JAN 26 1960

Owensville Mining Association
c/o Mr. Owen O. Roberts
3711 The Alameda
Menlo Park, California

Re: Docket No. DMS-6070 (Manganese)
Owensville Mining Association
Owensville No. 9 and McKessick
No. 1 claims
Lassen County, California

Gentlemen:

We have carefully reviewed all of the information contained in your application for financial assistance in minerals exploration on your property without finding sufficient merit to warrant a field examination.

The mineral occurrence described comprises primarily an iron ore high in silica and titanium and very low in manganese. Being dominantly iron ore, it is not eligible for exploration assistance under the OMS program as iron is not included in the list of eligible minerals or mineral products.

In addition, the individual costs of your proposed program are quite disproportionate. The actual drilling cost is but a fraction of the total cost, most of which is for the construction of an access road.

Under the circumstances, we regret that we have no alternative but to deny your application.

Sincerely yours,

Frank E. Johnson

Acting Director

SFHolt/GCHalfridge/fw-1/26/60
cc: Docket
Dir.Read.File
G.L.DeHaff, USBM
H.Kirkham, USGS
FT Reg. IX (2) w/2 cys each USBM memo and USGS memo, both dated 1/8/60, ~~and copies of applications~~
Operating Com'te
Code 508
Chron.

January 8, 1960
OSE 6970 (Manganese)
Greenville Mining Association
Greenville No. 9 and McMaster
No. 1 claims
Lassen County, California

Memorandum

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

From: Harald Kirkham, U. S. Geological Survey

Subject: Review of application for exploration assistance

The applicant proposes a project costing $24,000 to explore a vaguely described manganese deposit on one of the claims. Of this amount, about 50 percent would be spent for construction of an access road, 48 percent for operating materials, supplies and supervision, and about 2 percent for exploratory drilling. The applicant states that exposures in cuts along the access road are expected to show some considerable reserves of iron ore.

The claims were filed as placer claims for uranium and/or other minerals. Since the OSE application was prepared in September, 1959, the applicant has located a lode claim on a mineralized area within one of the placer claims. The spectrographic analyses of samples from the property show a range of 0.03 to 3 percent in manganese content. If these figures represent the average grade of the deposit, exploration to find additional quantities of similar material is not warranted. Efforts by Mr. Stager to obtain more complete supporting information from the applicant have failed.

In view of the low tenor of the mineralized material on the property, the improbability of finding better grade material, and the extensive non-exploratory nature of the proposed program I concur with Messrs. Dietrich and Stager in recommending denial of the application without field examination.

Harald Kirkham

cc: OSE (3)
G. L. DeHart, 3591
Director's reading
Branch reading
Chron. file
Docket file

HKirkham/mh
G-MD: 1/8/60

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42–R1368
Approval expires Dec. 31, 1963

# 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.)*

Owensville Mining Association
c/o Owen O. Roberts
3711 Alameda
Menlo Park, California

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME-6070

DATE RECEIVED: 1-5-60

REGION: II

DIVISION CODE: 500

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM WAS ORGANIZED: Calif.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

| NAME | ADDRESS | TITLE |
|---|---|---|
| Owen O. Roberts | 3711 Alameda de los Pulgas<br>Menlo Park, California | President |
| David O. Roberts | Apt. 101, 1585 Beach St.<br>San Francisco, California | Sec'y.-Treas. |

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

ESTIMATED COST OF PROJECT $ 15,000.

| PROPERTY NAME | LOCATION COUNTY | STATE |
|---|---|---|
| Owensville # 9 | Lassen | California |
| McKessick # 1 | Lassen | 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.

9-17-59
DATED

Owen O. Roberts
BY *(Signature)*

Pres Owensville Mining Association
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

APPLICATION FOR FINANCIAL ASSISTANCE
IN MINERAL EXPLORATION

October 19, 1959

APPLICANT: Owen O. Roberts, Pres. Owensville Mining Assocation.

1. Financial Eligibility

(a) Declinations of credit were previously forwarded by two Banks as required.

(b) Two claims later described on the accompanying maps were originally filed by Owensville Mining Assocation. On June 12, 1959 these claims were transferred to Owen O. Roberts, the applicant, by a meeting of the Association, minutes of which are affixed hereto.

