MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6706

Application
- [x] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

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

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 7/2/68
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports

- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

March 12, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 14 1968

INITIALS	CODE

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Enclosed is an Application for Financial Assistance, dated January 25, 1968, received in the field office this date, from a Mr. Miles J. Mitchell, 10 Santa Margarita Drive, San Rafael, California 94901.

I tried to call Mr. Mitchell to explain some of the material missing from the application that will be required but he is not available during office hours because of his employment. I informed his wife that I would forward the application to Washington and that additional information would be requested after your review. Missing are letters to the banks requesting loans for the proposed work, bids from three drilling contractors to support his estimates of drilling costs, bids from two additional bulldozing contractors, and a statement of his ability to furnish a performance bond in lieu of lien and subordination agreements. Mr. Mitchell proposes to supervise the work himself at a cost of $100 per day and also contract the drilling. Costs are excessive for the amount of work proposed. Relationship of exploration to property boundaries is not shown.

H. K. Stager

Enclosure

MME Form 40
Jan. 65

Budget Bureau No. 42-R1506
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*	APPLICANT DO NOT USE THIS BLOCK
Miles J. Mitchell 10-Santa Margarita Drive San Rafael, California 94901	DOCKET NUMBER 6706 DATE RECEIVED MARCH 12, 1968 REGION II DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*	LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE		
	NAME	ADDRESS	TITLE
INDIVIDUAL [X] CORPORATION [ ] PARTNERSHIP [ ] OTHER *(Specify)* [ ]	none		
STATE IN WHICH FIRM IS ORGANIZED Calif.			

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE	PROPERTY NAME	LOCATION COUNTY	LOCATION STATE
mercury	Respini Ranch	Marin	California
ESTIMATED COST OF PROJECT $ $37,245.00			

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 two 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, D.C., 20240, or with the nearest OME Field Office.~~ Washington, D. C., 20242, 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.

Jan. 25, 1968
DATED

Miles J. Mitchell
BY *(Signature)*

applicant - Mining Geologist
TITLE

A willfully 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 cost of the exploration work.

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

Miles J. Mitchell, Applicant
10-Santa Margarita Drive
San Rafael, Calif.

1.(a) Quiry made orally to lending institutions. Enclosed find letters of refusal.

(b) not applicable

(c) By charging professional supervisory fees (per diem), during the drilling program. Also depreciation allowances for:
Schram Air Compressor
Trailer House Office
Generator
Pump
Engineering and geological instruments
1 ton GMC truck

PLUS ADDITIONAL MONIES AS REQ'D.

2. (a) Applicants interest on the land entails an unrestricted mining agreement, from the land owner Mrs. Lydia Respini. There are no liens against the property, and the owner has sole title to the land.

(b) Legal land description: Marin County Assessors map, Book 125, page 02, parcels 08 and 09. See Volume 1135, page 150, and see Volume 1528, page 553, Marin County Recorders records. All land south of Arroyo Sausal (see enclosed map), not subject to liens, are not a part of this contract. Property is known as the Respini Ranch.

(c) ~~xxx~~ applicable, forms included

3. (a) Two tunnels exist on the property, both located on access road, within proposed drilling site. Also there is a bench directly above the upper tunnel, which shows cinnabar mineralization. Two Rossi type retort tubes are located just below the lower adit, and a jaw crusher, pebble and ball mill, and a rod mill are located at the same level as the portal of the upper adit.

(b) Applicant owns retort, jaw crusher, and rod mill.

(c) A small unreported production has eminated from the property, in mercury, no records available.

(d) Preliminary diamond drilling during 1961, conducted by the applicant, had disclosed approximately 6,250 tons of mineable ore. This material was determined to average 2 pounds of mercury per ton. This figure was established by careful panning of sludge from the 6 test holes. The results were added to core samples values, resulting in a mean average valuation of this block of ore. A tonnage factor of 18 was established by weighing a number of samples of broken ore from the surface and underground locations. The location of the mineralized rock, lies at the bench, just above the upper adit. The area had been in later years, higraded of the rich veinlets of the purple-red cinnabar fracture fillings.

(e) see enclosed geologic report

Miles J. Mitchell -applicant
10-Santa Margarita Drive
San Rafael, Calif.

3. (f) The basic reasons by which the applicant expects to find ore in this area are:

1. The location of the property in reference to the N*S alignment of productive mines producing mercury, in this district, namely the Gamboninii, and Schultz Mines.
2. The discovery of a body of 2% mercury sandstone ore in the Smith adit, on the Barboni ranch, which adjoins the property on the east. This ore was uncovered at an elevation much deeper than the bench development, refered to under d.

3. The existence of very rich veinlets of solid cinnabar discovered by the applicant, during 1961, above the upper adit, in a zone of highly fractured sandstone. Cinnabar in place was also discovered by the writer slightly above the stream valley bench, which denotes strong possibilities of the existence of deeper ore bodies.
4. Interpretation of photo-geology, which indicates the existence of major fault structure in the area.

(g) see geologic report enclosed

4. (a) To reach the property, proceed west of Novato on Novato Blvd., 9 miles to the Point Reyes Petaluma Highway, thence proceed northward about 1 miles to the junction of Hicks Valley Road. Proceed west on this road for approximately 2 miles, thence turn left on the Barboni Ranch road. Follow this road through the Barboni Ranch to the Respini property. Immediately upon entering the property, proceed north on access road to mine location. It is suggested that the OME representative call the applicant at 453-3163 and arrange for an appointment. Then drive to San Rafael and meet applicant at 10-Santa Margarita Drive. Property is accessible as are the mine workings.

(b) The nearest railhead and supply point is Novato, a distance of about 15 miles from the property.

5. (a) The proposed exploration work will consist entirely of diamond drilling, including 11 surface holes plus 3 underground holes drilled in the upper adit. Total footage 2,700 feet. The purpose of this drilling program is to explore the sand-host rock in the vicinity of a north-south fault which lies to the east of the mine access road, and no doubt is related to mercury mineralization, which has been discovered to date. (See enclosed topo. map.)

(b) Access road is not required.

(c) Work would commence within 30 days after approval, I plan to continue work through winter months, weather permitting.

Miles J. Mitchell, Applicant
10-Santa Margarita Drive
San Rafael, Calif.

5. (c) cont. We contemplate an average of 35 feet of hole per shift. (This is based upon former experience of the writer in drilling this type of fractured sandstone during 1961, on this property.) This will entail a period of 83 days total.

6. (a) Miles J. Mitchell, who will be supervising the work, is a mining geologist (registered with AIME), with a wide range of experience in mineral exploration within the western states. Since 1955, Mr. Mitchell has offered consulting services in mineral evaluation and exploration. For the past 5 years the bulk of this work has been with mercury, both in California and Oregon.
John D. Swearingen, who will be working directly with the driller, is a registered professional engineer State of Nevada, (mining engineering). Mr. Swearingen has had many years experience as a drillers assistant. He will be responsible for tabulating core and sludge samples, as well as aiding the driller as required.

7. (a) Two independent contracts will be included in the proposed work.

1. Dozing Contract (tractor)
preparation of drill sites
access to drill sites off exist. road
moving of drill rig
@ $25.00 per hour (including moving into and off property).
5 total days work.
Tavener & Sons — amount of contract $1,000.00
157-Humboldt Street
San Rafael, Calif.

2. Drilling Contract (diamond core)
(see enclosed drill hole location map)
@ $8.50 per foot — total footage 2,700 feet
including 11 holes cored at surface, and 3 holes underground in upper adit.
Applicant will be drilling contractor. (owns drill rig and accessories)
Miles J. Mitchell
10-Santa Margarita Dr.
San Rafael, Calif.
amount of contract $22,950.00

(b) Cost of supervision — 83 days
@ $100.00 per diem — Miles J. Mitchell — $8,300.00

Cost of engineering consultant and drillers helper.
@ $50.00 per diem — John D. Swearingen — $4,150.00
83 days

(c) Fuel etc. for compressor and generator, and pump, will be included in the unit price of per foot drilling.

Miles J. Mitchell, Applicant
10 Santa Margarita Drive
San Rafael, Calif.

7. (d) Operating Equipment

1. Underground air operated diamond drill (to be leased) @ $1.00 per foot $300.00
2. 125 CFM air compressor Schramm-owned by applicant (excellent condition, value $5,000.00)
3. Diesel 20,000 Watts Hercules Generator " (good condition, value $2,500)
4. Aluminum house trailer (office trailer) " (good condition, value $750.00)
5. 1 ton GMC flat bed truck " (good condition, value $800.00)
6. High head water pump " (good condition, value $450.00) "
7. Misc. instruments @ brunton, alidade, tapes, altimeter, drafting equip. "

(e) none

(f) none

(g) Assays of drill core and sludge for mercury
@ $5.00 109 assays total cost $545.00
Abbott A. Hanks
SF. Assayers

Above mentioned equipment is in good repair, and applicant does not forsee any important repairs during life of the contract.

