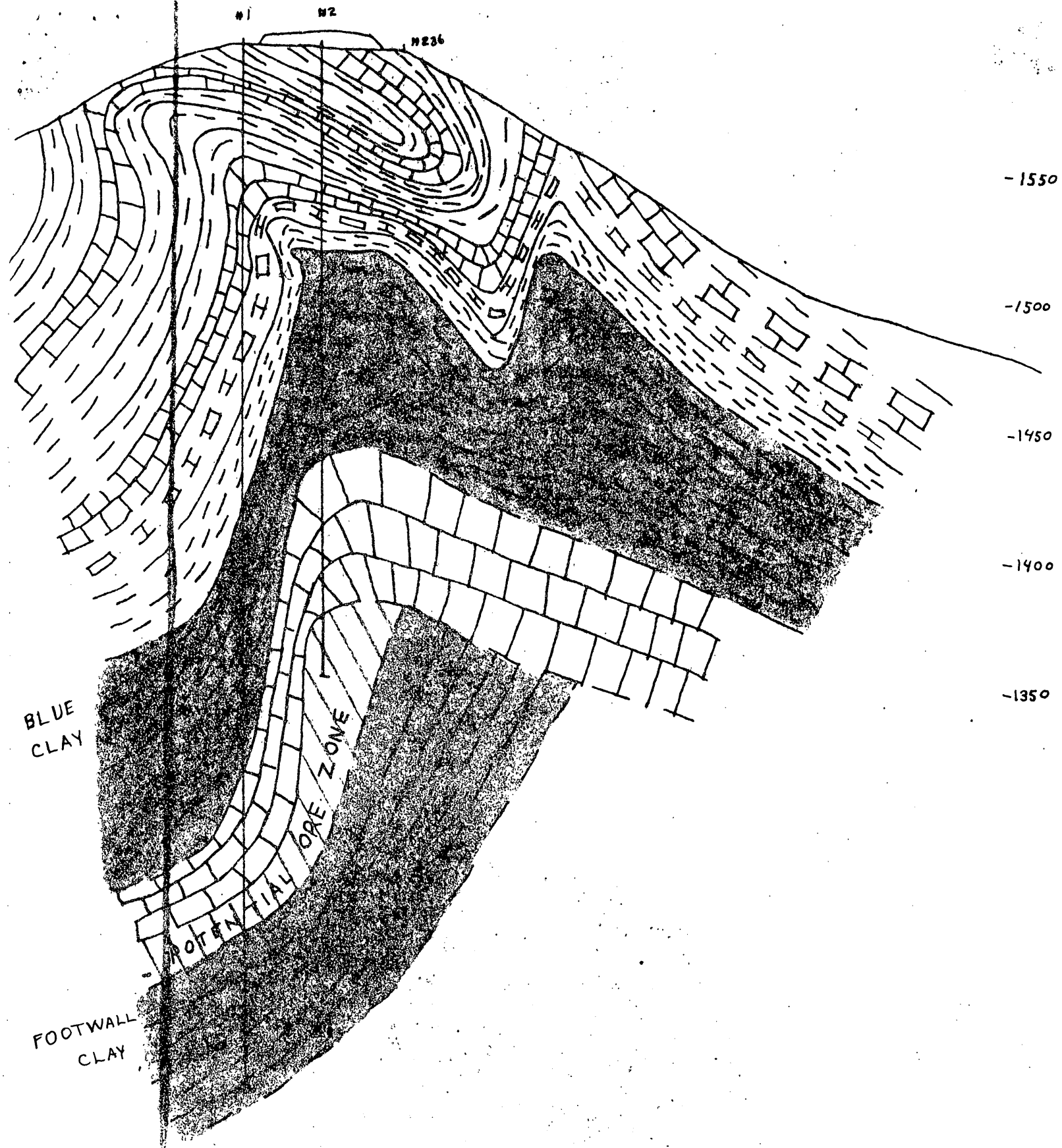
O. M. E.
RECEIVED APR 20 1959

DATE	INITIALS	CODE



CROSS SECTION NO 4

FROM PROPERTY LINE TOWARD PROPERTY LINE

ACROSS BUENA VISTA MINE ON LINE B-B'

SCALE 1" = 50'

SCALE 1" = 440'

LEGEND

- Tm — Tertiary Monterey Formation
- Kjc — Cretaceous Jack Creek Formation
- Jf — Jurassic Franciscan Formation

- Faults
- Approximate Faults
- Access Roads
- Open Cut with Sloping Sides
- Dump Material from Stripping Operations

Line B-B' is the property line. To the NW is the Buena Vista property(enclosed by rectangle), which is surrounded by Evelyn Mine property which extends SE to the section line (about 500').

In the Buena Vista Mine open pit, the red is the exposed ore body, and the blue is a minor displacement (10') in the ore.

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RECEIVED APR 20 1988
DATE

6. Mr. M. F. Van Horn, who is acting for the group, is President of Vangas, Inc. (a large retailer of butane and propane in California, Idaho and Wyoming), Spring Canyon Coal Company and Royal Coal Company. The two coal companies are located in Utah. They mine and sell 250,000 tons of coal per year. Mr. Elio Giusti, the consulting geologist, is a graduate of the University of California, receiving his degree in Geology. He will directly supervise the exploration work.

7. (a) The drilling work will be contracted for through Mr. Giusti. The open hole will be $2.00 per foot, and the coring of the fractured and leached ore zone will be $7.50 per foot. The coring of the hard unleached marcasite ore would have to be done at $2.50 per hour, with the Evelyn Mine paying the diamond bit expense (core bit, casing bit and reamer shell). It is estimated that 4700' will be open hole, resulting in a total cost of $9,400.00. The cored hole will be 360', resulting in an estimated total cost of $4,820.00.

(b) Mr. Giusti's services will be contracted for at the rate of $450.00 per month. It is estimated that the total time period for the exploration will be six months. Mr. Giusti's work as consultant will cost $2,700.00. Mr. Giusti's expenses will be approximately $1,056.00 for the three months. These expenses are mainly for mileage. There will also be $2,024.00 expenses for M. F. Van Horn or his directed people to cover management costs. The expenses are broken down as follows: $1,400.00 for mileage expenses, $300.00 for rooms, meals, etc., $324.00 for office time and equipment (secretary's time, correspondence, etc.).

(c) None - included in (a).

(d) None - included in (a).

(e) None

(f) None

(g) None

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
555 Battery Street
San Francisco 11, California

EXTRA COPY O. M. E RECEIVED JAN 25 1960		
DATE	INITIALS	CODE

January 19, 1960

Memorandum

To: Chairman, Operating Committee, OME, Washington, D. C.

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. OME-6038 (Mercury)
M. F. Van Horn, et al
Evelyn Prospect
San Luis Obispo County, California

Relative to the subject docket, we enclose three copies of the applicant's revised proposal and explanatory maps.

Also enclosed are three copies of the applicant's acknowledgement of the need to submit a performance bond and agreement to submit such bond prior to the signing of any final contract papers.

Applicant has also submitted a brief in the form of a letter to me, presenting his reasons for requesting a waiver of the customary rule that no exploration may be done within 150 feet of an adjoining mining property. I have discussed this matter informally with the OME Field Team, but due to their being on field trips at this time, do not have a written report from them. However, I believe that there is a justification for some relaxation of the rule since the most promising and probably the most effective exploration of the Evelyn property at present would be to drill holes No. 14 through 21 in approximately the sequence indicated on Mr. Giusti's sketch map. In effect, I believe that the Bruster property need not be considered. Operator states that he is able to obtain a lease on this property when required, but does not believe that he should incur any obligations on this property until further evidence of the possible occurrence of ore has been obtained. When the Field Team returns to office duty next week, I will have them prepare their opinion on this matter.

W. F. Dietrich

Enclosures

Copy to: H. K. Stager, U.S.G.S.
OME File

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Kirkemo, USGS, Rm. 5224		
2.		
3.		
4.		
5.		
FROM: W. R. Chitsgrold	1/26	

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions x Your information

REMARKS:

694

INT.-DUP. SEC., WASH., D.C. M50943

MINES AT
SPRING CANYON, CARBON COUNTY, UTAH

TELEPHONE GARFIELD 1-2700

SPRING CANYON COAL COMPANY

625 MARKET STREET

SAN FRANCISCO 5, CALIFORNIA

January 12, 1960

Mr. W. F. Dietrich
Executive Officer
Oil Field Team, Region II
555 Battery Street
San Francisco, California

Dear Mr. Dietrich,

Mr. Raymond Todd the owner of the Evelyn Mine property will not sign a lien and subordination agreement. I understand that I will then have to submit a performance bond before the final contract papers can be signed. I hereby acknowledge the need on my part of the bond, and agree to submit such bond, prior to the signing of any final contract papers.

Yours very truly,

W. C. Van Horn

WCVH/mj.

January 15, 1960

Mr. W.F. Dietrich
Executive Officer
OME Field Team, Region II
555 Battery Street
San Francisco, California

Dear Mr. Dietrich,

Before we describe the planned exploration we have been advised to inquire about the possibility of having the first stage of exploration refused because the planned holes are to close to the adjoining property. We have been informed that the government does not wish to do any exploration within 150' of any adjoining property. Our best indications of cinnabar has been in the afore mentioned area (Par. 5 (a) of report) where we have drilled some shallow holes, the deepest of which was only 158'. In all of the holes which were drilled in this area minor amounts of cinnabar were found. According to our best judgement we would like to drill some deeper holes (250' to 350') in this area. The reason for this is the area is highly disrupted and our best chance for finding ore is at depth where the mineralizing hydrothermal solutions may possibily have been trapped by the underlying limestone (which according to the exposed cross section at the Buena Vista Mine) should underlie the exposed blue clay.

