Docket Copy

(Amendment to Change Starting and Completion Dates)

AMENDMENT NO. 2

It is agreed this 20th day of Oct. 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Cosumnes Gold Dredging Company, a corporation, 465 California Street, San Francisco, California (Docket No. 2265 - monazite, columbium, tantalum) each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E351 of June 23 195 2 between the parties hereto be modified and amended to change ~~the starting date from to within~~ ~~No. of day~~ ~~No. of days~~ ~~of the date of the contract and~~ the completion period from 7 (No. of months) to 14 (No. of months) from the date of the contract. The effective date of this amendment shall be October 20 195 2.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

COSUMNES GOLD DREDGING COMPANY
(Operator)
By Merrill Yost

The United States of America
By A. E. Weissenborn
A.E.Weissenborn, Exec. Officer
DMEA Field Team, Region II

COSUMNES GOLD DREDGING COMPANY

Docket No. DMEA 2265 (monazite-columbium-tantalum)
Contract Idm-E351

Justification of Amendment No. 2

The test drilling and sample procurement of Stage I and 25 holes of Stage II have been completed. Sample treatment and analysis will require several months longer, necessitating an extension of time to complete the project.

The results of work completed under Stages I and II will determine whether any or all of the remaining 25 holes in Stage II will be drilled next summer when weather permits. An extension of 7 months is justified for this work.

John D. Bardill
Chief, DMPA Section
Bureau of Mines, Region II

Docket a

AMENDMENT NO. 1

It is agreed this 12th day of Aug. 1952, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Cosumnes Gold Dredging Company, a corporation, San Francisco, California (Docket No. DMEA 2265 - monazite) each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E351 of June 23 1952 between the parties hereto be modified and amended as described in Exhibit "B", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be June 23 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

COSUMNES GOLD DREDGING COMPANY
(Operator)

By Merrill Yost

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1952

The United States of America

By Glenn C. Rice
~~A. E. Weissenborn, Exec. Officer~~
~~DMEA Field Team, Region II~~

for M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II

COSUMNES GOLD DREDGING COMPANY
Exploration Project Contract Idm-E351
Docket No. DMEA 2265 (monazite)

Amendment No. 1

Exhibit "F"

Changes and modifications

1. In Exhibit "A", page 5, under "Operating Equipment - to be furnished by Operator", delete "D-4 Caterpillar tractor w/dozer" thereby reducing monthly depreciation to $240.43.

2. In Exhibit "A", page 4, under "Operating Equipment - to be rented", Stage 1, insert "1 HD-7 bulldozer @ $500 per month for one-half month." Funds will be taken from unexpended funds for labor.

3. In Exhibit "A", page 4, under "Operating Equipment - to be rented", Stage II, insert "1 HD-7 bulldozer @ $500 per month for 3 months." Funds will be taken from unexpended funds for labor and will not increase the cost of the project.

M. E. Volin, Member, DMEA Field Team, Reg. II August 13, 1952

John D. Bardill, Metallurgist, DMEA Field Team, Region II

Amendment No. 1, Cosumnes Gold Dredging Co., Contract Idm-E351,
DMEA Docket No. 2265 (monazite)

The D4 caterpillar tractor w/dozer owned by the company was considered too small and was left in California.

The larger HD-7 bulldozer which is being rented at the rate of $500 per month is adequate for clearing drill sites and building access roads to the drill sites.

John D. Bardill

cc: USGS (1)
WASH (2)
JDB

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2205

COMMODITY Monazite, Columbium-Tantalum Idm-E351

Docket Copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 23rd day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Beaumont Gold Dredging Company, a corporation
465 California Street, Room 403
San Francisco, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Valley, described as follows:[3] A group of claims known as the Paddy Flat Placer, and located in the Paddy Flat Mining District along the drainage area of the North Fork of Gold Fork River, as shown on the attached map, identified as Annex I" and made a part hereof; and further described in "Annex II", attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner in possession and entitled to possession, and that the property is subject only to the following claims, lien or encumbrances, a schedule of which is attached:~~

under a contract to purchase some claims and as a lessee of others, as indicated in "Annex II".