(c) I plan to furnish my share of the exploration cost in the following manner:

(1) By furnishing the following machinery, Equipment, etc.:

| | |
|---|---|
| Dodge '46 Power Wagon w/winch valued @ | $ 1 400.00 |
| Jeep Willys (used) | 1 000.00 |
| Jack Hammer & Drills | 500.00 |
| Trailer | 100.00 |
| Meters, New Generator & Pump (80 gals. per minute capacity) and necessary piping to provide adequate water supply a distance of some 500 yards | 1 000.00 |
| Total Machinery & Equipment | $ 4 000.00 |

(11.) By furnishing administrative services over a period of two years as follows:

| | | |
|---|---|---|
| Accounting and records | $ 2 000.00 | |
| Supervision of Building of Road | 1 000.00 | |
| Supervision of Mining operation | 1 000.00 | |
| Total Services to be furnished | | 4 000.00 |
| Total Share of cost furnished | | $ 8 000.00 |

The fact that I am licensed as a public accountant and am presently completing studies for Industrial Engineer, qualifies me for this work.

2. Applicant's Rights in Land

I am the sole owner of two mining claims comprising 160 acres each, transferred June 12, 1959 to me by Owensville Mining Association by the accompanying minutes. The claims have no liens, mortgages or other encumbrances against them and are recorded in the records of Lassen County, State of California in Volume N, pages 309 and 311 under date of November 22, 1955. Affidavits of annual proof of labor have been filed each year together with statement of discovery work having been performed.

Claims are described as follows:

McKessick #1 - T 26N, R 15E, Lassen Co. MDB & M
The N.W. ¼ of the N.W.¼ of Section # 13
The West ½ of the S.E.¼ of Section # 11
The N E ¼ of the N.E.¼ of Section # 14

Owensville # 9, known as McKessick # 2
T 26N, R 15E, Lassen Co. MDB & M comprising the entire S.W. ¼ of Section # 24.

The above claims were originally filed for Uranium and or other minerals. The latter one, clearly marked on all maps as McKessick Peak, contains a substantial deposit of Hematite and a considerable amount of Lava. Manganese shows up in very good percentages on our spectographic assays. The former claim "McKessick # 1" is situated at the foothill of the mountain and will serve as an access route and possible milling site in the future.

3. Physical Description

(a) The accompanying map marked "Exhibit 1" shows where our exploration and blasting operations have thus far been concentrated. Since large outcroppings of both Lava stone and Hematitic iron ore are present on the surface and open face ledges extending some 50 or 60 feet in height, blasting has served our purposes for testing thus far. These operations were curtailed this past summer because of notice received from the Federal Forest Rangers, that too great a fire hazard existed for blasting to be permitted.

(b) My personal interest in the above operations were limited to my interest in the Owensville Mining Association which is approximately a one half interest. Blasting, exploration and other activities are conducted under my supervision.

(c) There has been no production to date. Operations have been limited to sampling and exploration.

(d) Iron ore reserves, containing a considerable percentage of manganese are considerable on the surface but expected to increase at greater depth. Assay certificates are annexed hereto.

(e) Deposit is an outcropping as it appears on the surface and continues at depth into the ground. Formations in the surrounding area were laid during the "Tertiary" age.

(f) Only a small portion of the proposed "exploration" area has been sampled so far but assays made from ore on surface and blasted out are highly encouraging.

(g) Geological maps are not available at this time.

4. Accessibility of Property

(a) The property is almost totally inaccessible at this time. Both from the standpoint of exploration and production, it is not accessible. Either of these mining operations require access from Highway 395 which is about 1/8 of a mile from my claim at the foothills known as McKessick #1. A 3,000 foot sharp incline takes you to McKessick Peak where the deposit is located. This requires a road being built for some two miles which would ultimately go through to the Little Last Chance Valley Road where the dams are now contemplated by the State of California.

The only way to reach the property is to proceed northward from Chilcoot (off Highway Alternate 40) on a road marked "impassable" - proceed at your own risk" for about 14 miles until you pass a small marker at the side of the road which reads "Bird Creek". Turn right at the sign or eastward and the ruts or jeep trail lead some 2 miles on to McKessick Peak. Four wheel drive is essential to get there.

The above road may also be joined by taking Highway # 395 to Doyle and turning left at Buck's Inn. About 3½ miles up the road you will come to the cabin of Owensville Mining Association. I plan to be there before sundown on October 29 and will put anyone up overnight and take them to the property on any of the following 3 days.

Should this not be convenient, proceed up the road, which is the Willow Ranch Road past the Meadow View Ranger Station to the turnstiles in the road. This is the road to Laufman Ranger Station known as the "Little Last Chance Valley Road", and continue to Bird Creek then right to McKessick Peak.

(b) The nearest shipping and supply point from the property is Herlong, where Sierra Ordnance Depot is located. This is a distance of only 4 miles from the foothills of McKessick Peak and has a railway freight station.

5. Exploration Work

(a) Almost at the Western fork of the road leading from McKessick Peak is located a manganese mine situated in Plumas County and marked on page 3 of the California Mineral Information Service issue of January 1, 1959. It is located between 2 copper mines at the North Eastern corner of the map.