It appears that the faults which have exposed the blue clays on the north side of the hill extend accross on the Buena Vista property. Along these fault zones at depth, where they cross the Buena Vista ore zone, solutions could have penetrated. If conditions at depth were favorable for ore deposition (brecciated zone, favorable limestone cap etc.) then there is a very good chance that there may be a commerical ore zone beneath this part of our property. The drill holes will vary from within 90' of the Buena Vista property which is to the west, to 100' from the Bruster property which is to the east. We are planning approximately 8 holes in this area, which will amount to 2000' to 2750' of drilling. This hole will be drilled at a cost of $3.00 per foot.

If the first stage of drilling is acceptable and it is successfully completed we may then put in a shaft or incline into the mineralized zone to further explore it. From the bottom of the shaft or incline it may be wiser to drift beneath the hill to explore the Buena Vista ore zone along its strike, rather then trying to complete the second stage of drilling, along the top of the hill, which could be very costly.

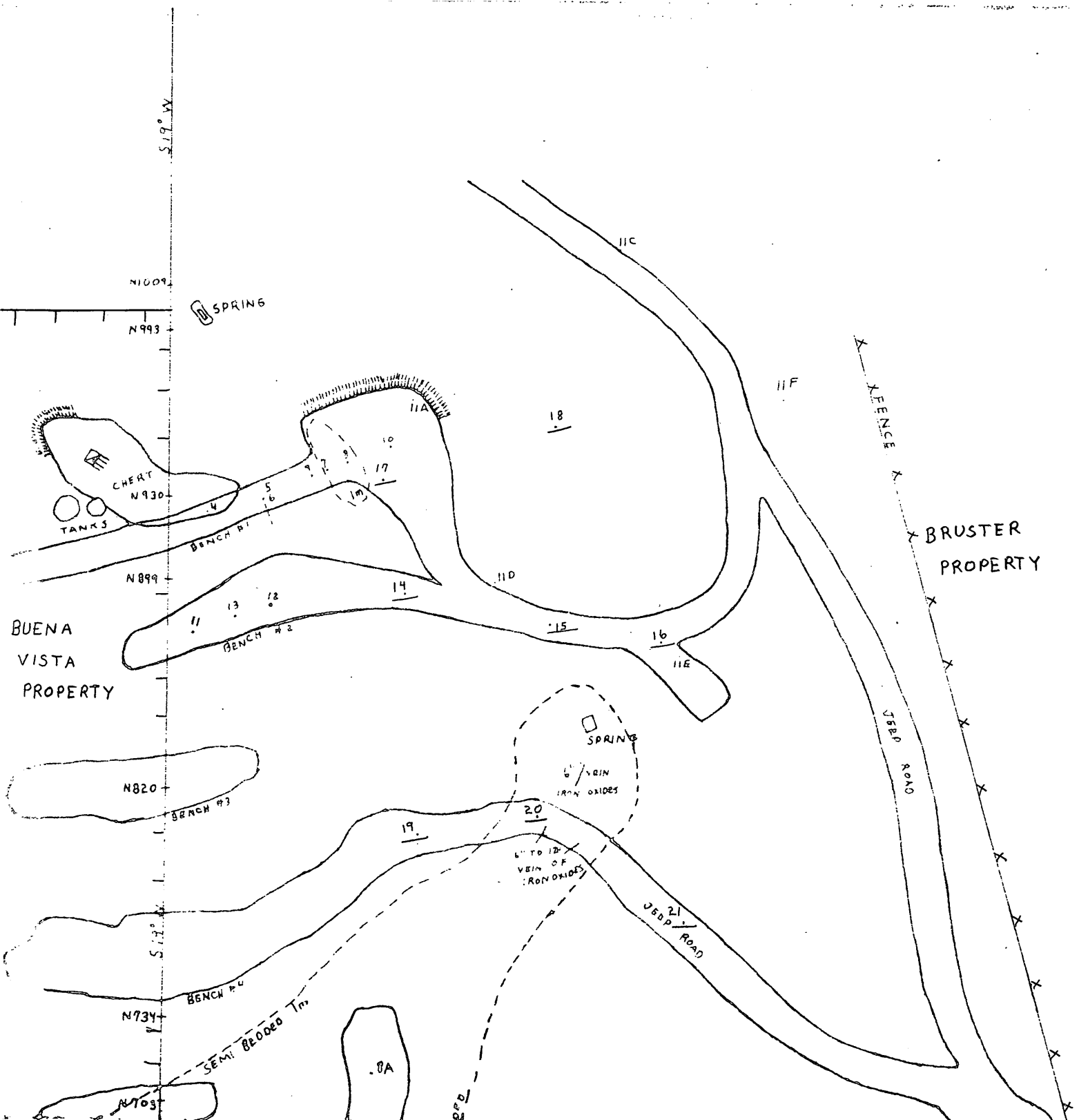
Enclosed you will find a plan map showing approximately the location of drill holes 14 thru 21. We would appreicate a reply at your earliest convenience on the acceptability of this first stage.

Sincerely,

Elio R. Giusti

Elio R. Giusti
Consultant Geologist For
Evelyn Mine
582 Market Street
San Francisco, California

ERG/jg


S19° W
N1009
N993
SPRING
11C
11F
FENCE
BRUSTER PROPERTY
11A
18
CHERT
N930
TANKS
BENCH #1
N899
14
11D
15
16
11E
BUENA VISTA PROPERTY
BENCH #2
SPRING
6" VEIN IRON OXIDES
JEEP ROAD
N820
BENCH #3
19
20
6" TO 12" VEIN OF IRON OXIDES
21
JEEP ROAD
S17° W
BENCH #4
N734
SEMI BEDDED TF
8A
N703

3. (a) The owners and operators of the Evelyn Mine have undertaken two small exploration programs. The first was on the hill top directly in front of the Buena Vista ore zone. At the time that the first stage of exploration was being conducted, the ore zone was exposed to within 275' of the Evelyn Mine property. The ore zone was 150' deep and appeared to be rising as it approached our property. An access road was built on the south side of the hill, and the top of the hill benched. Three exploration holes were drilled on bench #10 (see cross section). Hole #1 was 406 feet deep and penetrated into the potential ore zone at 328 feet (where we think the zone is dipping at about 70° to 75°) into a hard calcareous fine grained sandstone. The potential ore zone here is very hard, it contains some marcasite but no cinnabar. At 345 feet we drilled into footwall type material. Hole #2 was drilled to 242 feet. At 218 feet we drilled into a very fractured limestone and lost circulation. After spending four days trying to get circulation back and obtain samples, we gave up the hole at 242 feet. The reason the hole was abandoned was because the driller that we had working for us, could only drill open hole and did not have the facilities for coring. This phase of the program was then cancelled for two months. Drill hole #3 was then started, and at 49 feet we drilled into a fracture which had a direct connection with the face of the Buena Vista Pit. We lost total circulation and after one day our water started seeping out

of the wall into the pit. Hole #3 was then abandoned. After conducting a mapping program we decided to do some exploration on the North side of the hill. An access road was built and bench #1 was made. There occurs on the North side of the hill an outcrop of Franciscan Chert which contains on some fractures, fair amounts of cinnabar. There also occurs a small caved incline shaft, which must have been 10' to 20' deep (according to the size of dump). Started Hole #4 on the Franciscan Chert and drilled 5 1/2 feet. The chert is highly fractured and was chipping my diamond bits apart. Figured the cost of drilling the chert would be too high and gave up the hole.

Then drilled hole #5 to 29' where we stopped in chert. Found trace of cinnabar.

Drilled Hole #6 drilled on angle 28° from vertical to the South. Drilled to 34 1/2 feet where we stopped in chert. Found trace of cinnabar.

Hole #7. Drilled to 37 1/2 feet where we stopped in chert, Found some ore to two pound ore from 16 feet to 17 1/2 feet, and some 1/2 to one pound ore from 17 1/2 feet to 26 feet.

Hole #8. Drilled to 64 feet where we stopped in chert. Found good traces of cinnabar in places.

Hole #9. Drilled to 20 feet where we stopped in chert. Found 1/2 to one pound ore from 5 feet to 6 1/2 feet and good traces below.

Hole # 10. Drilled to 110' where we stopped in a blue gray calcareous sandy claystone. Found good traces from 26' to 53' and found considerable marcasite from 60' on down.

Then we had a bench (#2) made and started drilling another series of holes.

Hole #11. Drilled to 158 1/2' and was stopped in blue sandy claystone. Found 1/2 to one pound ore from 50' to 53' and good traces of cinnabar in two other places.

Hole #12. Drilled to 84' and stopped in blue sandy claystone. Found traces of cinnabar, but not as much as in the previous holes. Found considerable amount of marcasite.

Hole #13. Drilled to 53' and stopped in blue sandy claystone. 1-16 ore from 5 1/2' to 7' and traces of cinnabar throughout the hole.

We then put a small prospect pit down to the one to two pound ore in hole #7. The small shaft is 19' deep, where hole #7 was. Best indications of cinnabar are found in a small zone 1 inch to 4 inches wide underlain by lower grade material. The final work done on the property, consisted of exploration cuts on the North side of the hill, some of which with more bulldozer work can be made into drilling benches. There are no existing mine workings and no production facilities.