(*b*) That the Operator is ~~XXXX~~ in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for Monazite, Columbium-Tantalum,

in or upon the described land; and shall bring the project to completion within a period of seven months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payment in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $25,942.50, which is 90 percent of $28,825.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ....

....

....

....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Wittenberg
Acting Administrator
Defense Minerals Exploration
Administration

COSUMNES GOLD DREDGING CO.
(Operator)

By M M Standifer President

I, M. B. Standifer, certify that I am the Acting Assistant secretary of the corporation named as Operator herein; that G. M. Standifer, who signed this contract on behalf of the Operator, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

M. B. Standifer

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

[CORPORATE SEAL]

EXPLORATION PROJECT CONTRACT
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMEA-2265

EXHIBIT "A"

Description of the Work

The work to be done is for the purpose of exploring the described property for monazite and columbium-tantalum in the placer gravel along the drainage area of the creeks as is indicated on the attached map Annex I.

The work consists of preliminary work, described below, followed by work in two stages. If, in the opinion of the Government, the results obtained from the work done in Stage 1 warrants it, so much of the additional work specified in Stage 2 as is authorized by the Government shall be done.

Prior to beginning the work described under Stage I, the equipment and materials required for the work shall be collected at Sloughhouse, California, and transported to the work site, and a sample concentrating plant shall be erected on the land described in Article 2. This equipment includes a clam shell drill, a sample concentrating plant, a tractor and trucks which are to be used for exploring on and sampling for this project and the White Hawk Placer project (Docket No. DMEA-2264) as well. The cost of collecting and transporting the equipment and materials to the work site and of erecting the sample concentrating plant is allocated equally between each of these projects.

Stage I

Drill ten (10) 20" diameter cased holes with a clam shell drill at the locations indicated on Annex I attached, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the holes, and have samples analyzed.

Stage II

Drill fifty (50) 20" diameter cased holes with a clam shell drill at locations approved by the Government, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the drill holes; and have samples analyzed.

Estimated Costs of Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I and Stage II

None

(2) Labor, Supervision, Consultants

Stage I

(The estimated costs under this stage are based upon drilling 10 holes at the rate of two holes every three days, plus the allowance of one day for shutdowns)

			Total (Including Overtime)
1 Driller	16 shifts, 8 hrs.	$1.75 per hr.	$238.00
1 Driller helper	" " " "	1.38 " "	187.88
2 Utility men	32 " " "	1.27 " "	350.52
1 Truck driver	16 " " "	1.50 " "	204.00
1 Sample plant Operator	16 " " "	1.75 " "	238.00
1 Sample plant Operator-Helper	16 " " "	1.38 " "	187.88
1 Engineer-Manager	18 days*	20.00 per day*	360.00*
Total Stage I			$1,766.28

Stage II

(The estimated costs under this stage are based upon drilling 50 holes at the rate of two holes every three days, plus the allowance of two days for shutdowns)

			Total (Including Overtime)
1 Driller	77 shifts, 8 hrs.	$1.75 per hr.	$1,176.00
1 Driller helper	77 " " "	1.38 " "	927.36

			Total (Including Overtime)
2 Utility men	154 shifts, 8 hrs.	$1.27 per hr.	$1,706.24
1 Truck driver	77 " " "	1.50 " "	1,008.00
1 Sample plant operator	77 " " "	1.75 " "	1,176.00
1 Sample plant helper	77 " " "	1.38 " "	927.36
1 Engineer-Manager	3 mos.*	600.00 mo.*	1,800.00*
Total Stage II			$8,720.96

Note: The work week is defined as 48 hours. The rates fixed for labor under both stages are based upon a 40 hour week, and the estimated total amount for each item of labor includes an allowance for time and one-half after 40 hours.