The deposit is located in about the center of the Eastern boundary of our McKessick # 2 claim and the bed of ore is about a quarter mile in circumference, rising some 30 feet from the ground on the West side and 60 to 80 feet on the East side where the mountain drops downward. This is where we will explore for manganese ore.

(b) The road is starting at a short service road now connecting with Highway 395. From the West end of the service road it will continue along our foothill claims (McKessick # 1) to the N.W. ¼ of the N.W. ¼ of Section 13, T26N - R15E MDB & M. (This portion has already been contracted.) From the latter point it will rise in a zigzag fashion up the canyon for a length of some 2 to 3 miles, to the plateau adjoining our deposit which is an excellent location for a mining operation.

The surface is now granite and decomposed granite so no hard surfacing will be required for some time. Moreover, we have adequate lava adjoining our iron deposit which can be used for surfacing if needed.

(c) If a contract is granted, work will commence as soon as the weather permits the use of heavy equipment. I plan to reach the peak during the summer of 1960. While the road is being built, we will haul a compressor up from the back valley road and proceed with our blasting operations from the early spring of 1960 through the summer months at least.

6. Experience

Having first got my feet on the ground in Kendall, Montana, (then a thriving gold-mining town, boasting 2 operating gold mines under the direction of Herbert Lang, one of the first engineers to use the cyanide method of extraction) my environment developed an early interest in mining. Kendall, however, soon became a ghost town.

Later on, I went into the coal business and conducted a successful operation in Toronto, Canada for some 5 years.

Mrs. Herbert Lang, whose husband is referred to above, is an honorary member of our mining association and has given me a great deal of help and particularly encouragement during the past 5 years since we first started our own association.

I personally prospected our properties and have supervised the erection of our cabin, improvements, construction of some 5 miles of jeep trails which are all still fully accessible and all assessment work and other mining activities. Since I am presently completing a course in Industrial Engineering for which I will receive a certificate, I feel well qualified to supervise the operations outlined above, particularly, since a high percentage of the work will be done under contract.

In addition to the above, have taken 2 semesters in Mineralogy and Rock identification in a class conducted by one of the geologists on the faculty of Stanford University.

7. Estimate of Costs

(a) We are unable to get a binding commitment for contracting the construction of the road as yet, which is generally estimated in the neighborhood of $ 5 000.00. There are practically no excavating contractors to choose from in the area. This work will have to be done on a time and material basis but we have a verbal agreement that it will not exceed $ 4 000.00. Any costs over and above this figure will be for surfacing after the dirt road is completed at a cost of $ 250.00, if we do it ourselves.

7. Estimate of Costs - cont'd.

Drilling is done at $ 2.00 per foot by all reputable drillers in the area and we do not plan to drill more than 250 feet unless results obtained warrant further drilling.

| | | |
|---|---|---|
| (a) Total cost related to independent contractors | | $ 4 750.00 |
| (b) Personal services (estimated) | | |
| Mining Engineer (including assaying) | | 500.00 |
| Geologist | | 500.00 |
| Labor (est. of 220 hrs. @ $2.00 per hr. unskilled) plus payroll taxes & comp. ins. @ 14% or $ 60.00 | | 500.00 |
| Administrative | | |
| Accounting & records ( 2 years) | $ 2 000. | |
| Supervision of road construction | 1 000. | |
| " " mining exploration | 1 000. | 4 000.00 |
| (c) Operating Materials & Supplies (estimated) | | |
| Gasoline & Oil (1 000 gl. gas; 10 gal oil) | $ 350. | |
| Small tools (costing less than $ 50. ea.) | 150. | 500.00 |
| (d) Operating Equipment | | |
| Furnished by applicant (all in excellent condition) | | |
| Dodge Power Wagon w/winch | $ 1 400. | |
| Jeep (Willys) | 1 000. | |
| Jack Hammer, drills, block&tackle | 500. | |
| Trailer | 100. | |
| Misc. motors, generator & jacks, pumps and various tools and piping | 1 000. | 4 000.00 |
| Rental Equipment | | |
| Compressor (5 mos. @ $150. mo.) | | 750.00 |
| (e) Initial Rehabilitation and Repairs | | |
| Cabin of Owensville Mining Association which is new and in good repair will be used as living quarters - no repairs required. | | |
| (f) New Buildings | | |
| A tool house will be required at the property and water will need to be run in to our present cabin. Total cost of this will not exceed | | 500.00 |
| Total expenditure (estimated) | | $ 16 000.00 |

(g) Since no provision has been made for repairs on equipment operated, it is planned to take in additional capital to provide for this and for additional exploration work not included above. Estimates would only be a guess at best in this regard.