3. (b) Above operations were performed by Evelyn Mine.

(c) From the Evelyn Mine property there has been no production whatsoever. From the adjoining mineralized zone on the Buena Vista Property there was 3000+ flasks produced this last year. (Personal communication with Buena Vista Mine superintendent.)

(d) Occurence of ore, or ore reserves on Evelyn Mine property not known, as drilling is necessary to determine them. The ore reserves of the adjoining Buena Vista Mine are not published or known by other then the owner of the mine, but they probably are 5,000 flasks or better.

(e) The geologic features of the property consists of very tight folds in Tertiary sediments, Monterey Formation, which have capped the older clays which compose the footwall material. On the Buena Vista property a hard limestone fold cap has trapped marcasite and cinnabar bearing solutions and has formed a vein of high grade ore 350 feet in exposed length, 10 feet to 25 feet wide, and extending down dip (30° to 60°) for a unknown distance, (known only by owner) but probably exceeding 75 feet. The above same fold continues onto the Evelyn Mine property which is 175 feet from the face of the ore body. Stripping operations to remove 200 feet of overburden are in progress by the Buena Vista Mine, which when completed will leave the ore body about 175 feet from Evelyn Mine property. We expect to find ore because of the fact that the fold structure which contains the ore body of the Buena Vista Mine continues across the Evelyn Mine property. The fault pattern on the

North side of the hill is very complex, and very similar to that in the open pit of the Buena Vista Mine. All indications point to the continuation of the ore zone onto the Evelyn Mine property. The occurence of low grade cinnabar bearing material in the existing drill holes on the North side of the property is very encouraging . No chance for sampling as ore is too deep.

(g) Not necessary to return any of the cross sections or geologic maps.

4. (a) The consultant geologist who will meet any O.M.E. representative is: Elio R. Giusti
c/o Giusti Mining and Exploration
1409 Larkin Street
San Francisco 9, California

can be reached at Prospect 5- 8080.

Mr. Giusti will meet any O.M.E. representative in San Francisco or in Paso Robles and escort him to the Evelyn Mine property, which is 16 miles west of Paso Robles. There are access roads to where the exploration work was performed, but there are no existing mine workings.

(b) The flasks of mercury are shipped by truck from the mine, direct to purchaser.

5. (a) The exploration work will consist entirely of drilling. We will drill open hole, taking samples of every 18". This sample will be divided in half, with one half saved and one half panned. Upon entering a leached ore-zone (similar to Buena Vista Mine) we may lose circulation.. Upon loss of circulation we will core drill. Any drilling done in hard marcasite ore zone will be core drilling.

There will be some added bulldozer cost for final touches to benches #1, #2, #4, #11 and for access roads to benches #6 and #7. The necessary bulldozer work will take about 20 hours, and will cost approximately $340.00.

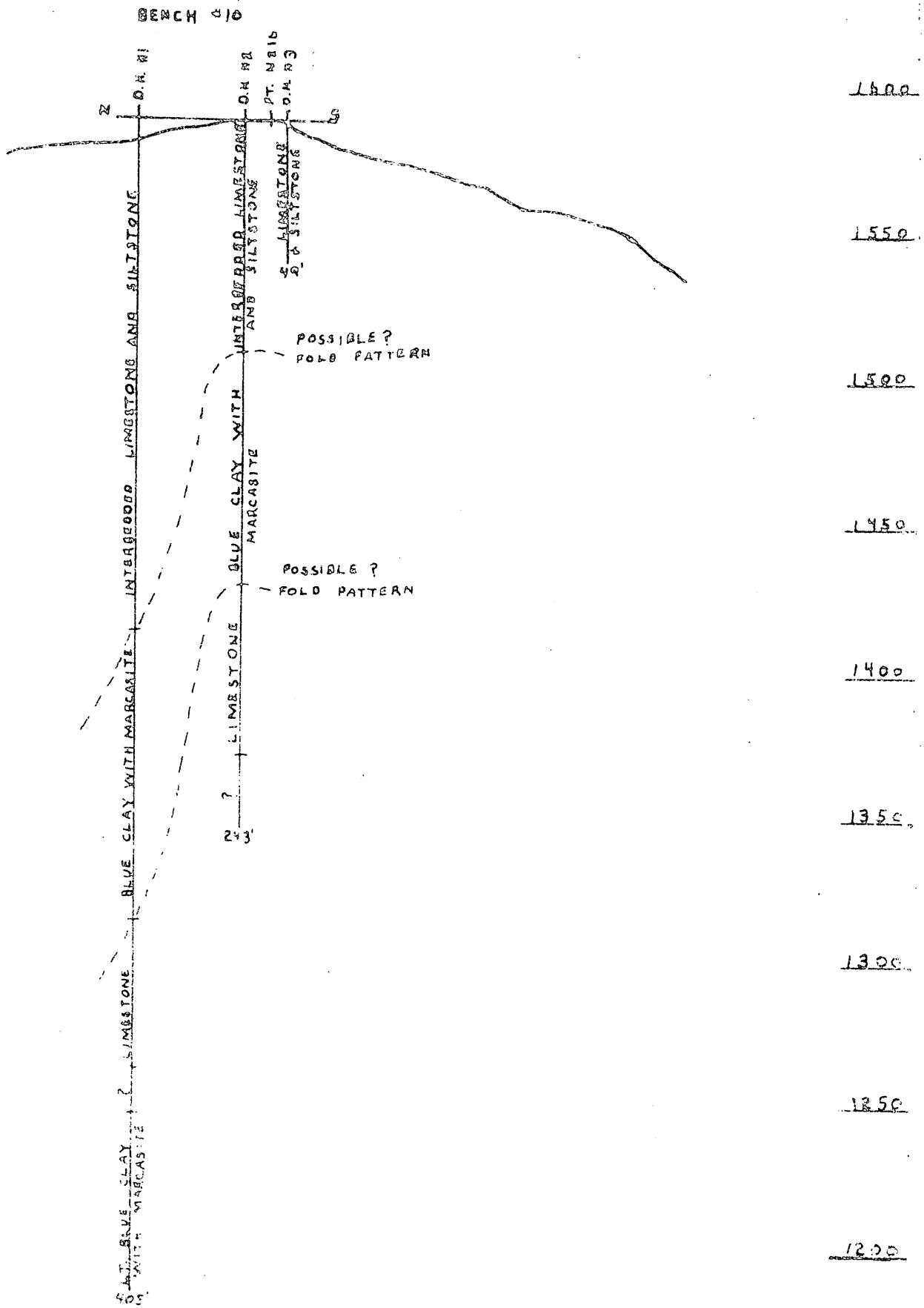
The drilling will proceed in two stages, the first on the north side of the hill on benches 1, 2, and 4. The second stage will be done on benches 7, 10, and 11. Please refer to enclosed letter.

ROCK DESCRIPTIONS

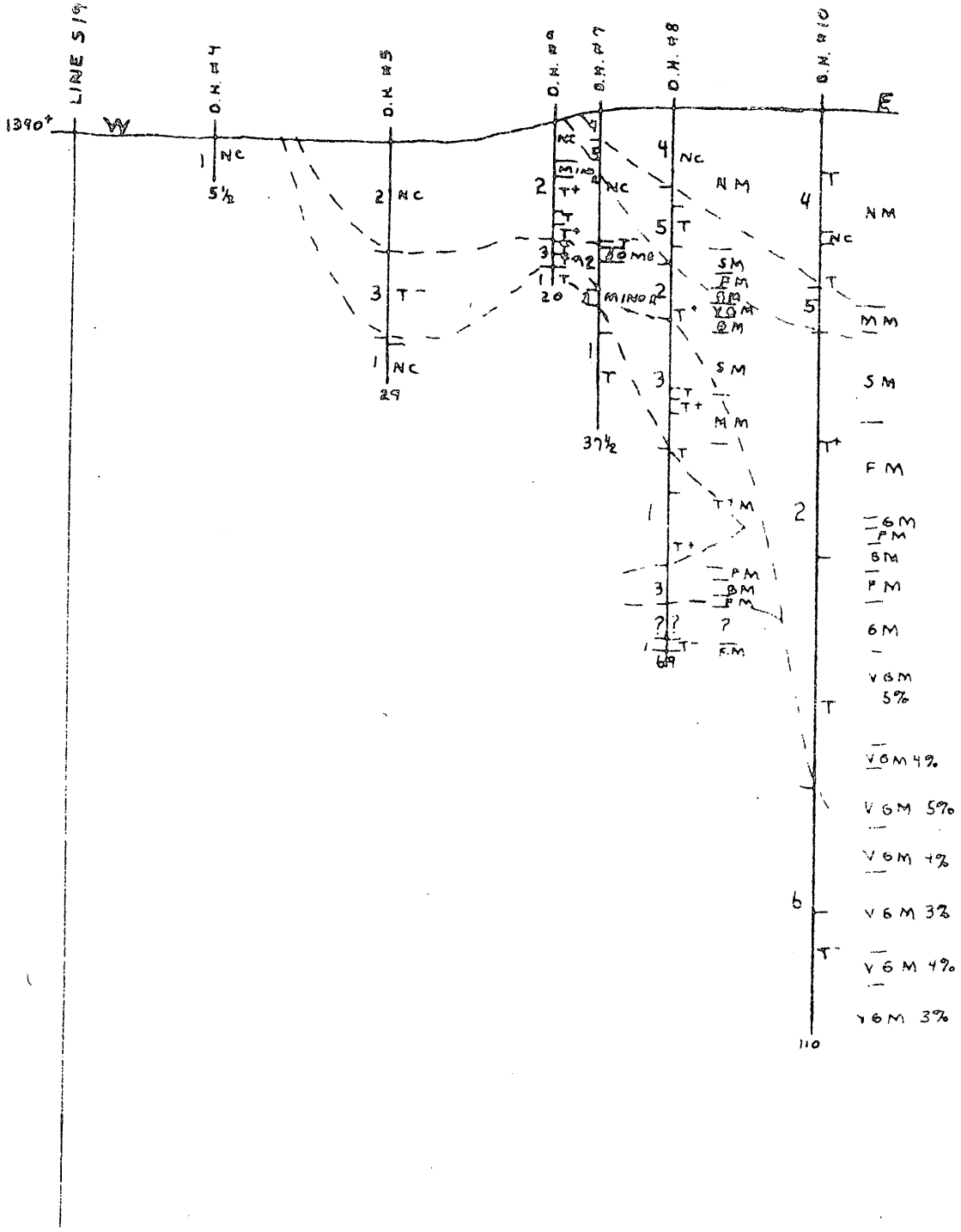
1	Fractured Franciscan chert
2	Blue gray sandy claystone
3	Alternating blue gray sandy claystone and fractured Franciscan chert
4	Sandy limestone
5	Calcareous sandstone
6	Blue gray calcareous sandy claystone
6A	Blue gray sandy claystone with some silica and carbonate and considerable iron oxide
6B	Blue gray sandy claystone with 30%-50% silica and carbonate and fair iron oxide
6C	Blue gray sandy claystone with iron stained silica
7	Blue sandy claystone