(3) Operating Materials and Supplies

Stage I

Gasoline and oil	$ 700.00
Repair parts for equipment, tires and tubes, etc.	700.00
Miscellaneous supplies	100.00
Power for sample concentrating plant	50.00
Sample concentrating plant supplies	50.00
Total Stage I	$1,600.00

Stage II

Same materials and supplies detailed under Stage I	$4,800.00

(4) Operating Equipment

Stage I

To be purchased

1 Wilfey type table (sample plant 3½' x 7')	$ 600.00
1 20" Diam. Drill casing 40' long	2,600.00
Total Stage I	$3,200.00

Stage II

None

To be rented

Stage I

Transit, rod and tape @ $40/mo. one month	40.00

Stage II

Transit, rod and tape @ $40/mo. 3 months	120.00

To be furnished by Operator

Stage I

	Fair market value
Screen for sample plant	$ 150.00
Jig " " "	200.00
Minor equipment units pump, tools, etc.	350.00
Geiger Counter	225.00
Clam shell drill mounted on a 2-ton Dodge truck, including portable compressor power unit	9,000.00

~~1-½~~ 1½ ton Dodge truck	$ 1,500.00
1/2 ton G.M.C. 1950 Model pickup truck	1,500.00
Chrysler 1945 model automobile	1,500.00
D-4 Caterpillar tractor w/dozer	4,500.00
Total value of equipment	$18,925.00
One month depreciation (on 5 year basis)	315.43*

Stage II

Equipment depreciation (detailed in Stage I) @ $315.42 per month for 3 months	946.26 *

(5) **Rehabilitation and Repairs**

None

(6) **New buildings, Improvements, Installations**

Stage I

Building 12' x 14' floor area Sample concentrating plant and office	1,000.00*
Equipment installation for power and water at sample plant	500.00*
Collection of equipment and materials at Sloughhouse, California, and transporting to and installing same at work sites	1,535.80*
Lodging and meals of workmen enroute to work sites	96.00*
	$3,131.80*

Only 50% of the estimated total of each item scheduled under this category is an allowable cost under this contract. The remaining 50% is scheduled in Exhibit "A" of Docket No. DMEA-2264 $1,565.90*

(7) **Miscellaneous**

Stage I

Sample analysis and sample transportation	$850.00*	
Payroll compensation insurance @ 4% of payroll	101.37	
Accounting @ $50/mo. - one month	50.00	
Total Stage I	$1,001.37	

Stage II

Sample analysis and sample transportation	4,250.00*	
Accounting @ $50/mo. - 3 months	150.00	
Payroll Compensation Insurance @ 4% of payroll	348.84	
Total Stage II	$4,748.84	
Total Stage I		$9,488.97*
Total Stage II		$19,336.06*
Total Estimated Cost of Contract		$28,825.00*
Government Participation @ 90%		$25,942.50*