A. E. BAGSHAW
RODERICK P. MARTINELLI
W. O. WEISSICH
LELAND H. JORDAN
WILLIAM G. CORRIGAN
E. WARREN McGUIRE
JOSEPH D. DAHLMAN

BAGSHAW, MARTINELLI, WEISSICH & JORDAN
ATTORNEYS AT LAW
SUITE 329 ALBERT BUILDING
1010 B STREET
SAN RAFAEL, CALIFORNIA 94901

TELEPHONE
AREA CODE 415
456-8600

March 8, 1968

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California 94901

Dear Mr. Mitchell:

Reference is made to your February 14th letter addressed to our client Mrs. Lydia Respini concerning the Government Mineral Exploration Program with the copy of your letter mailed to me, you enclosed five counterparts of a Lien and Subordination Agreement together with the Interior Department Booklet on Minerals Exploration Program.

Unfortunately, I find it necessary to recommend to Mrs. Respini that she not execute the Lien and Subordination Agreement. Very simply, if she did execute such agreement, she would, in effect, be creating a mortgage on her property. Granted, there would be no personal liability assumed by her in connection with the lien, but nevertheless her property would be encumbered by a permanent lien in favor of the United States Government. Certainly, the lien would be discharged out of royalties should production prove fruitful. However, until the Government obligation has been fully paid, Mrs. Respini's land will remain subject to the lien. Further, if the explorations prove unprofitable, there is no guaranty that the Government will release its lien (although their booklet indicates they will), and Mrs. Respini has no right to compel the execution of a lien release by the Government.

In any event, Mrs. Respini's property would be subject to a lien for quite some time. Therefore, I have advised her that the lien and subordination agreement should not be executed, and you may consider this letter as her refusal to do so.

I am thus returning to you the five counterparts of the Lien and Subordination Agreement together with the Interior Department pamphlet in question. I am also enclosing a duplicate of this

letter so that you might deliver the same to the Office of Minerals Exploration, as set forth in Question No. 7 of their pamphlet.

Very truly yours,

Roderick P. Martinelli

RODERICK P. MARTINELLI

RPM/rs
cc: Mrs. L. Respini

Tavenner and Sons

Excavating, Grading & Sewer Contractors

157 HUMBOLDT, SAN RAFAEL, CALIF.

454-1021 763-2196

PROPOSAL AND CONTRACT

Date 2/15, 19 68

Name MILES MITCHELL

Address 10 SANTA MARGARITA DR. SAN RAFAEL, CALIF

Job Address RESPINI RANCH

The undersigned agrees to furnish and provide necessary labor, materials, tools, implements, and appliances to do, perform and complete in a good workmanlike manner the following:

LEVELING OF DRILL SITES ACCESS ROADS AND MOVING DRILL FROM SITE TO SITE. INCLUDING TRANSPORTATION OF DOZER

All the above work to be completed for the sum of One Thousand Dollars

Dollars ($ 1000 00)

Any alterations or deviation from the above, involving extra cost of material or labor, will be executed only on written orders for same and will become an extra charge over the sum mentioned above.

All agreements must be in writing.

In the event that it becomes necessary to institute suit or to employ an attorney to collect any payment or payments due the undersigned for labor or materials furnished under this agreement or any modification thereof, then you shall be liable to the undersigned for court costs and attorney's fees; said attorney's fees shall be in an amount equal to one-third of the amount for which recovery is prayed.

Terms of payment shall be as follows:

This proposal is void if not accepted within _____ days.

Respectfully submitted,

By M. E. Tavenner

ACCEPTANCE

You are hereby authorized to furnish all materials and labor required to complete the work mentioned in the above proposal for which _____ agree to pay the amount mentioned in said proposal and in accordance with the terms thereof.

ACCEPTED AND AUTHORIZED BY

Signed _____

Date _____, 19 ____ Signed _____

GEOLOGIC REPORT

of

THE FRANCISCAN MINE

by

Miles J. Mitchell

ABSTRACT.....Page 1.

INTRODUCTION.....Page 2.

GEOLOGY AND RECOMMENDATIONS.....Page 3.

INDEX MAP.....Page 4.

ABSTRACT

The Franciscan Mine is located near the Sonoma County line, in Northern Marin County, California. It is reached by good roads, 23 miles from San Rafael, the county seat of Marin County. From San Rafael, proceed north on state highway 101 to Novato, thence west on Novato blvd. to the Petaluma-Point Reyes highway, thence north 1 mile, thence west on the Marshal Road (surfaced) to the first ranch road beyond the Lincoln School, thence Southwest through the W. Barboni ranch to the Respini property, which embraces the Franciscan operation.

The Respini ranch consists of some 900 acres of land, the Franciscan Mine is situated on the northern portion of the property. A tributary of Salmon Creek bisects the property and contains ample water to sustain a mining operation with the exception of two months during late summer, when the water table drops, and surface water disappears except for small ponds. The terrain is covered with oak and bay in the mining area, and the topography is generally quite rugged. Elevations are modest, the predominant feature of the area is Hicks Mountain, with an elevation of 1532.00 feet. Electric power would have to be brought in from the main road, as the existing power line is only ample for domestic use for the ranch. Rainfall in the area is generally twice that of the San Rafael portion of Marin County, and is considered to be heavy, during the period from January through April.

Exploration has delimited an ore body in Franciscan sandstone, which consists of multiple veinlets of cinnabar within a graywacke host rock. Designated as "Face A", this mineralized zone is exposed for 150 feet along the north-south axis. Recent drilling has located the cutoff point on the north side of this orebody. Mineralization extends 75 feet easterly, and cinnabar values persist at the 63 foot horizon. The clearing of trees and vegetation prior to exploring the southerly extension of this orebody, has begun. About 500 feet south of "Face A", another mineralized zone has been exposed by trenching. This ore is considerable harder, and the cinnabar occurs in definite veinlets, whereas much of the cinnabar at "Face A" is in a free state as nodules, occupying gouge filled fractures. Direct evidence dictates an inference of depth to cinnabar mineralization of some 250.00f feet in this area.

Detailed study of the photogeology of this area has indicated a major fault zone bearing north and south, with steep dips, marked to the north by springs, and southward by vegetation and topography interuptions. This fault no doubt is the source of cinnabar mineralization, however much study must be made in the future of this feature, in order to better understand ore projections.

INTRODUCTION

Mercury was discovered in Salmon Creek, Northern Marin County, California, in the form of cinnabar float, as early as 1910. Subsequent panning of the mineral, later led to the discovery of the Gambinini Mine, as well as other prospects in the region. However due to the price structure and status of the land in the area, none of the pros prospects were developed until the Cordero company leased the discovery on the Gambinini Ranch, at the end of World War 2. Up to 1948, production emonated from shallow pods in the fractured sandstone and shale country rock. The average price per flask (76#) of mercury during this period was $95.00 dollars. Since 1948, a small but steady production, the result of small leasees, has resulted from the retorting of ores at the Gambinini Mine. In 1955 a new discovery of mercury was mined by the Panco Mining Company, on the Bently ranch, some 5 miles to the north of the Gambinini Mine. The 20 ton per day production was furnaced in a rotary unit. This property has been producing mercury, from ore mined through adits, from a large shear zone in Franciscan sandstone.

The Franciscan Mine, located on the Respini Ranch, about 3 miles SE of the Gambinini Mine, was discovered in the early summer of 1961, as the result of tractor trenching, following discovery of cinnabar float in the stream valley. The original lease was negociated with the land owner in February of the same year, by Miles J. Mitchell, and the subsequent mining company was formed. Following surface reconalssance work in geology, a tranching program was laid out. It was during the course of this exploration work, that the two ore faces were discovered. A D-8 cat equipped with rippers, was utilized for this work. The construction and erection of a 2-tube retort, complete with liquid fuel facilities followed the initial phase of exploration. The retort is to be used for future evaluation of existing ores, as a component of a pilot plant.

During late summer of 1961, a diamond drilling program was initiated, in an effort to probe ore exposures and interpret geologic structure. A serious shortage of water at the drill site,,due to the exceptionally dry season, was partially solved by the installation of some 1200 feet of 3/4 plastic pipe to a spring to the north. Reserve water tanks were necessary to store enough water to satisfy drilling requirements. Diamond drilling continued up to May 1962, except for periods of time when extreme rainfall, curtailed the work.