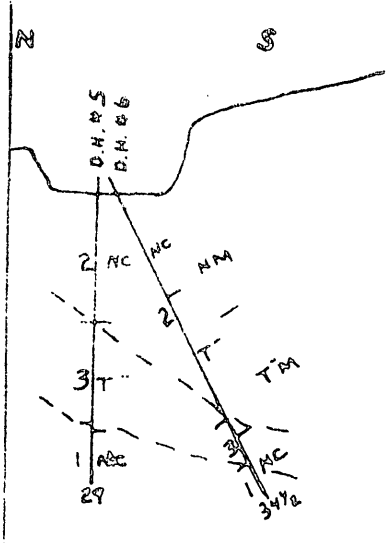
CINNABAR CONTENT		MARCASITE CONTENT	
T^- C	Few colors		
T C	Good colors		
T^+ C	1/2 lb. or less	TM	1/2 lb. or less
Minor C	1/2 - 1 lb.	MM	1/2 lb. - 1 lb.
Some C	1 lb. - 2 lb.	SM	1 lb. - 2 lb.
Fair C	2 lb. - 4 lb.	FM	2 lb. - 4 lb.
Good C	4 lb. - 6 lb.	GM	4 lb. - 6 lb.
Very Good C	6 lb. - 10 lb.	VGM	6 lb. - 10 lb.
Ore	10 lb. or over	VGM 2%	Percentage

LEGEND FOR DRILL HOLE CROSS SECTIONS



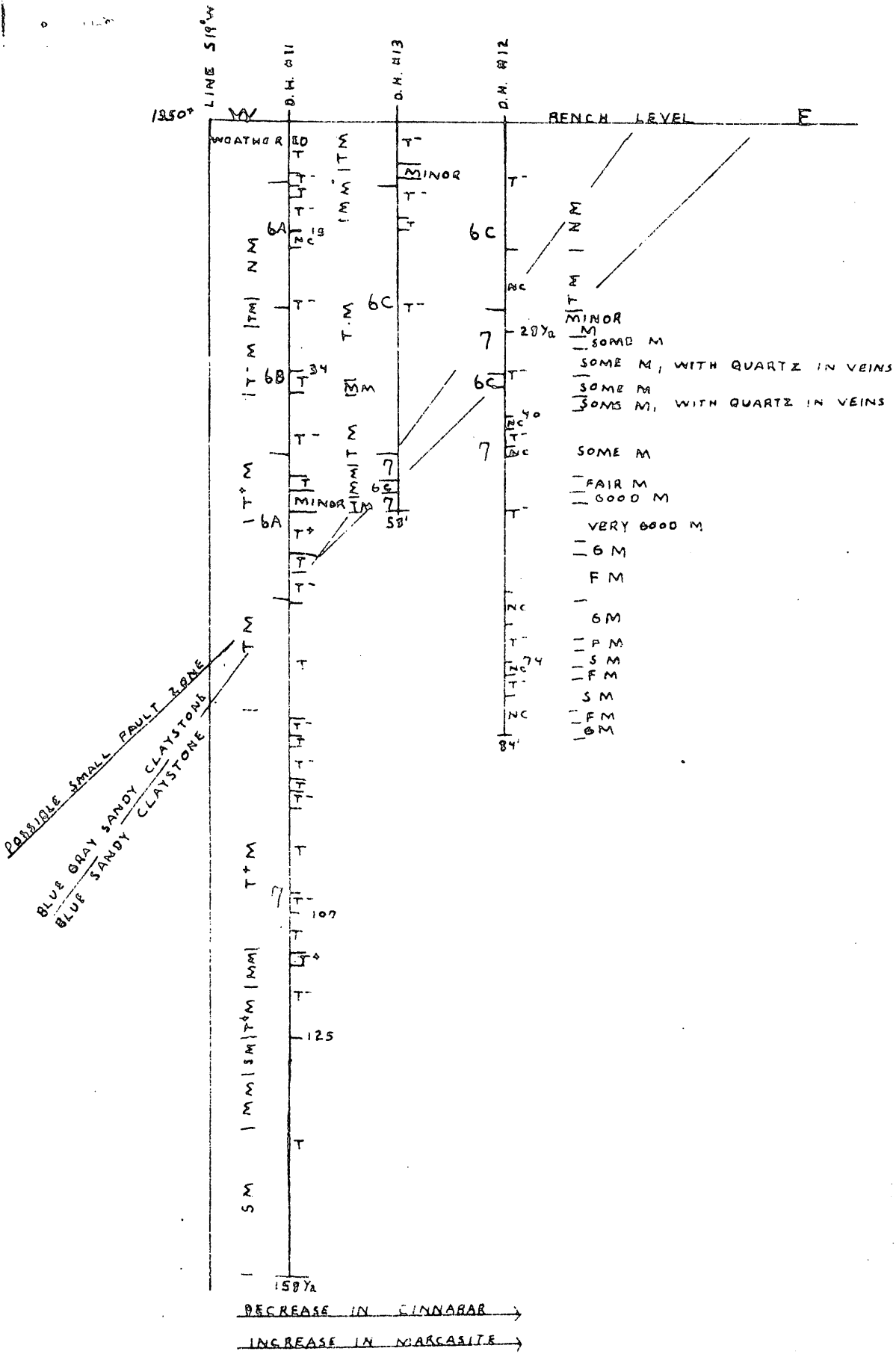
CROSS SECTION OF DRILL HOLES 1, 2, 3,
BEARING N19°E ON BENCH 10
SCALE 1"=50'





CROSS SECTION OF DRILL HOLES 4,5,7, 8,9,10. BEARING N87°E ON BENCH 1. SCALE 1"=20'

CROSS SECTION OF DRILL HOLES 5,6. BEARING NS SCALE 1"=20'



CROSS SECTION OF DRILL HOLES 11, 12, 13,

BEARING N86°E ON BENCH 2.

SCALE 1" = 20'

August 17, 1959
Re: OME 6038 (Mercury)
M. F. Van Horn, et al
Evelyn Prospect
San Luis Obispo Co., Calif.

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: Harold Kirkemo, U. S. Geological Survey

Subject: Review of examination report

The applicant requests assistance to explore for cinnabar with 12 drill holes totalling 5,000 feet at a cost of $20,000.

The examining engineer recommends denial of the application pending clarification of property rights claimed by the applicant. The examining geologist recommends approval of the applicant's request to defer action pending completion of a topographic map, and selection of an exploration program. The Field Team does not comment on the recommendations of the examiners.

Complete appraisal of the application cannot be made until the required information is received. Proof of property rights to the ground in question is of primary importance. If this can be proven satisfactorily, a geologic and topographic map will be required to consider the merits of physical exploration. The geologic detail described in the examination report must be shown on plan maps and in cross-sections in order to plan a drilling program. Neither the sketch map in the examination report nor the map and cross-section accompanying the Field Team's final report on the DMEA project on the adjoining property (Buena Vista mine) is adequate for planning purposes.

The examining geologist states that the exploration target at the Evelyn prospect is the southeastward extension of a ribbon-like ore body exposed in the adjoining Buena Vista open pit. The ore body is described as having a near-horizontal apex at an altitude of about 1,425 feet and a width (slope distance on dip of ore body) of about 35 feet. This tabular mass presents a narrow target for inclined drill holes considering that the surface is nearly 200 feet above the apex of the ore body and that the ore body is reported to dip 70 degrees. The need for a topographic map, detailed geologic maps, and cross-sections in the vertical plane of the proposed drill holes is obvious.

I do not believe that vertical churn drill holes drilled in a row across the strike of the ore zone as suggested by the examiners would be a practical method to explore for the narrow target.

cc: OME (3)
Dir. Reading
Branch reading
HKirkemo/mm

Pennington, 3623
Chron. File
Docket file
G-MD-8-17-59

Harold Kirkemo

6038

6-993

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Report Nos.