Perhaps a more realistic figure would be $ 20 000.00 rather than $ 16 000.00 as originally proposed. In event you agree with this, the loan applied for would be $ 10 000.00 and either I would furnish a like amount or interest someone else in furnishing additional capital of $ 2 000.00 or more if possible.

We presently carry Workmen's Compensation insurance with a minimum premium of (estimated) subject to payroll audit $ 35.00
Vandalism & malicious mischief on cabin-Owensville Mining 3 500.00
Fire insurance on cabin 3 500.00
Liability insurance (O.L.& T. policy) $200/500 000. limits

It is understood that no re-imbursement is to be made for the above with the exception of Workmen's Compensation insurance for which we will require a new policy in any event to cover this operation.

Owen O. Roberts

REPORT ON OPERATIONS OF OWENSVILLE MINING ASSOCIATION

TO DATE OF SEPTEMBER 11, 1959

TO THE MEMBERS:

The enclosed copy of the minutes of the last meeting held will advise absent members of the result of the last meeting.

My purpose in taking over the McKessick Peak property is to facilitate mining operations, there. In this connection, since claims are held in the Association name, it may be necessary that the contemplated Federal loan be negotiated in the name of the Assocation. In addition, further claims may have to be filed there to protect my interest and it will be necessary that the Association permit the filing of additional claims.

Operations for the past year have been carried out as planned but heavy advances have been required on my part in order to complete these plans for the cabin claims.

Our membership is not up to the required number at present and we are in need of an additional member, preferably one with mining experience.

It will not be possible for me to make further advances in connection with the cabin claims so we should all strive to obtain additional capital contributions to defray necessary expense in this respect.

In order to bring in water and have conveniences inside, we have added a 10½'x15' extension and a 10½'x20' garage which can be converted into living quarters if required. The former addition is for a bathroom and kitchen and the drains have already been dug. Labor has been employed for the digging and removal of the building to provide a roof for the additions.

The new building is not yet closed in but I plan to go up before the hunting season next week and try to get it closed up. Any volunteers in this connection can reduce our need of employing additional help. At the same time, I expect to have the affidavits completed in order that we may proceed with obtaining patent to the property.

As soon as I return, a meeting will be arranged and it is hoped that all members will be present if at all possible. It might also be adviseable to discuss the election of new officers at this meeting.

Owen Roberts
President

MINUTES OF MEETING OF THE OWENSVILLE MINING ASSOCIATION

DATE: June 12, 1959
TIME: 9.10 P. M.
PLACE: 3711 Alameda, Menlo Park, California

Members in attendance: Owen Roberts, David Roberts and August Loeffel

The meeting was opened on a informal basis.

The methods and requirements of patenting the Placer (Association) claims were outlined to the members.

A question was asked concerning individual status of changing the assocation holdings regarding the cabin and McKessic Peak sites, in relation to dollar investments and possible returns.

The question was asked if members would relinquish McKessic Peak holdings on a pro-rata interest basis for increased cabin site holdings. This was further elaborated on and members present were in agreement with such a proposal. Specific outlines will follow, but approval was given to Owen Roberts to effect the transfer in his name.

Attorneys' progress to date regarding application of patenting cabin site claims was discussed. Further progress is halted until disinterested parties affidavits re dollar value of improvements are obtained.

Attending members verified that John Wilson (June 1958 meeting) was to be given a membership in the association. This membership is being given him in consideration of his legal services in the application for patents of some 5 to 7 claims in the cabin site area. The assessment dues through the fiscal year ending June 30, 1959, are acknowledged to be fully paid in consideration of this service.

The minutes were read. August Loeffel moved that the minutes be approved as written and the motion was seconded by Owen Roberts.

It was then moved and seconded that the meeting be adjourned.

David O. Roberts
Secretary-Treasurer

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

EXTRA COPY
O. M. E
RECEIVED JAN 5 1960
DATE | INITIALS | CODE

December 23, 1959

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Owensville Mining Association (Manganese), Lassen County, California

Enclosed are three copies of an application for financial assistance submitted by Mr. Owen O. Roberts, 3711 The Alameda, Menlo Park, California. We also enclose copies of a letter dated October 22, 1959 from H. K. Stager, Geologist, U.S.G.S., relative to the application.

The scope and cost of the proposed road work appear entirely out of proportion in their relation to the vague description of a possible manganese deposit.

I recommend the application be denied, without prejudice to the property, and without a field examination.