GEOLOGY AND RECOMMENDATIONS

The Franciscan sandstones, limestones, shales, and cherts comprise the sedimentary rocks in this portion of the Coast Range system. Minor occurences of conglomerate, foraminiferal limestone, and radiolarian chert also are evident. Igneous rocks are meta-rhyolite, basalt, and pyroxenite in the form of sills and stocks. The sandstone host to the cinnabar in the area, is a yellowish brown rock locally classified as graywacke, composed of quartz, plagioclase, sericite, magnetite, clay, limonite. Decomposition of this rock due to the exessive precipitation and humic acids from abundant vegetation, have resulted in a soft ore layer some 25.00 feet in thickness. This condition is prevalent at "Face A", and may extend to a greater depth due to the complex fracture patterns which are associated with the ores.

The cinnabar occurs as irregular nodules and vein fragments enclosed by clay gouge, and occupying the fractures in the sandstone. The cinnabar is almost entirely free from the rock when found in the weathered sandstone. The color is invariably a deep purple to dark red , and nodules 1/2 inch across are not uncommon. There appears to be two systems of fractures one trending SE, the other NE, with a wide variation of dips. They are almost without exception mineralized to some degree.

During the drilling program at the Franciscan Mine, clay percentages of the rock drilled had no relationship to cinnabar content of the rock. However the rusty color of the return water was a reliable clue to cinnabar bearing clay zones. The variation of grain size had no apparent effect on mineralization. Shale interfingering seemed to be entirely void of cinnabar. The exposure of cinnabar bearing sandstone at "Face A," contains multiple veinlets of high grade cinnabar mineral, occupying shear and tension fractures spaced throughout the host rock in a geometric pattern, which could be economically mined with open pit methods. The sandstone is readily rippible, as proven by past trenching work. Cost of this type of mining should approximate $1.00 dollar per ton.

Beneficiation of the ore as suggested by S. A. Madrid, ore reduction engineer, would entail the use of a caterpillar to crush the ore on a 6" grizzily, grinding through the use of a Herman mill or a hammer mill, the former requiring secondary crushing to minus 2". This to be followed by gravity separation, utilizing Wilfley tables. The end product will be a high grade concentrate, which can be retorted on the property. Mercury prices of 76# flasks, New York, were $191.00 to $193.00 (quote Mining World, May issue) slightly less in San Francisco.

It is the opinion of the writer that economic mercury ore exists at the Franciscan Mine, which is amenable to surface mining. From evidence supported by known occurrences of cinnabar over a distance of 5,000 feet, horizontaly and 250 feet vertically, the feasability of delimiting other ore shoots is excellent. A persistent exploration program should be progressed to parallel the mining phase. The use of the diamond drill and trenching caterpiller in conjunction with detailed geologic work, have proven invaluable in locating new ore bodies.

BRANCH LABORATORY: 1086 MARTIN AVENUE • SANTA CLARA • CHERRY 8-5262
BRANCH OFFICE: 10 DE LUCA PLACE • SAN RAFAEL • GLENWOOD 4-8650

CABLE: HANX

ABBOT A. HANKS, INC.

ESTABLISHED 1866

1300 SANSOME STREET • SAN FRANCISCO 11, CALIFORNIA • EXBROOK 7-2464

Engineers
Assayers
Chemists
Metallurgists
Spectrographers
Soils and Foundations
Consulting · Testing · Inspecting

LABORATORY REPORT

May 12, 1961

Deposited by: Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California

Sample of ORE

Percentages

Labty. No.	Mark	MERCURY
C114714	DDH #4	1.55
C114876	DDH #6	0.14

ABBOT A. HANKS, INC.

By Ralph A. Nice

mr

CA-105

BRANCH LABORATORY: 1086 MARTIN AVENUE • SANTA CLARA • CHERRY 8-5262
BRANCH OFFICE: 10 DE LUCA PLACE • SAN RAFAEL • GLENWOOD 4-8650

CABLE: HANX

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LABORATORY REPORT

August 24, 1961

Deposited by: Mr. M. J. Mitchell
10 Santa Margarita Drive
San Rafael, California

Sample of ORE

Percentages

Labty. No.	Mark	MERCURY
C116320	Sample #F-11	1.19

ABBOT A. HANKS, INC.

By James R. Dumont

1m

CA-105

BRANCH LABORATORY: 1086 MARTIN AVENUE • SANTA CLARA • CHERRY 8-5262
BRANCH OFFICE: 10 DE LUCA PLACE • SAN RAFAEL • GLENWOOD 4-8650

CABLE: HANX

ABBOT A. HANKS, INC.

ESTABLISHED 1866

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Spectrographers
Soils and Foundations
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LABORATORY REPORT

March 30, 1962

Deposited by: Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California

Sample of ORE

Labty. No.	Mark	Percentages	
583	DDH #2	MERCURY	0.15

ABBOT A. HANKS, INC.

By Ralph A. Nice

Ralph A. Nice

1m

CA-105

BRANCH OFFICE
130 THROCKMORTON AVE.
MILL VALLEY, CALIF. 94942

NORTHWESTERN Savings AND LOAN ASSOCIATION

PHONE: (415) 456-2120

PRINCIPAL OFFICE: 1200 FIFTH AVENUE · SAN RAFAEL, CALIFORNIA 94902

San Rafael, California
December 13, 1967

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California 94901

Dear Mr. Mitchell:

In answer to your request for a mineral exploration loan in the amount of $38,000.00 on the Respini Ranch in Marin County, I regret to say that this type of loan is not within the policies of our Association. We are primarily in the residential lending field, and cannot be of any assistance to you for this type of loan.

If we can assist you in the future for financing residential properties, please do not hesitate to call on us.

Very truly yours,

Gerald H. Purcell

Gerald H. Purcell
Assistant Vice President

GHP:fsw

BRANCH OFFICE
130 THROCKMORTON AVE.
MILL VALLEY, CALIF. 94942

NORTHWESTERN Savings AND LOAN ASSOCIATION

PHONE: (415) 456-2120

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Gerald H. Purcell

Gerald H. Purcell
Assistant Vice President

GHP:fsw

Cable Address — BANKAMERICA

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

SAN RAFAEL BRANCH • 1201 FIFTH AVENUE • SAN RAFAEL, CALIFORNIA 94901

December 19, 1967

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California

Dear Mr. Mitchell:

Your loan application for $36,280. for a period of 20 years for the purpose of exploring a mineral deposit has been declined as we are unable to accomodate this type of credit. The only way we could make a 20 year loan would be on a real estate basis, and since you have a leasehold only for mineral rights on this land this is not possible. Further, your financial statement does not indicate sufficient assets to qualify for a loan of this amount, nor does your income indicate an ability to service the requirement.

Thank you for filing this loan application with us, and we hope to continue to be of service to you on your ordinary banking needs, even though we cannot accommodate you on this particular transaction.

Sincerely,

J. Micheletti

J. Micheletti
Assistant Cashier

JM:mp

Cable Address — BANKAMERICA

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

SAN RAFAEL BRANCH • 1201 FIFTH AVENUE • SAN RAFAEL, CALIFORNIA 94901

December 19, 1967

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California

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Thank you for filing this loan application with us, and we hope to continue to be of service to you on your ordinary banking needs, even though we cannot accommodate you on this particular transaction.

Sincerely,

J. Micheletti

J. Micheletti
Assistant Cashier

JM:mp

MINING AGREEMENT

This agreement made this 3rd day of February 1967, by and between Lydia C. Respini, hereinafter referred to as the Party of The First Part, and Miles J. Mitchell hereinafter referred to as the Party of The Second Part.

It is understood that the Party of The First Part is the owner of a certain ranch property situated in Hicks Valley, Marin County, California which contains approximately 953 acres more or less, and being parcels 08 and 09 on the map which is a portion of Page 02, in Assessor's Map Book 125 dated 1956, County of Marin, California.

It is further understood that the Party of The Second Part shall have the use of the premises for the purpose of exploring, developing, mining, prospecting, and reporting all ores and minerals which may occur on the above mentioned premises.

It is further understood that in the event of an important discovery of a large and valuable mineral deposit, the Party of The Second Part has the right to enter into a lease with the Party of The First Part, and having first refusal as lessee of said property.