REVIEW OF EXAMINATION REPORT

State California County San Luis Obispo Mineral products Mercury

Name of property Evelyn Prospect

Lessee ~~Owner~~ Owner H. F. Van Horn, et al Address 639 Market, Room 305, San Francisco, Calif.

~~Lessee or~~ Operator Raymond Todd Address 334 - 12th Street, Paso Robles, Calif.

Location Sec. 33, T. 26 S., R. 19 E., M.D.B. and M., Cellars mining District, San Luis Obispo County, California. (Fig. 1)

Examined by B.H. Sheahan and Jessie M. Smith Date July 1, 1959

Apparent quality of examination and report Good

Discussion and review: 1. In the area of proposed exploration the oldest rock exposed is a medium-bedded limestone 50 feet or more thick, which is overlain by a blue sandy mudstone about 50 feet thick containing lenses and layers of mudstone and dirty sandstone, which in turn is over-lain by thin-bedded limestone about 100 feet thick.
2. The ore body that is the basis for this application is being mined in the Biaggini pit, on the Buena Vista property about 150-400 feet northwest of the Evelyn ground. This ore body consists of pods and veinlets of cinnabar as much as an inch thick in marcasite in a fracture zone as much as 20 feet wide in the lower limestone along a fault that dips 45° to 70° east and strikes north to northwest where the fault coincides with the axis of the anticline. Several thousand tons have been mined that averaged about 18 pounds of mercury per ton.
3. There are no measured or inferred reserves on the Evelyn property, but the ore-controlling structures, i.e., the intersection of the fault and the axial plane of the anticline, can be projected into the Evelyn property with some assurance.

Copy to: H. E. Steger, U.S.G.S.
Regional Director, Region II
GS File

Reviewed by
OME OPERATING COMMITTEE

(date)

DATE	ACTION	BY

W. F. DIETRICH
Reviewed by

Date August 7, 1959

GPO 93-54658

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A SEATON, SECRETARY

EXTRA COPY
O. M. E.
RECEIVED 1959
DATE

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

OME-6038 (Mercury)
M. F. Van Horn, et al
Evelyn Prospect
San Luis Obispo County, California

by

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

Roscoe M. Smith
U. S. Geol. Survey

July 21, 1959

Reviewed by
OME OPERATING COMMITTEE

_____
(date)

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INTRODUCTION

Mr. M. F. Van Horn and partners, 625 Market Street, Room 205, San Francisco 5, California applied for Government assistance on a 40,000 program under the Office of Minerals Exploration, Docket OME-6036, to explore for mercury on the Evelyn prospect, San Luis Obispo County, California, on April 20, 1959.

The application was referred to the field May 4, 1959 pending receipt of additional information concerning the applicant's financial eligibility. The property was examined by B. H. Sheehan, U. S. Bureau of Mines and R. M. Smith, U. S. Geological Survey, on July 15-16, 1959, accompanied by Elio R. Giusti, the applicant's representative, and Wilfred Davis, Mr. Giusti's assistant.

The applicant proposes 5,000 feet of rotary drilling from 12 sites to explore for the possible southeast extension of an ore body discovered at the Buena Vista mine by H. J. Biaggini under DMEA-434[illegible], Idm-E 1020. Two samples were taken by the engineer and sketch map, Figure 2, was also prepared.

CONCLUSIONS

The engineer concludes that additional information concerning property rights claimed by the applicant are needed because they are not clearly expressed in his application. His representative, Elio R. Giusti, was advised that a map showing mineral lode claims together with recording data and field description is a necessary requirement of the OME. The land has some speculative mineral potential, however to date there is no known discovery on the applicant's leased area. Prospecting in the vicinity of the old adit and a two foot diameter oak tree indicated on sketch map, Figure 2, would be of some value. Prospecting on this part of the land would ordinarily require careful consideration of geologic structure.

The geologist concludes that there is a reasonable expectation of a significant discovery in the area of proposed exploration along the same ore control structures that localized the ore body in the Biaggini pit on the adjoining property. An exploration project conducted by experienced personnel in accordance with good mining practice is warranted.

RECOMMENDATIONS

The engineer recommends that exploration assistance as proposed by the applicant be denied because of the reasons expressed in the conclusions of this report.

The geologist recommends that the applicant's request to defer action on his application pending completion of a topographic map, the selection of an exploratory method, and estimation of its cost, be approved.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The property is in Sec. 33, T. 26 S., R. 10 E., M.D.B. and M at an altitude of 1,600 feet in the Santa Lucia Range, Salinas mining district, San Luis Obispo County, California. (Fig. 1)

To reach the prospect from Paso Robles, California, travel westerly on the paved Adelaida road 12.7 miles, turn left at intersection and follow Klau road 3.1 miles southwesterly to the Buena Vista mine, turn left and follow the Evelyn prospect access road 0.3 miles. The road to the Buena Vista mine is maintained by the county, and travel time by passenger car from Paso Robles averages one-half hour. Steep access roads on the prospects are muddy during stormy weather and are not passable.

Labor and supplies are available in the vicinity of Paso Robles. Water and electric power can be obtained in the near vicinity.

PROPERTY AND OWNERSHIP

The property consists of a portion of lots 1, 2, and 4 comprising 89.12 acres of agricultural patented land in Sec. 33, T.26 S., R.10E., MDBM, San Luis Obispo County, California. Surface rights are owned in simple fee by Raymond Dodd and wife, Evelyn C. Dodd, whose residence is 304 - 13th Street, Paso Robles, California. They believe that they own mineral rights, but have overlapped a part of lot 4 with lode mining claims. However, the applicant's representative was not familiar with these claims and a description is not included with the application.

An option agreement dated December 18, 1958 between the owners and M. F. Van Horn is included with this application. The partnership includes:

M. F. Van Horn	625 Market Street, Room 205, San Francisco, Calif.
G. H. Bragg	P. O. Box 1506, Fresno, California
E. H. Heller	100 Montgomery Street, San Francisco, California
J. J. Holverda	625 Market Street, Room 205, San Francisco, Calif.
Hugo Giri	1115 San Ysidro, Beverly Hills, California

HISTORY AND PRODUCTION

Cinnabar was discovered at the nearby Buena Vista quicksilver mine in 1874 and recent interest in the area was stimulated in1957 by the discovery of a rich mercury ore body toward the south east part of the Buena Vista property under contract Idm-E 1020, DMEA-4342.

There has been no known quicksilver production from the Evelyn prospect. An old adit indicated on the sketch map, Fig. 2, shows that some prospecting was done many years ago in this area.

In December 1958, the property was leased by the applicant and his associates. Some prospecting was done under supervision of Elio R. Giusti but results were unsatisfactory and a discovery was not made.

DEVELOPMENT

There are no development workings on the property.

Exploration prospecting work comprise several shallow open cut trenches, two rotary drill holes and one diamond drill hole. Results were unsatisfactory. Drill water has soaked into the soft sedimentary rocks and has caused some caving of the steep wall of the open pit on the adjoining property now being worked by Harold J. Biaggini.

Drilling proposed by the applicant along the bank would further endanger workmen in the pit because of seepage into the wall rock, and could become a very serious problem.

The applicant proposes to furnish his share of expenses in an exploration project. Equipment owned by Elio R. Giusti is suitable for prospecting work but it is inadequate for the work he has proposed.

GEOLOGY

Geologic Setting: (See Bailey's description in application report DMEA-3781)

In the area of proposed exploration (north half of lot 4) the oldest rock exposed is a medium-bedded limestone 50 feet or more thick, which is overlain by a blue sandy mudstone about 50 feet thick containing lenses and layers of mudstone and dirty sandstone, which in turn is overlain by thin-bedded limestone about 100 feet thick. All of the sedimentary rocks are units of the Monterey formation of Miocene age. 1/

The sedimentary rocks are folded in a slightly asymetric anticline whose limbs dip 10° - 80° and whose axis plunges about 20° northwest and coincides with the ridge (altitude 1,1614 feet) shown on the

1/ Taliaferro, N. L.: Adelaida quadrangle, Calif. Div. of Mines, 1948

applicant's geologic map. The axial plane dips steeply east or, in places, west. The rocks have also been cut by faults of a few feet reverse displacement which accentuate the anticlinal fold, and in places have resulted in small synclinal folds in the limbs of the anticline. The most apparent fault strikes northwest about parallel with the axis of the anticline, and dips steeply northeast, nearly parallel with the axial plane of the anticline. Where the fault cuts the sandy mudstone its trace is not apparent but the mudstone is either thinned or thickened. Elsewhere the fault is inconspicuous. In the adjoining Buena Vista pit where the fault coincides with the axis of the anticline the lower limestone is shattered and mineralized with marcasite and cinnabar.

Ore Deposits:

There are no ore minerals exposed on the Evelyn mine property although prospect adits on both sides of the 1,614 elevation hill is suggestive that cinnabar has been found.