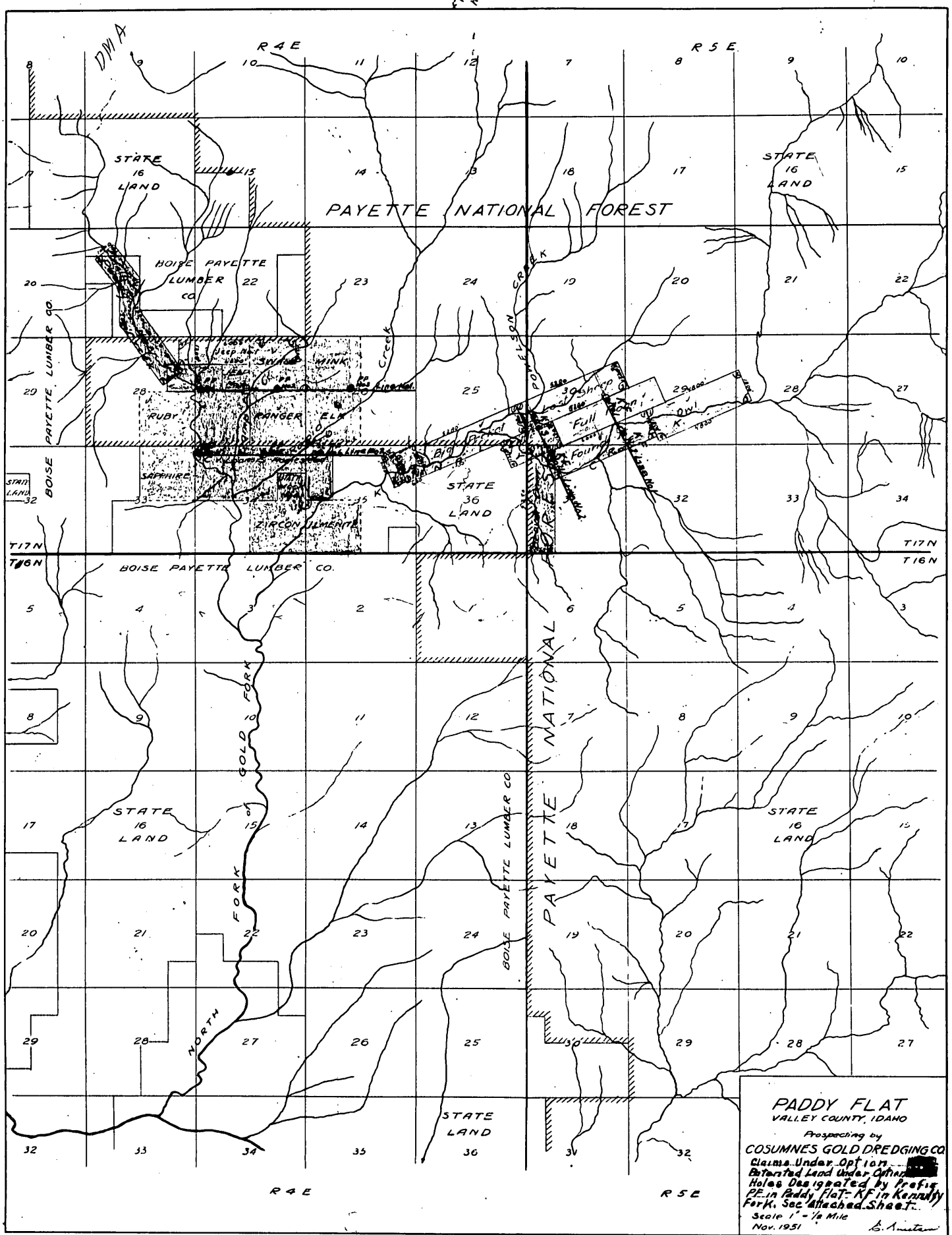
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMRA-2265

ANNEX II

Located in T 17 N, R 4 E; and T 17 N, R 5 E,

and recorded as follows:

Book 5, pages 535, 536, 533, 537, 531, 538, 441, 532, 534, 122, 530, 539 (Held under contract to purchase); and Book 6, pages 10, 11, 15, 16 (Held under lease).


R4E
R5E
STATE 16 LAND
PAYETTE NATIONAL FOREST
BOISE PAYETTE LUMBER CO.
BOISE PAYETTE LUMBER CO.
RUBY
RANGER
ELK
SAPPHIRE
ZIRCON
ILMENITE
STATE 36 LAND
POWELSON CREEK
Sheep
Full Moon
Fourth
T17N
T16N
BOISE PAYETTE LUMBER CO.
GOLD FORK
NORTH FORK
BOISE PAYETTE LUMBER CO
PAYETTE NATIONAL FOREST
STATE LAND
PADDY FLAT
VALLEY COUNTY, IDAHO
Prospecting by
COSUMNES GOLD DREDGING CO.
Claims Under Option
Patented Land Under Option [redacted]
Holes Designated by Prefix
PF in Paddy Flat - KF in Kennedy
Fork. See Attached Sheet.
Scale 1" - 1/2 Mile
Nov. 1951

ANNEX-I

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/

The property in Paddy Flat Mining District described in agreement dated November 9th, 1951, between Clarence V. Loomis and Vida Loomis, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, which agreement has been assigned to Cosumnes Gold Dredging Co. by Standifer and Yost.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Cosumnes Gold Dredging Co.,
Room 403, #465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 25,942.50, or ten years have elapsed from the date of the contract. leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this third day of June, 195 2.