Any ores or minerals whatsoever which are discovered and processed in the course of testing or any other reason so recovered by the Party of The Second Part, during his use of said premises, Party of The Second Part is to pay the Party of The First Part in lawful monies, 12% of such ore minerals or metals. IN THE EVENT MERCURY PRICE XXCEEDS $500.00 PER FLASK, ROYALTY SHALL BE 15%. MJM LCR

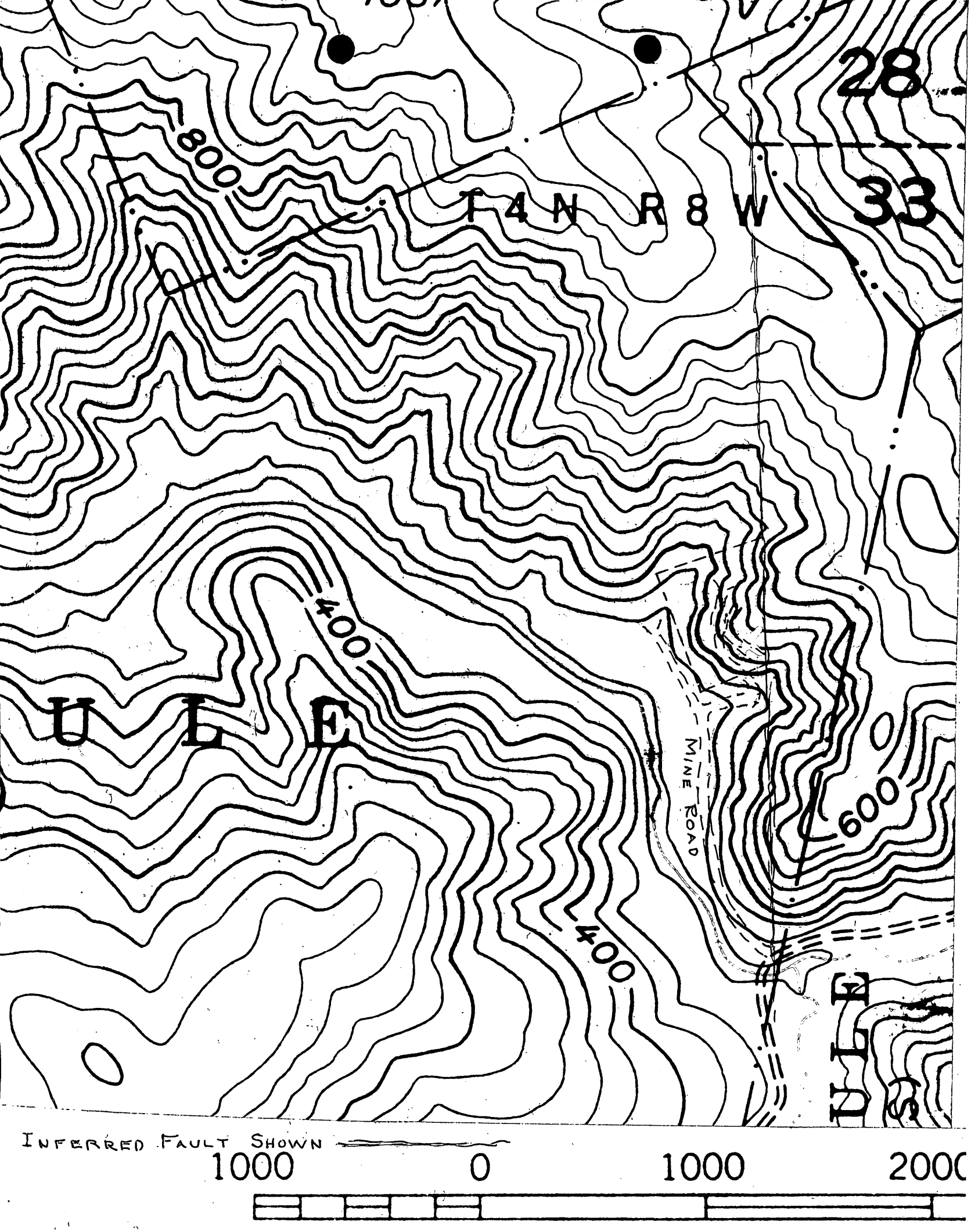
It is further understood that the Party of The Second Part shall refrain either present or future from associating said property and it's mineral potential with that of the Barboni Ranch, which adjoins said property on the East, in any manner whatsoever.

This agreement shall inure to the benefit of and shall bind the parties hereto and their respective heirs, successors, administrators, and / or assigns.

In WITNESS THEREOF the parties hereto have executed this instrument the day and year first hereinabove written.

Lydia C. Respini
Lydia C. Respini, party of the first part.

Miles J. Mitchell
Miles J. Mitchell, party of the second part.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RESPINI RANCH COMPRISES PARCELS 08 & 09

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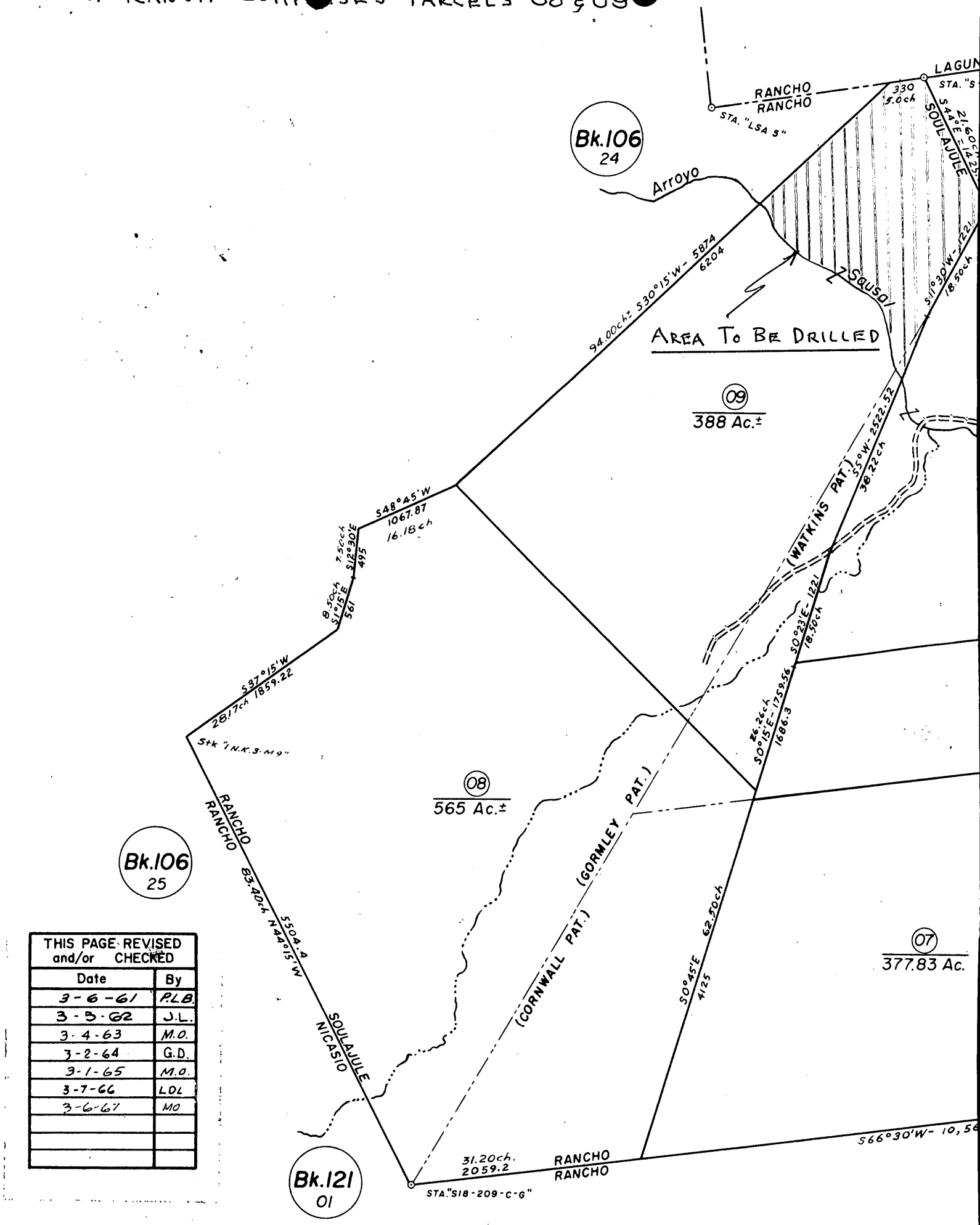

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Date	By
3-6-61	P.L.B.
3-5-62	J.L.
3-4-63	M.O.
3-2-64	G.D.
3-1-65	M.O.
3-7-66	LDL
3-6-67	MO