W. F. Dietrich

Attachments

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

OWEN O. ROBERTS
TAX ACCOUNTANT
3711 THE ALAMEDA · MENLO PARK, CALIFORNIA
DAVENPORT 5-6979

DEC 1959
BUREAU OF MINES
DIVISION OF
MINERAL RESOURCES
REGION 11

December 15, 1959

Mr. W. F. Dietrich, Executive Officer
OME Field Team Region 11,
U.S. Department of the Interior, OME
555 Battery Street
San Francisco 11, California

Dear Mr. Dietrich: re application for Federal assistance (30CFR-Chap 30)

Your letter of October 27 left me with much to do regarding the above application and the following information may be helpful to you.

Regarding request for credit from American Trust Company, Palo Alto Office, this was made wholly for a loan of $ 8 000.00 with no collateral offered other than my claims. Banks will not loan on this type of security as you probably knew, however I am sending four copies of my request to Wells Fargo Bank which was also for an $ 8 000.00 loan. If you don't mind, I would prefer not to re-open this subject with American Trust Company because letters declining credit, which could not reasonably be expected to be granted anyway, have an injuring effect on my own credit which I must maintain in order to operate my accounting practice.

1 (c) Since you do not advance funds against Equipment owned, it will be necessary for me to sell an interest in the operation to either one or two others. Arrangements have been made to sell such interest for a sum of $ 7 000.00 to $ 12 000.00, depending on whether one or two persons join in the venture. My contribution will be $ 4 800.00 made up of Services $ 4 000.00 as outlined and depreciation on Equipment of at least $ 800.00 for one full year. This would provide at least $ 11 800.00 or one half.

5 (a) Since submitting my application, I have filed a lode claim in the center of the Eastern boundary of my McKessick # 2 placer calim, copy of which location notice is attached, also maps showing location of my claims.

I propose to conduct extensive blasting operations as the outcropping of iron ore makes this less costly than drilling. At least one drill hole will be sunk to a depth of 250 feet or various holes will be drilled if faults encountered make the cost prhoibitive at one location.

The exploration on this claim will be concentrated where the outcropping on the lode claim appears. In addition to this, since some 45 000 yards of rock and earth must be moved on the side of the mountain between my two placer claims, conside rable exploration will be accomplished in conjunction with the building of the road up the side of the mountain.

7. Estimated Costs Since submitting the original application, these costs have been reviewed and it has been ascertained our previous figures are far too low.
(a) Independent Contractors After submitting details of the road project to a contracting and engineering firm for further study, they determine that some 45 000 cu yards of earth and rock must be bulldozed to maintain a satisfactory rise or grade up the mountain. The minimum cost for this is .20¢ per yard or $ 9 000.00 and if a contract is required the cost would have to be in excess of $ 10 000.00 to provide for

unforeseen contingencies. If surfacing is required, the cost will be approximately:

| | | |
|---|---|---|
| | | $ 12 000.00 |
| Drilling - 250 ft @ $ 2.00 per ft. (prevailing rates)5 | | 500.00 |
| (b) Personal services remain unchanged as estimated | | 5 500.00 |
| (c) Operating materials and supplies: | | |

The original estimate for these items has since proved too far below the expenditures now anticipated. During my last trip up to the property to file the loade claim on our deposit, I blew 2 tires and the others are weakened to the point of necessary replacement. My 900 x 16 tires cost $ 130.00 each for 8 ply and we will undoubtedly need one further replacement during the exploration period. This requires purchase of 10 tires @ $ 130.00 or 1 300.00

| | | | |
|---|---|---|---|
| Truck will be driven a minimum of 20 mi per day for 1 yearor 300 days | 6 000 miles | | |
| 6 trips en route to property | 4 200 " | | |
| | 10 200 " | | |
| Same mileage estimated for jeep | 10 200 | | |
| Total estimated mileage | 20 400 " | @ 5¢ per mi | 1 020.00 |

| | | |
|---|---|---|
| At 10 mi per gal. cost of gasoline is | 4¢ mi | |
| Oil and lubrication | ½¢ | |
| Grease or 90# oil | ½¢ | |
| | 5¢ " | |

| | | |
|---|---|---|
| One complete overhaul for truck during 1 full year's operation | $ 300.00 | |
| Misc. other repairs for truck and jeep estimated | 200.00 | 500.00 |
| Total Automotive Expense | $ 2 820.00 | |

| | | | |
|---|---|---|---|
| Replacement of drill steel purchased or rented | | | |
| Steel -est. 10 @ $ 15.00 | $ 150.00 | | |
| Bits " 5 @ 20.00 | 100.00 | $ 250.00 | |
| Small tools replaced - est. | | 150.00 | 400.00 |
| Total Operating mayerials & supplies | | $3 220.00 | |

(d) Operating Equipment

Since cost is not allowed for equipment, depreciation is computed on the basis of a 5 year life for 1 year (2 periods of 6 mos. each),

Value of Equipment $ 4 000.00 800.00

However, since our equipment is old and will depreciate fully during this operation, including the winter months when not in use, it is proposed that the charge be accelerated over a 2 to 3 year life instead of five.