Clarence V. Loomis [Seal]

Vida A. Loomis [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

SF-206

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/ The placer claims described in the contract dated November 9th, 1951, between Raymond H. Carrey and Myrtle Carrey, et al, parties of the first part, and [illegible] and Merrill West, parties of the second part, which contract has been [illegible] Gold Dredging Co. by Shandifer & West.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Consumer Gold Dredging Co.,
Room 403, 465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 25,942.50, or ten years have elapsed from the date of the contract.

leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 31st day of May, 1952.

Raymond H. Carrey [Seal]
Myrtle Carrey [Seal]
George Denison
Helen Denison [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

INSTRUMENT NO. 44241

QUIT CLAIM DEED

THIS INDENTURE, Made the 7 day of April, 1952, between FRANK McELHONE and BETTY McELHONE, his wife, of Fields, Oregon, the Parties of the First Part, and GEORGE DENISON, of Weiser, Idaho, PARTY of the Second part:

WITNESSETH: That the said parties of the first part for and in consideration of the sum of ONE DOLLAR ($1.00), and other valuable consideration, Lawful Money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, released, and forever quitclaimed, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, to his heirs and assigns, all their right, title and interest, in and to the following described Placer Mining Claims, situate in Valley County, State of Idaho, to-wit:

(a) HALF MOON #1 A certain placer mining claim situate, lying and being on both sides of the North Fork of Gold Fork Creek, in Township 16 North, Range 4 East of B.M., said placer mining claim being otherwise known as Half Moon #1, and more particularly described as follows: Commencing at the corner monument #1, which is the Northwest corner of said claim, upon which location notice is posted; thence run in a Southerly direction 12,000 feet, more or less, to corner monument #2, the Southwest Corner of said Claim; thence run in an Easterly direction 600 feet, more or less, to corner monument #3, being the Southeast corner of said placer mining claim; thence run in a Northerly direction 12,000 feet, more or less, to corner monument #4, being the Northeast corner of said placer mining claim; thence run in a Westerly direction 600 feet, more or less, to corner monument #1, the place of beginning; said corner

corner monument #1 upon which location notice is posted is situated about 12,000 feet in a Southerly direction from the mouth of Paddy Creek.

(b) HALF MOON #2 A certain placer mining claim situate, lying and being on both sides of Rapid Creek, in Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as Half Moon #2 Placer Mining Claim, and being more particularly described as follows: Commencing at the Southwest corner of said mining claim which is corner monument #1, upon which location notice is posted, thence run in a Northerly direction 12,000 feet, more or less, to corner monument #2, being the Northwest corner of said placer mining claim; thence in an Easterly direction 600 feet, more or less to corner monument #3, being the Northeast corner of said claim; thence run in a Southerly direction 12,000 feet, more or less to corner monument #4, being the Southeast corner of said placer mining claim; thence run in a Westerly direction 600 feet, more or less, to corner monument #1, the place of beginning; the said corner monument #1, upon which location notice is posted, being situate about 12,000 feet in a Southerly direction from the mouth of Paddy Creek.