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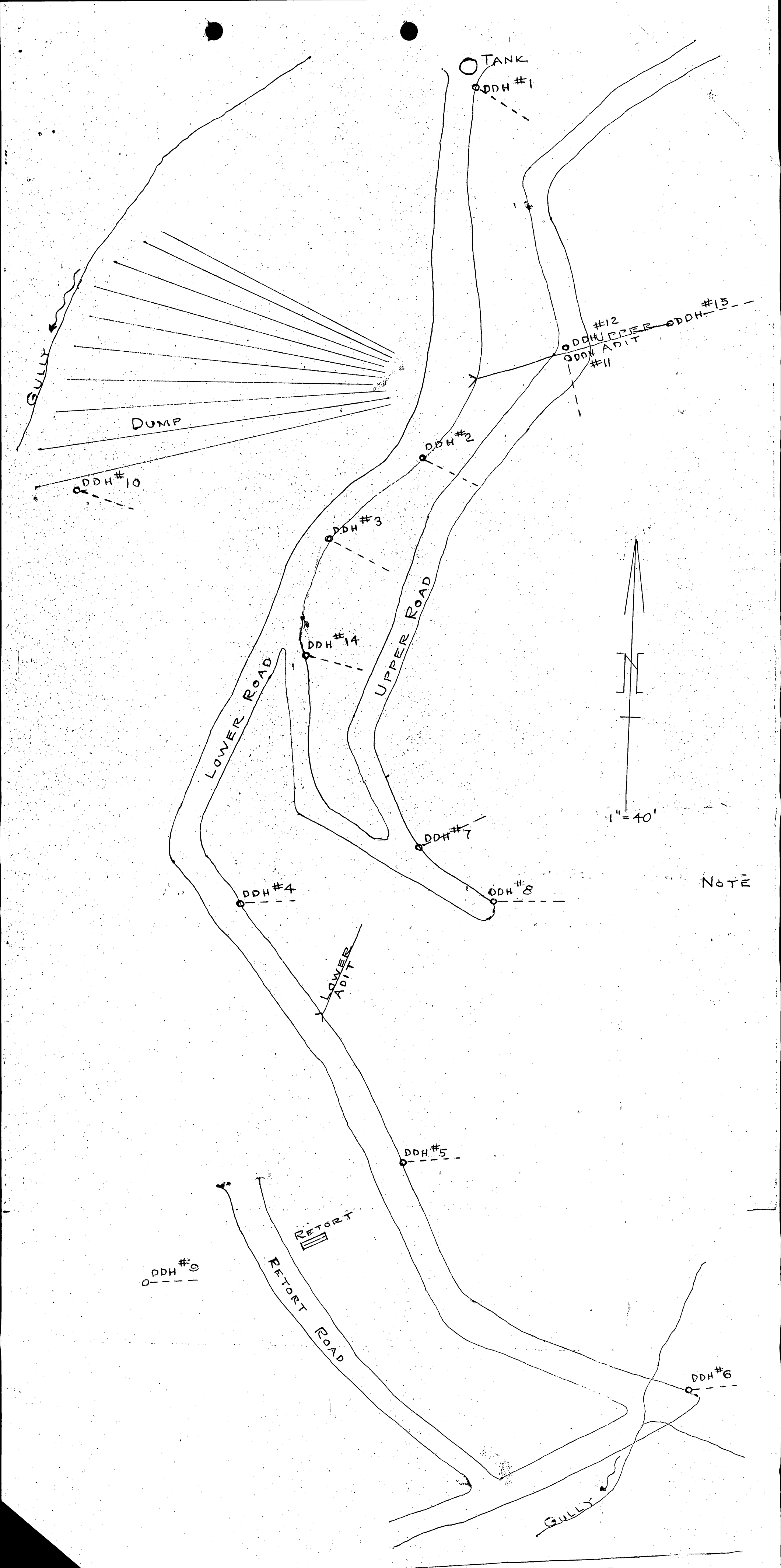
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LOWER ROAD
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DDH #15
#11
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DDH #8
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DDH #6
GULLY

MME Form 7
(2/63)

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Date	Surname	Code
7/8/68	Peterson	120
7/8/68	Kirkemo	120
"	Johnson	110
7/10	Kulogoski	
7/10	Kemp	
		110
		220

JUL 12 1968

AIRMAIL

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California 94901

Re: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Dear Mr. Mitchell:

A careful review of your application for financial assistance to explore the subject property and of other information available to us indicates that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for assistance is denied.

We wish to thank you for your interest in the minerals exploration program and for bringing your property to our attention.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
130
Mr. Peterson

ECPeterson/bsl 7/8/68

MME Form 7
(2/63)

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Date	Surname	Code
7/8/68	Kirkeme	120
		120
7/8	Johnson	110
		220

July 8, 1968

Memorandum

To: The File

From: Edward C. Peterson

Subject: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Justification for Denial of Application

The OME field examiner found no geologic evidence on the property to justify further exploration, and he concluded that the probability of discovering any significant ore reserves with the proposed exploration was too small to justify Government participation in the work.

Available information indicates that only small, low grade, concentrations of mercury-bearing material occur on the property with little economic potential. Samples taken by the Applicant, of the best grade of material exposed, assayed less than two pounds of mercury per ton.

I concur with the Field Officer and recommend that the application for assistance be denied.

Edward C. Peterson

Edward C. Peterson

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson

ECPeterson/bsl 7/8/68

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 2, 1968

OFFICIAL COPY
O. M. E.
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Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Enclosed is an Application Report on the subject property recommending that the application be denied on the basis that the geologic probability of discovering minable ore bodies as a result of the proposed work is too small to justify Government participation.

H. K. Stager

Enclosure

ON-SITE EXAM. RPT.

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

APPLICATION REPORT

OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

By

H. K. Stager
Field Officer
OME, Region II

July 2, 1968

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ILLUSTRATIONS

Figure 1. Index map of Marin County, California

INTRODUCTION

Mr. Miles J. Mitchell, 10 Santa Margarita Drive, San Rafael, California 94901, applied to the Office of Minerals Exploration for Government assistance in an exploration project, Docket OME-6706, to explore for mercury on the Respini Ranch, Marin County, California. The applicant infers the presence of minable mercury ore bodies along a fault zone in sandstone on the property and wishes to explore for these ore bodies by diamond drilling from surface and underground sites.

A review and field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer, on June 13, 1968, accompanied by Mr. Miles J. Mitchell and Mr. John D. Swearingen, mining engineer for the applicant. The applicant's maps and other data were examined and compared with surface and underground exposures on the property.

SUMMARY

The Respini Ranch property, also known as the Franciscan Mine, contains a poorly defined, north-striking, fault zone in sandstone and graywacke that is sporadically mineralized with cinnabar. The applicant proposed to explore the most favorable area by drilling 14 diamond drill holes from surface and underground sites. Estimated total cost of the project was $37,245.00. Only small, low grade, concentrations of mercury-bearing material are known to occur on the property and the geologic probability of making a significant discovery of minable ore with the proposed project is small. There is no geologic evidence to indicate larger or higher grade ore bodies below the exposures or elsewhere on the property.

RECOMMENDATIONS

It is recommended that the application be denied on the basis that the geologic probability of discovering minable ore bodies as a result of the proposed work is too small to justify Government participation.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Respini Ranch is in the SW¼ of T. 4 N., R. 8 W., MDM, Marin County, California (Fig. 1), along the Arroyo Sausal at an altitude of about 500 feet.

To reach the property, that is about 10 miles northwest of Novato (the closest town), drive west on the Hicks Valley Road about 8 miles, turn north on the Point Reyes-Petaluma Road about one-half mile, then west about 2 miles to the Barboni Ranch, continue west through the Barboni Ranch about one mile to the Respini Ranch. Upon entering the Respini Ranch property turn right (north) on the mine access road, down the Arroyo Sausal, about 2,000 feet to the prospect area. The road is passable to ordinary passenger cars and the drive from Novato requires about one-half hour.

All necessary services, supplies, equipment, and labor are available in nearby towns, or in the San Francisco area (40 miles). Water is available from springs and streams on the property. Assay service, at a cost of $4-$5 per sample for mercury, is available in San Francisco.

PROPERTY

History and Production

Mercury was discovered, north of the Respini Ranch property along Salmon Creek, in 1910. The Gambinini Mine, about 3 miles northwest, was the first mine to be placed in steady production and since 1948 this mine has supported a small retort operation. The deposit on the Respini Ranch was discovered in

1961 by the applicant. Some trenching, diamond drilling, and underground exploration has been carried on intermittently since that time and a few flasks of mercury has been produced although no accurate records are available.

Ownership

The property consists of the Respini Ranch, containing about 953 acres, west of Hicks Valley and about 10 miles west of Novato, California. The applicant holds a mining lease on the property dated February 3, 1967. A copy of the lease was attached to the application.