Rental equipment

| | | | |
|---|---|---|---|
| Compressor (5 months @ $ 150. per mo.) | | $ 750.00 | |
| Rock drills, steel, bits etc $ 50. per mo x 5 | | 250.00 | 1 000.00 |
| Total Operqting equipment | $1 800.00 | | |

| | |
|---|---|
| (e) and (f) Initial Rehabilitation and Repairs remain the same | 500.00 |
| (g) Miscellaneous - Workmen's Compensation and Auto insurance, Truck and Jeep | 500.00 |
| Total Expenditure (estimated) | $ 24 000.00 |

Assuming that an OME loan will be granted, I plan to move our equipment up to the property in April of 1960 and we hope to have the road completed by June 30 of the same year.

As soon as the property is accessible to moving equipment up to the top of the mountain, blasting operations will commence and some drilling during the month of

July, August and September. Our main drilling operation may not be conducted until the following Spring at which time we will drill some 250 feet. The main drilling operation will be done after we have conducted sufficient exploration work to get indications as to the best place to drill.

I am presently negotiating for mineral rights on an existing manganese mine which we plan to explore in conjunction with my own property and this is one reason for taking in additional capital. This property is not very far from my own and the equipment can readily be moved from one site to the other.

Should you consider the cost of the planned road as prohibitive, we can gain access at the West side of the mountain but would have to spend approximately $ 5 000.00 to grade and prepare the terrain for a road. This would increase the distance to a main highway by some 20 miles but would be closer to the other location, referred to above, by the same number of miles.

It is not possible to obtain other bids on this work as there is no contractor in the area with equipment suitable to do such work.

I trust the above information will enable you to continue with the processing of our application.

Yours very truly,

Owen O. Roberts

R:a
encls.

BUREAU OF MINES
DIVISION OF
MINERAL RESOURCES
REGION II

| Route to: | Initials |
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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Office of Minerals Exploration
4 Homewood Place
Menlo Park, California

Memorandum

October 22, 1959

To: Mr. W.F.Dietrich, Executive Officer, OME Field Team, Region II

From: H. K. Stager, U. S. Geological Survey

Subject: OME Application, Owensville Mining Association, Owensville No. 9 and McKessick No. 1 claims, Lassen County, California

Enclosed is an OME application submitted to this office by Mr. Owen O. Roberts, president of the Owensville Mining Association.

Mr. Roberts first submitted MME Form 40 on September 18, 1959 but without any of the required supporting information. I called his office on September 19 and again on October 13, requesting the additional information. On October 21 Mr. Roberts came in with the attached maps, assays, answers to MME Form 40 questions, etc. The application is still incomplete but I am despaired of getting anything further from him as he is almost totally ignorant of mining and geology. The association properties are all placer claims of 160 acres each that as far as I can determine are primarily for recreation or cabin sites,etc., upon which they are trying to do enough work to obtain patents. I explained that it would be necessary for him to file lode claims on any manganese deposits before he could do any mining or the OME would consider doing any exploration work. This he stated he would do next week when he returns to the property.

What they want from OME is assistance in building an access road to the property, believing that the exposures furnished by road-cuts, and possibly a little blasting and one diamond-drill hole, will be all the exploration necessary. This is also the program he proposed to the banks when he requested loans from them. I also explained to Mr. Roberts that only 1/60th of the value of his equipment, per month, would be allowed toward the cost of the contract if OME work was done at the property.

Although there are known occurrences of manganese in the area of the property I doubt if there is a significant deposit on this property, and question if the applicants would recognize one if it were exposed. I showed Mr. Roberts numerous samples of manganese ores, here in my office, and attempted to explain to him something about the grade and quantity of manganese-bearing material necessary to constitute a mineable deposit but I think he is still pretty much in the dark about the whole business.

There is probably not sufficient justification contained in the application to warrant a field examination and I do not think it is possible to get any additional information from the applicants. I recommend that the application be forwarded on to the OME in Washington for whatever action they think appropriate. I have not kept copies of any of the forms or supporting data. I am also enclosing a copy of the Doyle, Calif. quadrangle map for your information.

Encls.

OWEN O. ROBERTS
TAX ACCOUNTANT
3711 THE ALAMEDA · MENLO PARK, CALIFORNIA
DAVENPORT 5-6979

September 18, 1959

Mr. Harold Stager, Alt.Exec.Officer
Office of Mineral Exploration
U. S. Geological Survey
Department of the Interior
4 Homewood Place
Menlo Park, California

Dear Sir:

Enclosed are applications in quadruplicate for Federal assistance in exploring on our properties for manganese ore.