The ore body that is the basis for this application is being mined in the Biaggini pit, on the Buena Vista property about 150-400 feet northwest of the Evelyn ground. This ore body consists of pods and veinlets of cinnabar as much as an inch thick in marcasite in a fracture zone as much as 20 feet wide in the lower limestone along a fault that dips 45° to 70° east and strikes north to northwest where the fault coincides with the axis of the anticline. The ore body has an underground apex which is nearly horizontal at an altitude of 1,425 feet. It has been mined about 250 feet along the strike to a depth of 25 feet (a dip length of about 35 feet) and for its full width which ranges from a few feet to 20 feet. Most of the ore that was mined was a mixture of iron oxide and cinnabar, but primary ore was found in

several places along the strike about 25 feet below the apex and 200 feet below the surface. Average grade of the oxidized ore is about 18 pounds of mercury per ton, but ore containing as much as 600 pounds per ton was found. Near the most northerly exposure of the ore body its apex is in the crest of the anticline near the top of the lower limestone where the overlying mudstone appears to be an "alta", but at the most southerly exposure, while the apex is along the crest of the anticline, the apex is about 50 feet below the mudstone, and here the localization of the ore body appears to be entirely the result of permeability due to faults and folds. Where the ore body is close to the sandy mudstone a thick blue gouge occupies the footwall side of the ore. In this locality also, a little cinnabar (2 to 6 pounds of mercury per ton) is found in the sandy mudstone for about 10 feet into the footwall of the ore body. Several 10's of tons of this "sandstone" ore has been mined. The most southerly 50 feet of the ore body (near the face of the pit) dips 70° northeast and strikes N 70° W along the trend of the anticline, which farther north dips 45° E and strikes about N 15° W. This change in dip and strike implies that the ore may not persist to the southeast into the Evelyn property although the ore body is reported to be 10 feet wide along this most southerly segment. It is now covered by waste from stripping.

Other ore bodies in the Buena Vista mine range in size from small pods to bodies containing 10,000 tons. The grade of the ore mined ranged from 5 to 15 pounds of mercury per ton.

Ore Reserves:

There are no measured or indicated reserves on the Evelyn property.

The applicant infers that the Biaggini ore body persists into

the Evelyn property but this inference requires that the ore body now known to be the largest in the district is at least twice as large as any other. While this is by no means impossible, the inference is unwarranted. The inference is warranted, however, that one or more additional ore bodies may be found along the intersection of the fault and the axial plane of the anticline. Both of these ore-control structures can be projected into the Evelyn property with some assurance. If an ore body of average size and grade is found in the area of proposed exploration it may be expected to contain about 6,000 tons averaging 5 to 18 pounds of mercury per ton in a body 100 feet long, 50 feet down the dip, and 10 feet thick.

EXPLORATION

Applicant's proposal:

The applicant proposed to explore the projected position of the Biaggini ore body with 18 vertical AX diamond drill holes. The first of these has been drilled 50 feet deep about 30 feet from the upper edge of the pit but drilling has been discontinued because drill water is issuing from the pit face causing it to slough. The little core and sludge recovered from this hole was discarded.

The applicant also is considering exploration by several underground methods; a vertical shaft, an inclined shaft, and a crosscut adit from either the north or south side of the 1,614 hill, supplemented by a winze and by underground diamond drilling.

Examiners' proposal:

Because the top of the pit is at the Evelyn property line, and the pit face is 215 feet high and about 190 feet above the apex of the ore body, exploration on the Evelyn property could be conducted most effectively by underground methods from the Biaggini pit. Cooperation between the lessees is unlikely, however, so long as ore is in sight

for one but not for the other.

The examiners suggested a series of several inclined NX diamond drill holes to cut the ore zone from the hanging wall side at intervals of about 50 feet in the primary (marcasite) zone which should core well. We suggested also that a row of vertical churn drill holes be drilled across the strike of the zone about 100 feet from the property line, but pointed out that vertical holes to explore a steeply dipping vein are less effective than holes nearly normal to the vein. We suggested also that all core and sludge be saved and adequately labeled.

At a conference July 20th, the applicant's representative, J. M. Van Horn, requested that the application be held in abeyance pending the completion of a topographic map that is in the early stages of preparation. From the map the several exploration methods can be appraised and their costs estimated.

Sampling

Two samples were taken from the property by the engineer. Sample locations are indicated on attached map, Fig. 2.

Sample No.	#/Ton Hg.	Description
S-854	0.1	Small grab sample of dried Rotary drill sludge from the 400 foot hole.
S-855	0.1	Two inch length piece of AX drill core. Sandy limestone from interval between 35 feet and 50 foot depth.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6038
(Mercury)

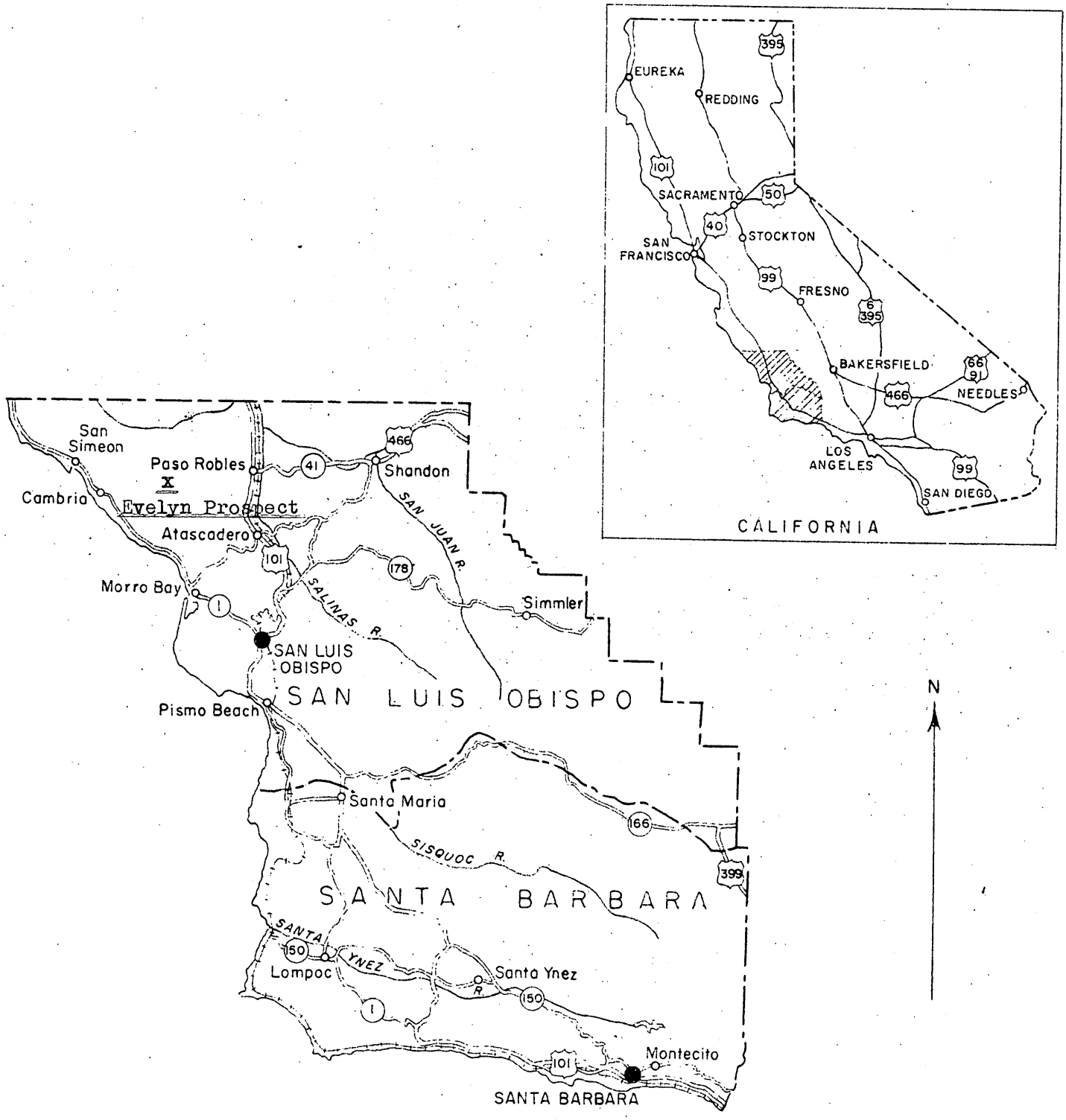
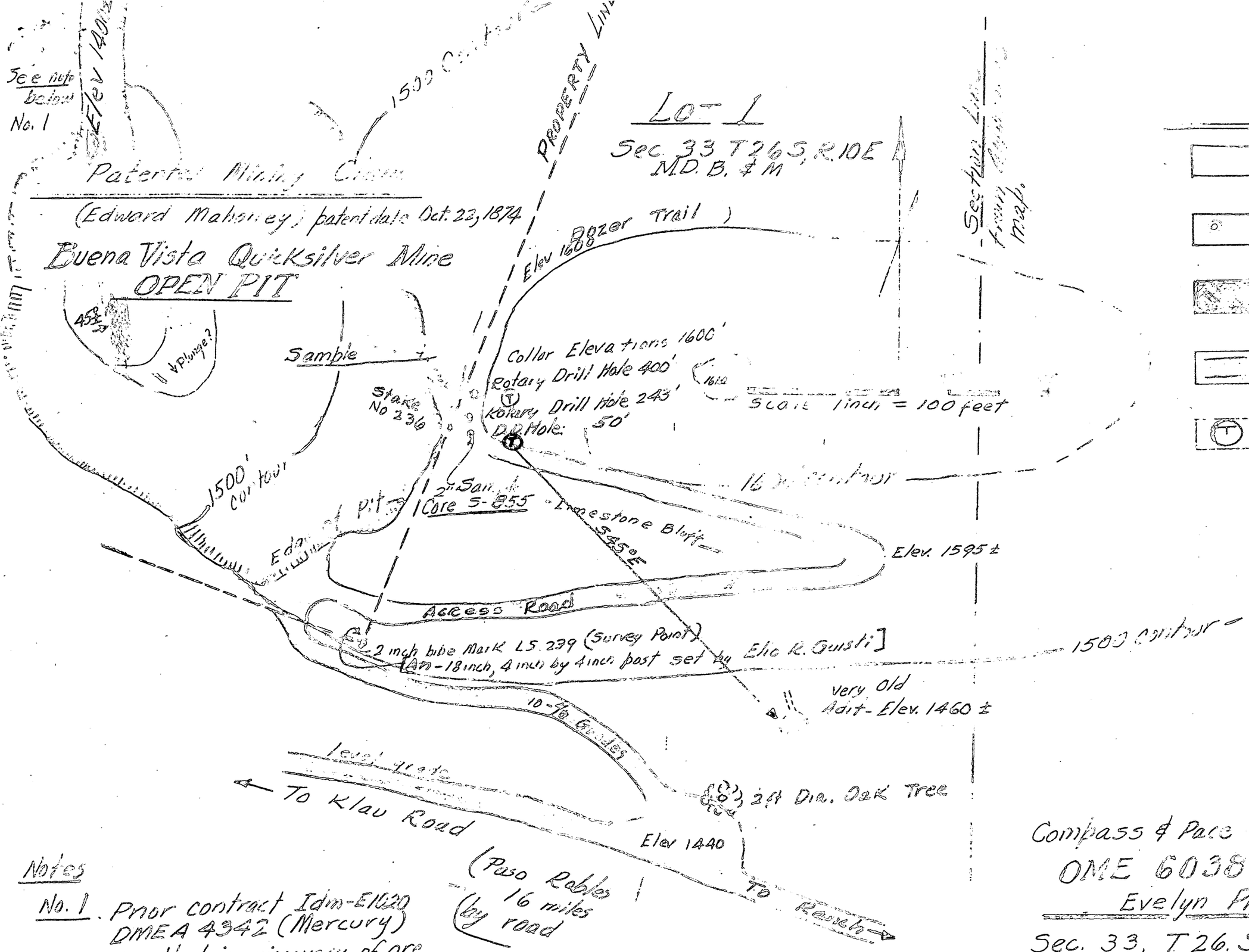