The owner of the property, Mrs. Lydia Respini, refused to execute a Lien and Subordination Agreements and the applicant stated that a Performance Bond would be furnished if a contract was approved.

Financial Eligibility

The applicant furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters from the banks denying the loans. The applicant proposed to furnish his share of the exploration costs by supervisory expenses, use of equipment, and in cash.

Development

The property is developed by two crosscut adits, each about 120 feet in length, and a small open pit. The underground workings are open and accessible.

Surface facilities consist of two Rossi-type retorts, a jaw crusher, pebble and ball mill, rod mill, a 25 KW generator, and a jeep-mounted auger drill.

GEOLOGY

Geologic Setting

The Respini Ranch is in an area of low to moderate topography and the rocks are covered by alluvium, slope wash, and landslide debris. Much of the surface

area is covered by dense vegetation and outcrops are sparse. The prospect pits, adits, and road cuts expose sandstone and graywacke of the Franciscan Formation of Jurassic or Cretaceous age. These rocks, in general, appear to strike northeasterly and dip moderately to the southeast. A fault zone, that strikes north and dips steeply west, cuts the sedimentary rocks at the northeast corner of the property and it is along this fault zone that the mercury mineralization occurs.

Ore Deposits

The mercury-bearing material that has been exposed by open pits and road cuts consists of thin veinlets and sparse disseminations of cinnabar along fracture surfaces and in hydrothermally altered graywacke and sandstone. These concentrations are localized in the north-striking fault zone at the northeast corner of the property along a strike length of about 800 feet and across a width of about 100 feet. The largest body, near the north end of the mineralized zone, has been partly mined by a small open pit about 20 feet in diameter and a small stope driven upward from an adit below the pit. This body has yielded a few tens of tons of cinnabar-bearing material that has been retorted, or chemically treated, on the property. Recovery was poor and only a few flasks of mercury was obtained. Only traces of cinnabar are now exposed in the pit and adit. Traces of cinnabar are exposed in a short adit about 300 feet south of the open pit but no ore has been mined from this working. Traces of cinnabar are also reported in the road cut at the south end of the zone but were not observed.

Sampling

There were no samples taken during the field examination. Samples taken by the applicant, of the best grade of material exposed in the surface and underground workings, assayed less than 2 pounds of mercury per ton. No cinnabar-bearing material was exposed at the time of the examination that contains more than about 2 pounds of mercury per ton, by visual estimate.

Ore Reserves

The applicant states that as a result of some diamond drilling in 1961 a reserve of 6,250 tons of material that averaged 2 pounds of mercury per ton was indicated. Some of this material was subsequently high graded of the thin veinlets of cinnabar and yielded a few flasks of mercury. Material of this average grade cannot be considered as minable ore under current economic conditions. Additional shoots of mercury-bearing material of the same grade may be present in the deposit but the cost of exploration, mining, and treatment would exceed the value of the mercury that might be produced.

EXPLORATION

Applicant's Proposal

The applicant proposed to explore the deposit by diamond drilling from surface and underground sites. About 2,700 feet of drilling in 14 holes was proposed at a total estimated cost of $37,245.00. These holes would explore about 800 feet of strike length on the fault zone to a depth of about 200 feet below the outcrop. The target of the drill holes would be ore shoots of sufficiently high grade to permit mining by open-pit methods. Previous drilling (6 holes) and underground workings (2 adits totaling about 300 feet) in the most favorable part of the deposit were not successful in finding minable ore shoots and it is not probable that the applicant's proposed project would be more successful.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6706
(Mercury)

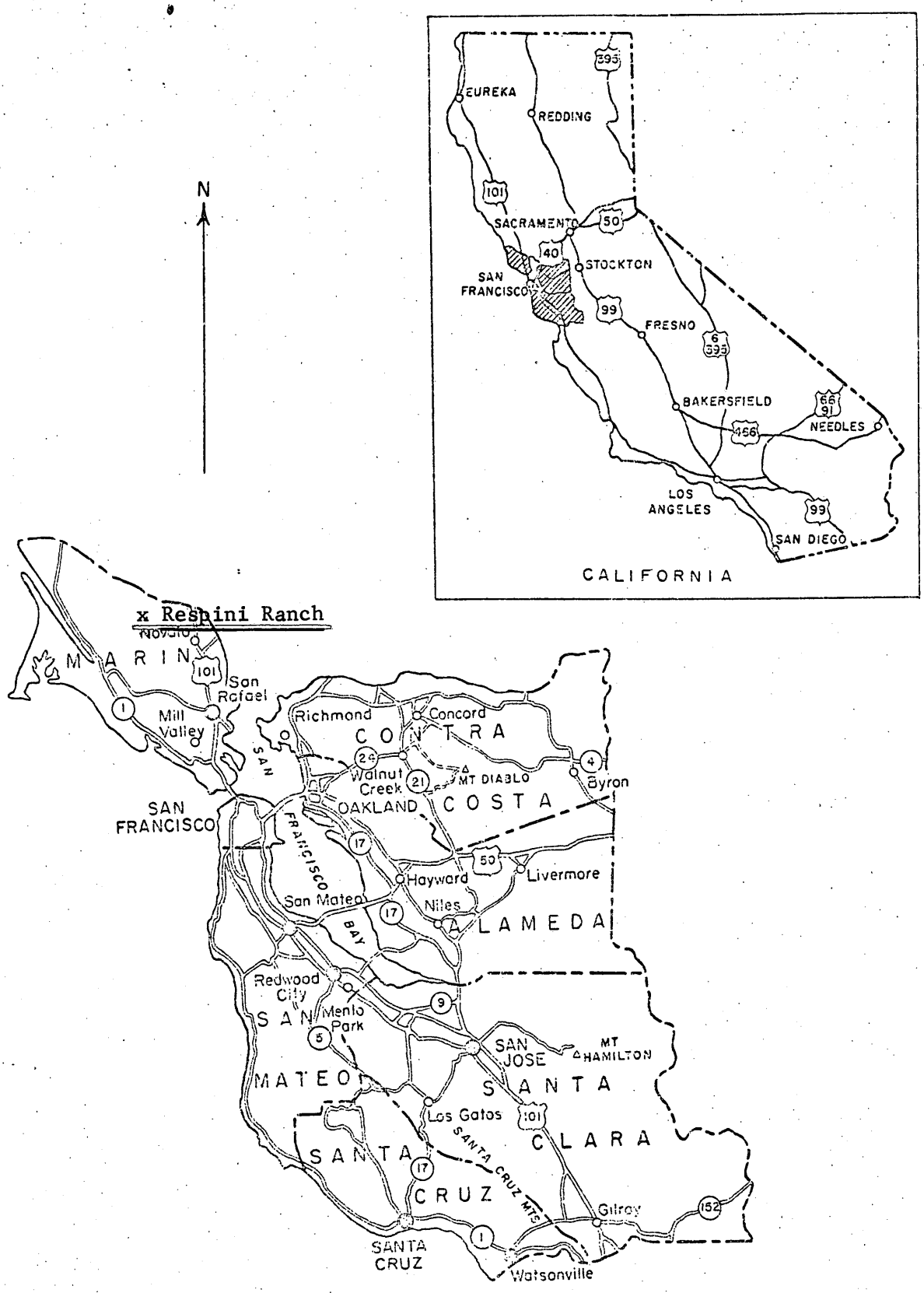

Figure 1. INDEX MAP OF ALAMEDA, CONTRA COSTA, MARIN, SAN FRANCISCO, SAN MATEO, SANTA CLARA, AND SANTA CRUZ COUNTIES, CALIFORNIA

OME-6706

E. J. LONGYEAR COMPANY
308 EAST PIMA STREET
PHOENIX, ARIZONA 85004
PHONE 258-6543
GEN. OFFICE - MINNEAPOLIS, MINN.

COPY
M. E.
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June 5, 1968

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JUN 26 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California 94901

Dear Mr. Mitchell:

I wish to apologize to you for the delay that we have taken in answering your letter of April 4, 1968. Your letter was addressed to our Salt Lake City office and was transferred down to our Phoenix office for handling. We operate what is known as the Southwestern Zone and it includes the state of California.

In order to give you an estimate on your diamond drilling that would be reliable, it would be necessary for us to examine the area to be drilled. However, we can give you a range of prices that you could expect to prevail on this work.

It has been our experience in drilling in the mercury zones of California that you should consider using NX and BX size cores rather than the EX and AX size that you have indicated. Generally the formation is very unstable and loosely cemented. It is difficult to stabilize and to core. Therefore, you should consider obtaining as large a core as possible.