Also enclosed are letters from American Trust Company, Palo Alto office and from Wells Fargo Bank, Redwood City office, stating that our credit position does not warrant the granting of loans for assistance in this endeavor.

Our purpose in applying for the loan is to make our property accessible and to explore for manganese ore.

Assays received show evidence of existence of this ore on our property.

Trusting this matter will receive your early consideration, we remain

Yours very truly,

OWENSVILLE MINING ASSOCIATION

per Owen O Roberts
President

R:a
encl.

September 14, 1959

Mr. W. J. Reynick
Loan Department
Wells Fargo Bank
Broadway & Main Sts.
Redwood City California

Dear Mr. Reynick: re application for credit-
Owensville Mining Association

As explained in our telephone conversation of to-day, I am enclosing financial statements of the above association for your perusal.

While we do not expect to be granted credit on the basis of these statements, since we are negotiating for a Federal loan made available for purposes of exploring for manganese ore, it is necessary that we have a written rejection of credit in order to qualify for the loan.

Your co-operation in this matter will be greatly appreciated.

Sincerely yours,

Owen Roberts
President

OWENSVILLE MINING ASSOCIATION

R:a
encl

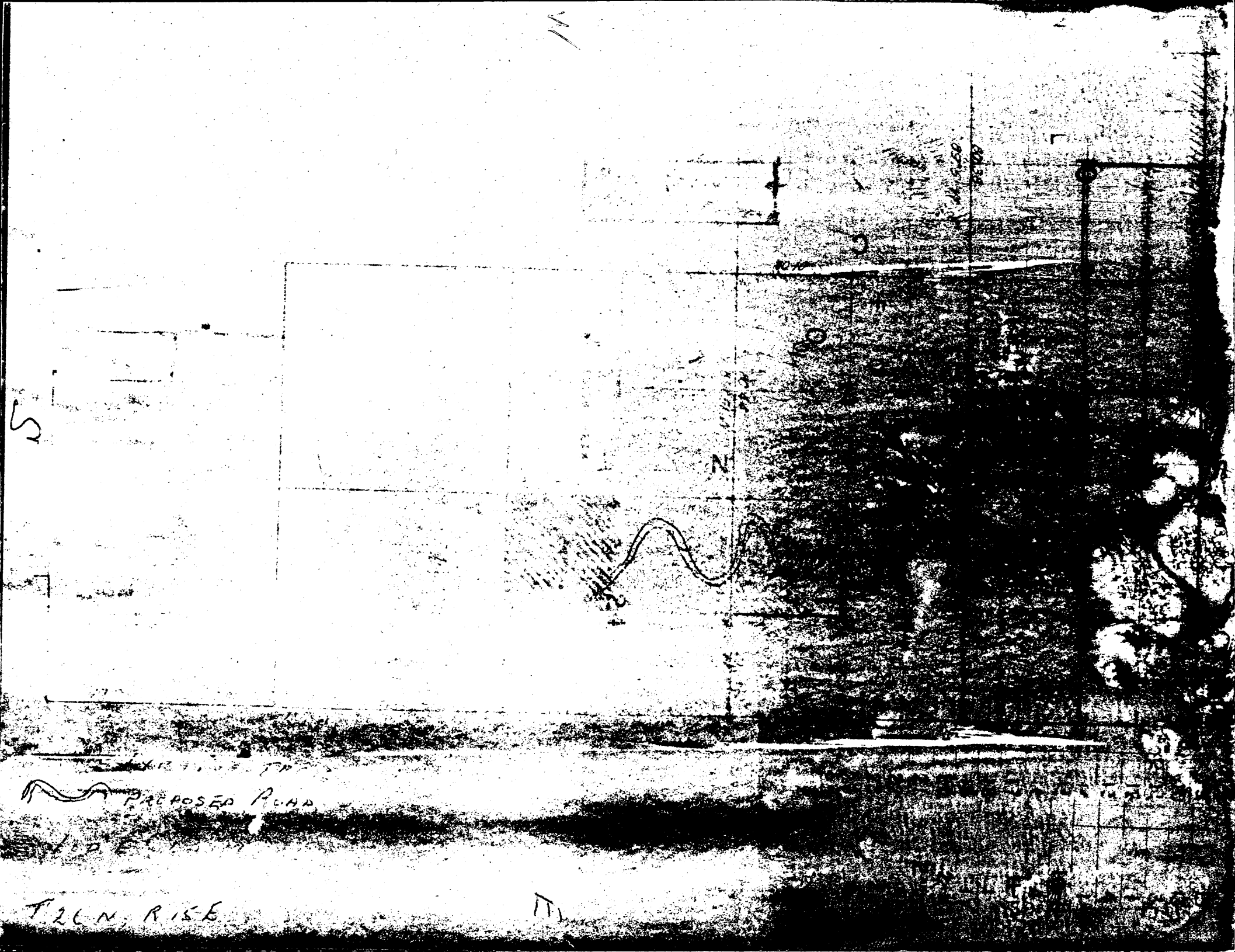

PROPOSED ROAD
T.21 N. R.15 E.