Figure. 1. INDEX MAP OF SAN LUIS OBISPO AND SANTA BARBARA COUNTIES, CALIFORNIA

0 20 40 60 Miles



Compass & Pace Sketch Map
OME 6038 (Mercury)
Evelyn Prospect

Sec. 33, T26.S, R.10E, M.D.B.&M.
Salinas Mining District
San Luis Obispo County, California
Benjamin [illegible] April 1959

Notes

No. 1. Prior contract Idm-E1020 DMEA 4342 (Mercury) resulted in discovery of ore

No 2 Error of closure 30'± on roads horizontal. Datum from inspection of topography sheet

March 23, 1960
Re: OME 6038 (Mercury)
M. F. Van Horn, et al
Evelyn Prospect
San Luis Obispo Co., Calif.

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: Harold Kirkham, U. S. Geological Survey

Subject: Review of revised application for exploration assistance

The Applicant proposes drilling 8 holes totalling 2,750 feet from three benches located about 700 feet northeast of the Buena Vista open pit (Biaggini ore body) from which rich mercury ore has been produced.

Ten holes ranging up to 156½ feet in depth have been drilled from the surface by the Applicant in the area where he proposes the additional drilling. The results of this work were inconclusive. Tight folds in sedimentary rocks and a complex fault pattern were indicated by the drill holes and surface excavations. Considerable marcasite and traces of cinnabar were found but no ore grade material was cut. There are no specific geologic guides to assist in planning the proposed drill holes. Elevation of the collars, depth of individual holes, and the exploration targets are not indicated on the maps and sections submitted with the application. Proposed drill hole No. 17 is only 12 feet from drill hole No. 10 which was drilled to a depth of 110 feet and did not intersect ore.

The general target of the proposed 8 holes is the extension of ore from the Buena Vista property. The information submitted does not provide a clue as to the ore body or geologic structure sought with the drill holes. The area is too far removed from the Biaggini orebody and the geology is too complex to expect to intersect an extension of this orebody. The best that can be expected is the chance discovery of a hidden orebody.

I doubt that adequate guidance can be provided the proposed drilling project by the information submitted by the Applicant. Perhaps the Field Team is of the opinion that the chance of finding an orebody similar to the Bimaggini orebody is worth wild-cat exploration into a complex geologic structure.

The Field Team may have some detailed information about this property that has not been sent to Washington. If so, its recommendation to drill the proposed holes has better justification than is provided by the Applicant's data.

Harold Kirkham

cc: GMR (3)
J. W. Pennington
Director's reading
Branch reading
Chron. file
Docket file
HKirkham/mm
G-MD-3-13-60

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
555 Battery Street
San Francisco 11, California

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O. M. E
RECEIVED MAR 17 1960
DATE | IN | CODE

March 4, 1960

Memorandum

To: Chairman, Operating Committee, OME, Washington, D. C.

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. OME-6038 (Mercury)
M. F. Van Horn, et al
Evelyn Prospect
San Luis Obispo County, California

Reference is made to your letter of February 26, 1960 relative to exploration drilling on the subject property.

The Field Team considers the applicant's proposal to drill eight (8) holes, approximately as located on the revised map, are justified because of the probability of projecting the ore-controlling structures of the adjoining Buena Vista mine into the Evelyn property and from moderate mineralization previously discovered in drill holes extended by the applicant.

Therefore the drilling of holes Nos. 14-21 is recommended. This matter was again discussed today with Mr. Elio Giusti, Consulting Geologist to the operator. Mr. Giusti now estimates the cost of such a program as follows:

2,250 feet of Rotary drilling at $3.00 per foot	$ 6,750.
300 feet of diamond drilling in leached zones at $7.50/foot	2,250.
200 feet of diamond drilling in hard marcasite ore at $12/ft.	2,400.
2,750 feet	
Supervision, engineering and geological services at $600 a month	3,600
Total Cost	$15,000.
Government participation at 50 percent	$ 7,500.

Estimated period for completion: 6 months.

Mr. Giusti obtained the estimated drilling costs in the leached material and the hard, marcasite ore zones from actual costs incurred in drilling the Buena Vista mine ore body.

W. F. Dietrich

Copy to: H. K. Stager, U.S.G.S.
OME File

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

JUL 21 1960

Memorandum

To: Acting Field Officer, Region II

From: Chief, Division of Field Operations

Subject: GMK-6038 (Mercury)
M. F. Van Horn, et al.
Evelyn Prospect
San Luis Obispo County, California

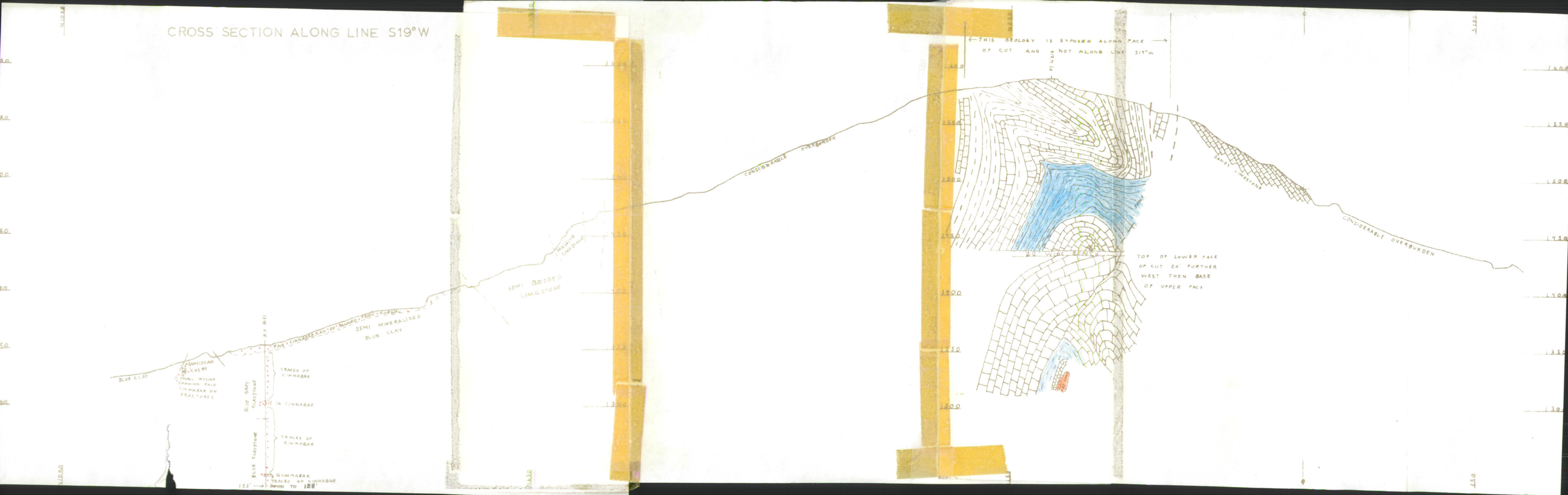
Please advise whether you have received the executed performance bond from the Applicant or any reply from the M-F Insurance Agency, Inc., concerning the bond for the above-cited project, as noted in the insurance company's letter to you of June 17 and your reply of June 21, 1960, copies of which you forwarded to us.