In the area in which you plan to drill, you could expect a range of prices commencing at around $7.50 per ft. to $8.00 per ft. with a high of $10.50 to $11.00 per ft.

Although we would be very happy to give you a proposal covering your planned drilling program, it would have to be with the understanding that commencement of operations would be dependent upon the availability of equipment and personnel to carry out the work. The reason for this is that it is an extremely busy time of the year for us and we are limited in the number of machines and experienced personnel that we have available at this time.

We sincerely regret the delay that has occurred in answering your letter and trust that it did not inconvenience your request too much.

If you should like to receive a proposal from us covering your proposed work, please advise us and we will make arrangements to visit the area to be drilled to gain the necessary information required for submitting the bid.

Sincerely,

J. R. Miller

Manager, Southwestern Zone
Contract Drilling Division

J.R.Miller:jag

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(2/63)

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Date	Surname	Code
5/23/68	Hanson	120
5/23/68	Mitchell	120
		110
		220
		120M

MAY 24 1968

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

We are referring the subject application to you for further study, a field examination, if warranted, and recommendations.

The Applicant has furnished most of the information requested in our letter of March 25. Still lacking, however, is the one additional drilling bid. Please note that if a contract is granted the Applicant will provide a Performance Bond in lieu of Lien and Subordination Agreements.

The proposed work (as shown on the enclosed map) is more in the nature of development rather than exploration drilling as many holes are spaced on intervals of 50 feet or less. In addition, five holes appear to be collared on ground not controlled by the Applicant. Justification of the proposed project without further supporting geologic evidence is considered remote.

A revised detailed cost estimate should be requested of the Applicant if a contract is recommended. The present estimate is based on the Applicant's proposal to do the drilling himself. Allowances for personal services are considered high.

For your records, we are enclosing the duplicate of the material furnished by the Applicant in response to our recent letter.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson - 130

ECPeterson/bsl 5/23/68

MME Form 7
(2/63)

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Date	Surname	Code
5/23/68	Peterson	120
5/24/68	Kisbarno	120
		110
		220
		120M

MAY 24 1968

AIRMAIL

Mr. Miles J. Mitchell
10-Santa Margarita Drive
San Rafael, California 94901

Re: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Dear Mr. Mitchell:

This will acknowledge receipt of your letter dated May 6, 1968, enclosing additional information in support of the subject application for financial assistance.

As previously indicated, reasonable allowances are made for supervision and technical services in an OME contract. This generally includes the employment of a full-time geologist-engineer-supervisor and a part-time consultant. The services of technicians and other non-supervisory personal usually cannot be justified because of the limited amount of work involved.

Although further information may be required, including submittal of an additional drilling bid, we are referring the application for further consideration to Mr. Harold K. Stager, Field Officer, Region II, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025.

Mr. Stager will notify you if he requires additional information, and to arrange for an on-site examination of the property, if necessary.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
Region II-w/enclosures - 130

ECPeterson/bsl 5/23/68

May 6, 1968

140

US Dept. of The Interior
Geological Survey
OME-6706 (Mercury)

Gentlemen:

Kindly excuse the delay in forwarding additional information for my loan application. I requested two diamond drilling estimates, as per your request, one from Longyear and one from Boyles Bros. After a wait over over one month, no response, I must assume that they are not interested in such a small contract. However the Boyles Bros contract estimate is enclosed. Also if satisfactory details of the contract can be worked out, I would have no objection to bonding for the amount of the loan. Am forwarding other data which you requested.

Regarding your question as to the reasoning for the location of the drill holes, this was spelled out in my original application. However to repeat, we are probing a N-S fault system with a series of inclined holes, oriented towards the fault zone, inclined approximately 45 degrees to the east. Mercury ore was exposed at a higher elevation on the zone, as stated in the application. All holes will be collared in sandstone (Franciscan), and they will be drilled for the purpose to probe this fault at depth.

Regarding your nullification of any geological or engineering assistance for the project, speaking as a professional person, it is definetely unthinkable to initiate a costly program such as this, relying soley on a driller and a layman helper, for the responsibility of evaluating and correlating results. People in the mineral exploration industry today are all using trained geologists for this work. Boyles Bros uses Eugene Lindsey, a geological consultant, for this area. Please note his fees for this work do not cover the complete time interval of the project. Enclosed find his estimate for geological work on the project.

Regarding managment or supervision of a drilling project, statements which were made in your recent letter, and the information printed in your information brochure, are very obscure. You state that an engineer or geologist allowances are not permitted, while the brochure states that the applicant will be required to employ competent technical help, and further that if the operator is qualified for specific services and this is provided for in the contract, it is allowable. The technical personnel vital to a drilling project such as this, must be provided for. If you would prefer to lump these under the unit cost per foot, this can be done. If OME wishes to provide this type of personnel continually during the project, this would be satisfactory. Kindly clarify your position on this issue, is it the language or terminology? Perhaps one should use the word technician in lieu of geologist engineer, or supervisor. Please advise what are your interpretation of reasonable technical fees?

Sincerely,

Miles J. Mitchell

OFFICIAL COPY
U. S. G. S.
MAY 1 1968

179735

RECEIVED
U. S. GEOLOGICAL SURVEY
MAY 17 2 30 PM 1968
OFFICE OF THE DIRECTOR

MERZ BROS. CONSTRUCTION

EXCAVATION - GRADING - PAVING - PILE DRIVING - DREDGING - CRANE WORK - DEMOLITION

1 SIMMS STREET SAN RAFAEL, CALIFORNIA 94901

456-9604

EGCA ENGINEERING & GRADING CONTRACTORS ASSN.

May 14, 1968

Mr. M. Mitchell
10 Santa Margarita Drive
San Rafael, California

Dear Sir:

Relative to exploratory drilling on the Respini Ranch, we submit herewith the following:

A. Grade road to and prepare eleven (11) drill sites

B. Moving of skid-mounted drill to eleven (11) Drill Sites

Total $3400.00

Very truly yours,

MERZ BROS.

Frank G. Merz, Jr.

FGM/jbn

December 5, 1967

Northwestern Savings & Loan
1200 Fifth Ave.
San Rafael, Calif.

Loan Department

Gentlemen:

The purpose of this letter is to make a formal application for the sum of $38,000, for underwriting the cost of exploring a deposit of mercury, which is located in Northern Marin County.

As you people have carried the mortgage on my home, I felt that a loan of this nature would be appropriate, the terms of said loan to be mutually agreed upon at some future meeting.

Hoping to hear from you promptly, I remain,

Sincerely,

Miles J. Mitchell

December 13, 1967

Bank of America
San Rafael Branch
San Rafael, Calif.

Atten. Loan Department

Gentlemen:

I wish to apply for a 20 year loan for the sum of $36,280, for the purpose of exploring a mercury deposit, which is located in the Hicks Mountain area of northern Marin County, namely the Respini Ranch property.

I have a valid exploration and development agreement with the land owner, am a professional mining geologist, and have done business with your bank for some 25 years.

Sincerely,

Miles J. Mitchell

EUGENE H. LINDSEY consulting geologist

2015 center street berkeley, california 548-0560

Apr. 30, 1968

Mr. Miles J. Mitchell
10 Santa Margarita Dr.
San Rafael, Calif.

Dear Sir:

I have your letter of april 23, and I must apologize for being somewhat late with an answer.

My fees are $100.00 per day and expenses, which in your case would be milage only. Total cost would depend on what services you wanted. To simply log the core and submitt a log along with a summary of the entire project would require about 16 days. To submitt a summary for each hole would require about 20 days. In the above cases marking core sections to be assayed is included, but actually splitting the core is not. If you should require any interpretation of the cores based on other drill holes or surface geology, and perhaps some changes in hole lengths andlocations based on surface geology or drilling results something in the order of 30 days might be required.

Because of a very heavy schedule this spring and coming summer I cannot promise at this time to be available when you start drilling.

Sincerely yours,

Eugene H. Lindsey

Eugene H. Lindsey

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

Highway 40 at Lincoln Turn-off
2 ½ Miles West of Auburn, California
P. O. Box 831 Auburn, California 95603
Phones: Office: (916) 885-6581 Telex: 37-7490
Home: Carmichael, Calif.
(916) 944-1697

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110
487-3671

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SANTIAGO, CHILE
LIMA, PERU

April 17, 1968

Mr. Miles J. Mitchell
10 Santa Margarita Drive
San Rafael, California

Dear Sir:

The following proposal is submitted for drilling 3 holes underground and 11 holes from the surface, total footage 2,700 linear feet, at the Franciscan Mine on the Respeni Ranch approximately 15 miles west of Novato, California.

We recommend the first hole be started BX size and reducing to AX if necessary.