EXHIBIT - 1

T 26 N., R 15 E., M.D.B. & M - Dird Flat & Milford School District. Lassen County

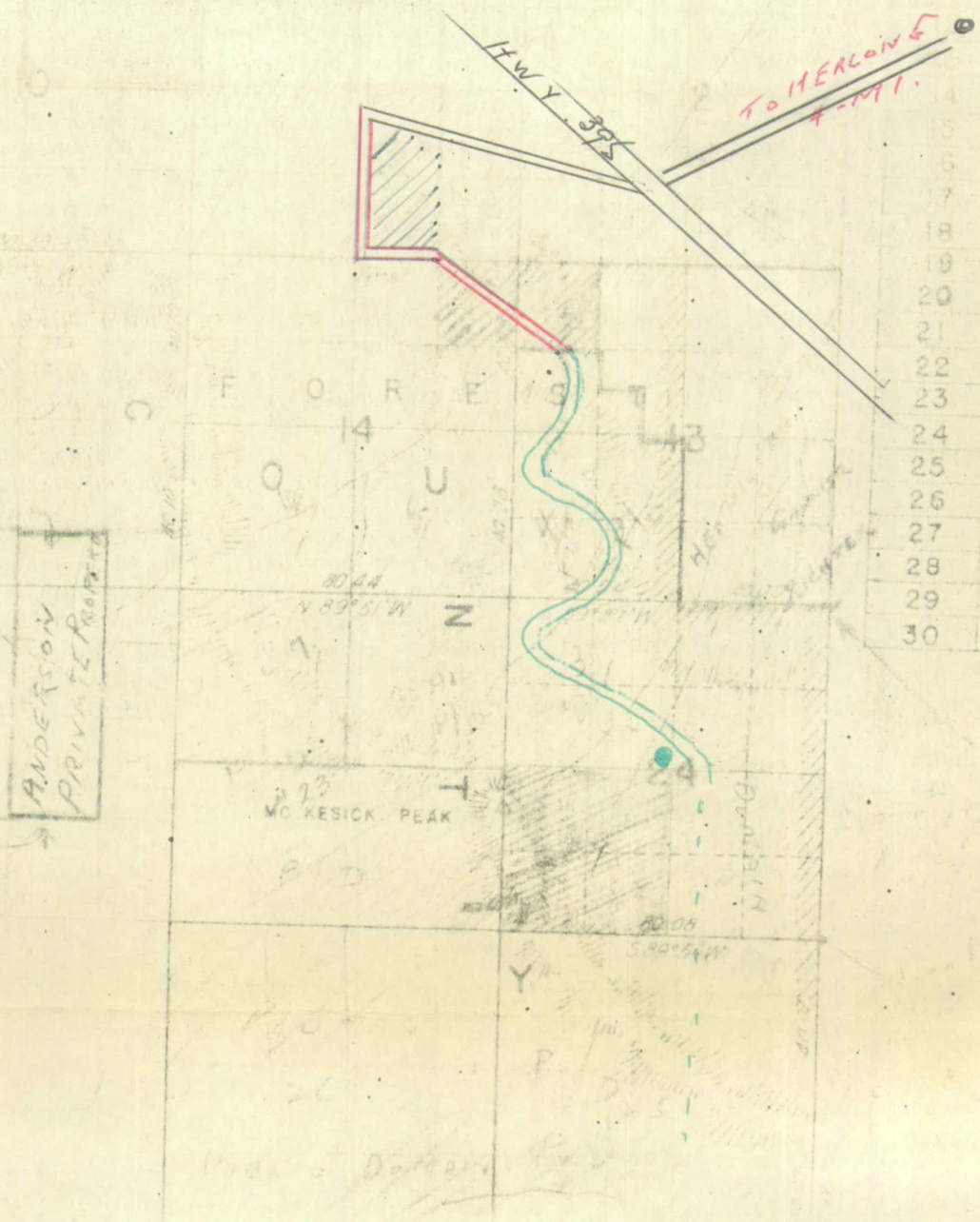
Shaded areas in Sections 11, 14, 13 & 24 represent McKessick Peak claims of Owen O. Roberts

Existing Roads

Roads under construction

Proposed new road

DEPOSIT of ORE




TO LAST CHANCE VALLEY RD