George C. Selfridge

SPHolt/gla
7-20-60
cc to: Director's Reading File
Review Committee
Harold Kirkemo, USGS
Docket
Chron

P.S. Reference is made to your letter of June 21, 1960, to Mr. Lloyd S. Caldwell--James A. Scruggs, M. F. Insurance Agency, Inc., relating to Standard Form 25. Ordinarily we do not require more than two copies of the executed bond, one for the Government's copy and one for the Fiscal Section's copy of the contract.

CROSS SECTION ALONG LINE S19°W



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RECEIVED JAN 25 '00

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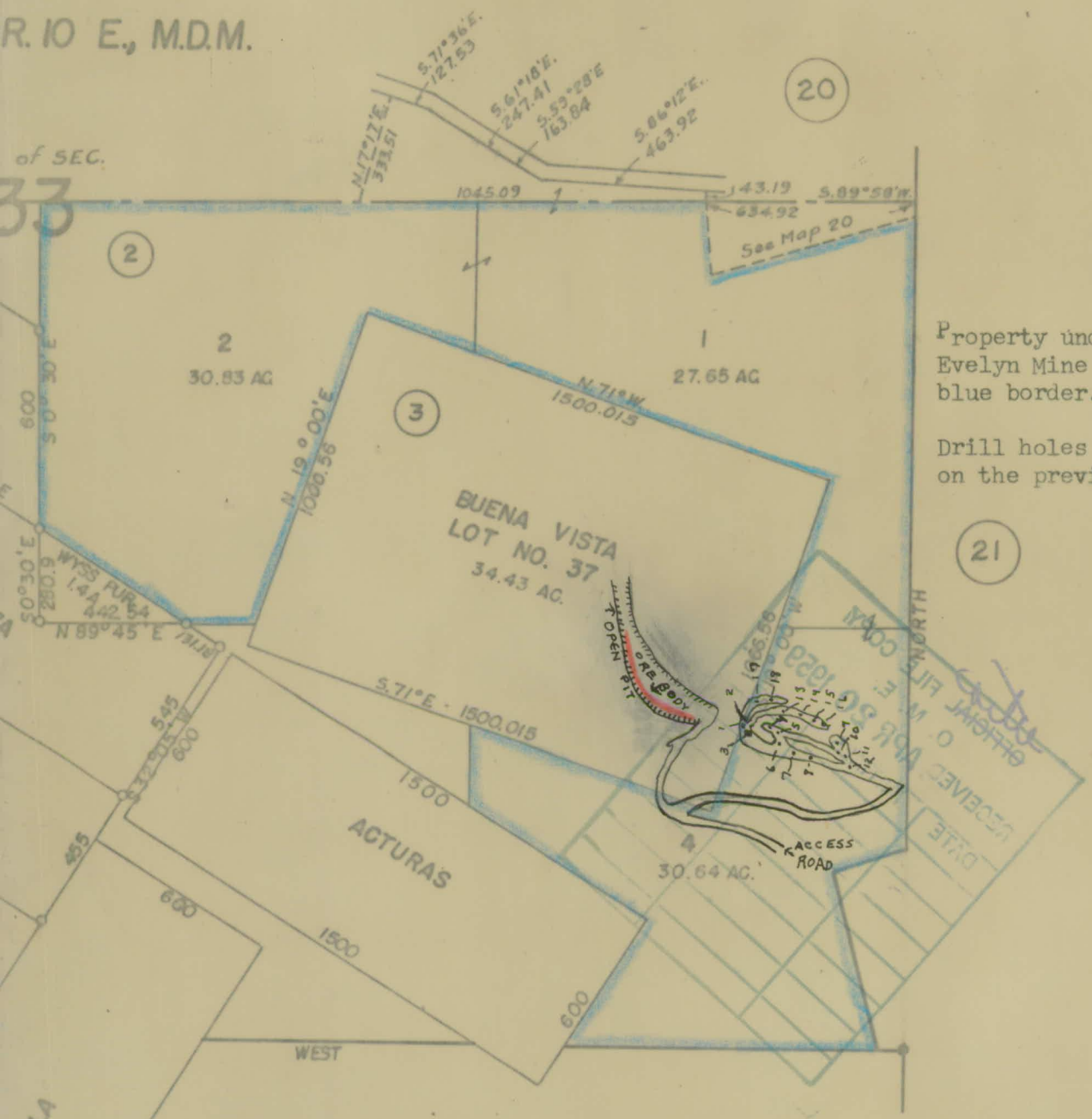


Property under lease by Evelyn Mine outlined by blue border.

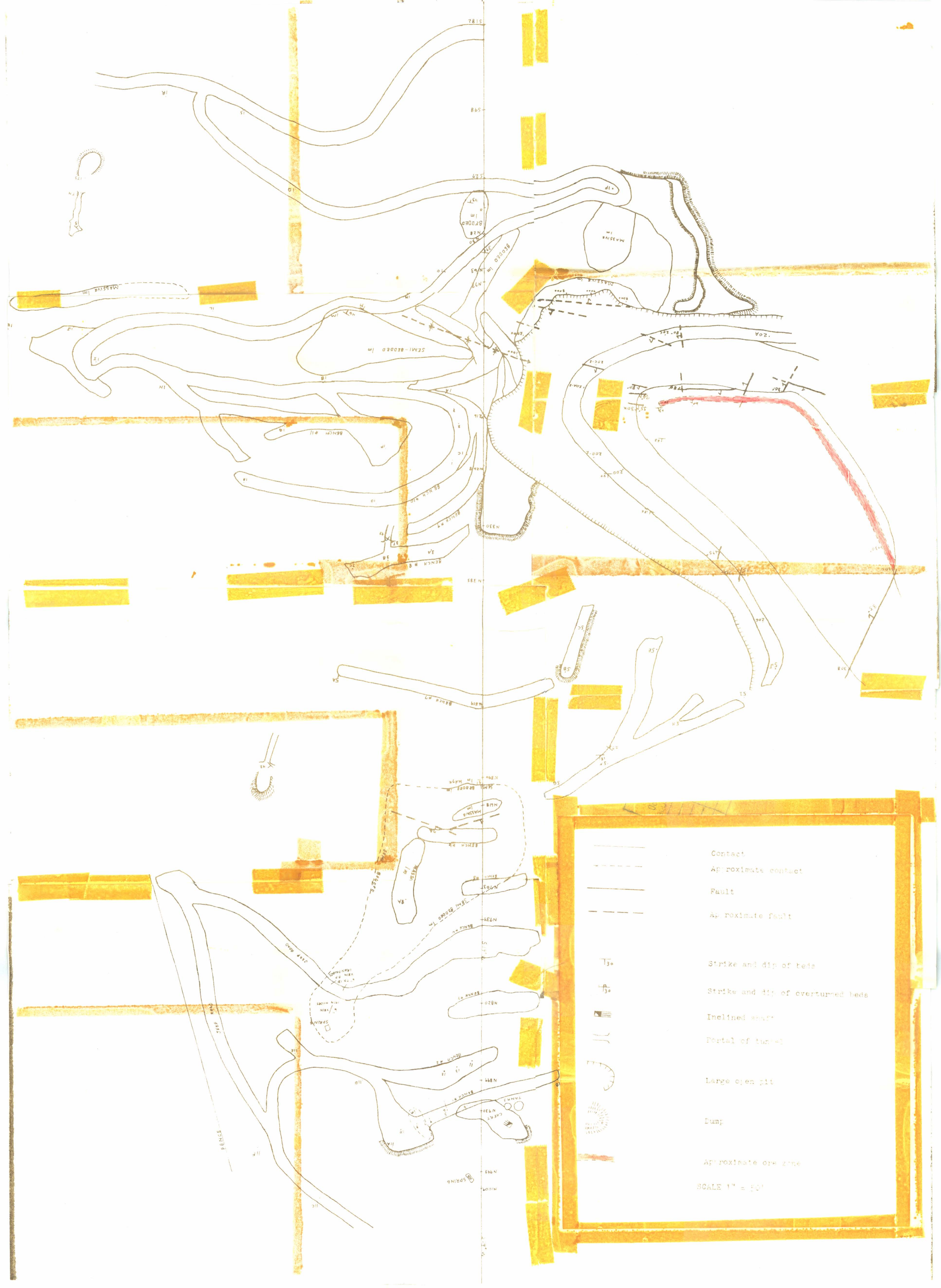
Drill holes are described on the previous pages.

NOTE-THE INFORMATION SHOWN ON THIS MAP WAS TAKEN FROM A PLAT COMPILED FROM GENERAL LAND OFFICE SECTION AND PATENT SURVEY NOTES, PROPERTY DEED, TITLE INSURANCE POLICY & LOCATION NOTICES. PLAT OBTAINED FROM H.W. GOULD & CO., 1000 MILLS BLDG, SAN FRANCISCO.

ASSESSOR'S BLOCK & LOT NUMBERS SHOW IN CIRCLES

SAN LUIS OBISPO COUNTY
CALIFORNIA

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 20 1959
DATE


Contact
Approximate contact
Fault
Approximate fault
Strike and dip of beds
Strike and dip of overturned beds
Inclined shaft
Portal of tunnel
Large open pit
Dump
Approximate ore zone
SCALE 1" = 50'
CAMP ROAD
FENCE
SPRING
CHEST
TANK
BENCH #1
BENCH #2
BENCH #3
BENCH #4
BENCH #5
BENCH #6
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BENCH #9
BENCH #10
BENCH #11
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N527
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