1 -	Mobilization and demobilization of equipment to job site.	Lump Sum	400.00
2 -	Moving between holes and setting up, includes setting up on first hole. 14 set ups - - -	80.00 Each	1,120.00
3 -	Core Drilling 0 to 300 feet in depth	AX 6.75 / BX 7.75	
4 -	Reaming and casing if required	per Ln Ft	2.50
5 -	Cementing, redrilling cement or mixing drilling mud, - - plus cost of cement, additives or drilling mud.	per Hour	22.00

For underground drilling:

Mobilization and demobilization of Air Compressor	Lump Sum	300.00
Rental of air compressor	per Month	850.00

We will supply cardboard core boxes.

You supply reasonable access to work areas, including any dozer work required on access roads or drill stations.

You supply an adequate source of water at the job site.

Concerning a geologist for this work, we recommend you contact Mr. Eugene H. Lindsey, Consulting Geologist, 2015 Center Street, Berkeley, California.

Mr. Lindsey is a very capable geologist and has done geological work on the cinnebar property a few miles north of your property, so he is familiar with the general area.

We hope you are successful in your application for an O.M.E. loan and would appreciate the opportunity of answering any questions you may have about this proposal or the work.

Thank you for calling on us.

Very truly yours,

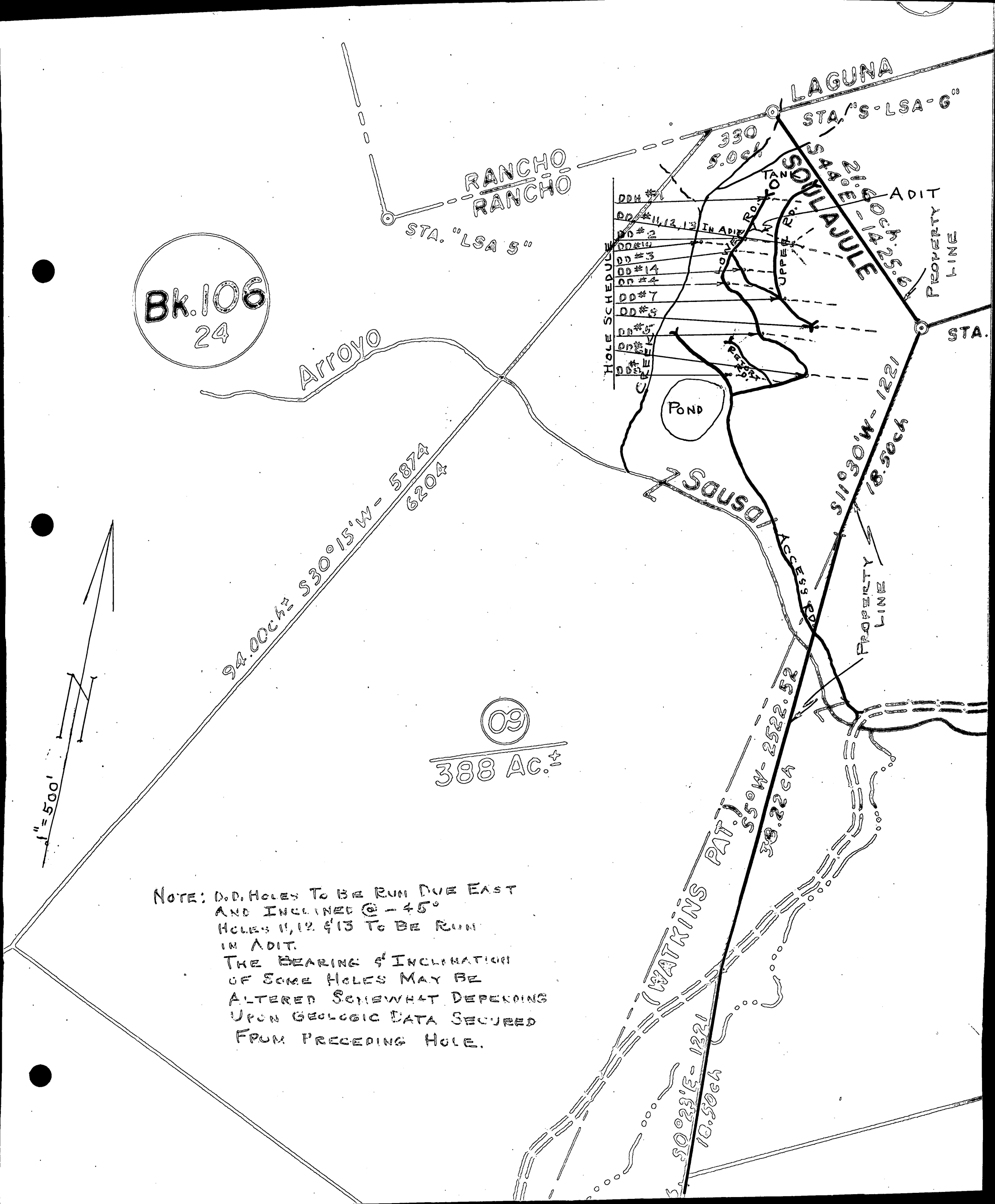
BOYLES BROS. DRILLING COMPANY

Peter Chesler by jg

Peter Chesler, District Manager

PC/jg

cc: Manager Drilling Operations
Boyles Bros., S. L. C.



NOTE: D.D. HOLES TO BE RUN DUE EAST AND INCLINED @ -45°
HOLES 11, 12 & 13 TO BE RUN IN ADIT.
THE BEARING & INCLINATION OF SOME HOLES MAY BE ALTERED SOMEWHAT DEPENDING UPON GEOLOGIC DATA SECURED FROM PRECEDING HOLE.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/20/68	Peterson	120
5/20/68	Kirkham	120
		110
		220
		120M

MAY 20 1968

AIRMAIL

Mr. Miles J. Mitchell
10-Santa Margarita Drive
San Rafael, California 94901

Re: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Dear Mr. Mitchell:

We have not received a reply to our letter of March 25, 1968, requesting additional information necessary to continue the processing of your application.

Will you please inform us when we may expect the required data. If you have decided to withdraw the application, please so inform us.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
Region II

ECPeterson/bsl 5/20/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/25/68	Peterson	120
3/25/68	Kirkemo	120
		110
3/25	Cole	220
		120M

AIRMAIL

MAR 25 1968

Mr. Miles J. Mitchell
10-Santa Margarita Drive
San Rafael, California 94901

Re: OME-6706 (Mercury)
Miles J. Mitchell
Respini Ranch
Marin County, California

Dear Mr. Mitchell:

A preliminary review of your application for assistance in exploring the subject property indicates that the following additional information is needed before we can continue its processing.

Furnish copies of your correspondence to the two banks requesting an exploration loan. The letters should state the amount of the loan, purpose, date, and terms requested. Your statement that the loan request was conducted orally with the banks is not sufficient for our records.

We note that Mrs. Lydia Respini, the owner of the subject property, has refused to execute the Lien and Subordination Agreements. In this case we must advise you that in the event of an exploration contract, the Government will require you to submit a Performance Bond or an Affidavit of Individual Surety equal to its share of the estimated cost of the work. Please advise if you are willing to submit such a bond at that time. A Standard Performance Bond Form 25, and a Standard Affidavit of Individual Surety Form 28 are enclosed for your study.

Although you indicate that you intend to perform the proposed drilling with your own equipment and personnel, it will be necessary for you to support the estimated costs for this work by submitting bids from at least two independent drilling contractors. Also, two additional bids for the proposed bulldozing should be furnished if possible.

Please note that allowable costs under an OME contract do not include full book value allowances to the Operator for his equipment used on a contract. Rather, for each piece of his equipment used on a project

the Operator is compensated by allowing depreciation to the extent of 1/60th of the fair market value of the equipment or its book value, whichever is less, for each month used. If the equipment is rented, a fair rental charge per month is allowed.

A map or sketch showing the property lines and corners in relation to present and proposed workings should be furnished. The maps submitted do not give these details.

In addition, the proposed work should be described fully, indicating depths and inclinations of the proposed holes, and geologic justification for placing the holes in the locations shown.

Under an OME contract, reasonable allowances are made for supervision and technical services. However, allowances for a full-time consultant or non-supervisory engineer or geologist are not allowable costs in a contract.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further process of your application until the data are received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
Region II

ECPeterson/bsl 3/25/68

March 14, 1968

Mr. Miles J. Mitchell
10-Santa Margarita Drive
San Rafael, California 94901

Subject: OME-6706

Dear Mr. Mitchell:

Your application for exploration assistance, dated January 25, 1968, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6706.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region II