(c) HALF MOON #3 A certain placer mining claim comprising 160 acres, on both sides of Kennally Creek in Township 17 North, Range4 East of B.M., in Valley County, Idaho, known as the Half Moon #3, Placer mining Claim, more particularly described as follows: Commencing at the Northwest corner of the claim at which corner monument #1 is erected, and upon which location notice is posted; thence run in an Easterly direction 12,000 feet, more or less, to corner monument #2, being the Northeast corner of said Half Moon #3; thence run in a Southerly direction 600 feet, more or less to corner monument #3, being the Southeast corner of said claim; thence run in a Westerly direction 12,000 feet more or less, to corner monument #4, being the

Northwest corner monument of said claim; thence run in a Northerly direction 600 feet, more or less, to corner monument #1, the place of beginning, said corner monument #1 being situated about 4000 feet, more or less, in a Southerly direction from the mouth of Paddy Creek.

(d) HALF MOON #4 A certain placer mining claim comprising 40 acres, situate, lying and being in the Southeast quarter of the Northeast quarter of Section 34, Township 17 North, Range 4 East B.M., in Valley County, Idaho, known as the Half Moon #4, placer mining Claim, as will more particularly a pear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 530.

(e) HALF MOON #5 A certain placer mining claim comprising 40 acres, situate, lying and being on both sides of Camp Creek in Township 17 North, Range 4 East of B.M., in the County of Valley, Idaho, particularly described as follows, to-wit: Commencing at monument #1, being the Southwest corner of said claim, and upon which location notice is posted; thence run Easterly 600 feet to corner monument #2, the Southeast corner of the claim; thence run Northerly 6000 feet to corner monument #3, the Northeast corner of the claim; thence run Westerly 600 feet to corner monument #4, the Northwest corner of said claim; thence run Southerly 6000 feet to corner #1, the place of beginning. Said corner monument #1, upon which location notice is posted, is situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek. The name of this claim is HALF MOON #5.

(f) HALF MOON #8 A certain placer mining claim comprising 160 acres, situate, lying and being in Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as the Half Moon #8, Placer Mining Claim, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder

of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

(g) ELK GROUP A certain placer mining claim comprising 160 acres of Placer Mining Ground, situate, lying and being in the Southwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the ELK Placer Mining Claims, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 534.

(h) JEEP CLAIM #1 A certain placer mining claim, comprising 160 acres, situate, lying and being on the North Side of Paddy Flat Road (main road), in Section 27, Township 17 North, Range 4 East B.M. known as the Jeep Claim #1, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 532.

(i) I FOUND IT A certain placer mining claim, comprising 160 acres, situate, lying and being on both sides of Kennally Creek in Section 30, Township 17 North, Range 5 East of B.M., in Valley County, Idaho, known as the "I Found It", as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 538.

(j) FULL MOON A certain placer mining claim, comprising 160 acres, situate, lying and being along the North Fork of Paddy Creek, on both sides of the stream, in Section 21, Township 17 North Range 4 East of B.M., more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 531. This claim is known as "Full Moon".

(k) OWL GROUP A certain placer mining claim, comprising 160 acres, situate, lying and being on both sides of Kennally Creek in Sections 30 and 31, Township 17 North, Range 5 East B.M., in Valley County, Idaho, known as the "Owl", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims on Page 537.

(l) MINK GROUP A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being in the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the "Mink", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 533.

(m) SWAMP GROUP A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being in the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the "Swamp", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 536.

(n) BEAVER DAM A certain placer mining claim, comprising 160 acres of Placer Mining ground, situate, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5 East B.M., known as the "Beaver Dam", in Valley County, Idaho, and more particularly described in the location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 535.

(o) BING #1 A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of

the South Fork of the Salmon River, in Valley County, Idaho, known as "Bing #1" more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims, at page 332.

(p) BING #3 A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of the South Fork of the Salmon River in Valley County, Idaho, known as "Bing #3, more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 419.

(q) OLD GOLD A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of the South Fork of the Salmon River in Valley County, Idaho known as "Old Gold", more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims, at Page 420.

(r) LOST CAT A certain placer mining claim comprising 160 acres of Placer Mining ground, situate, lying and being on Clear Creek, in Valley County, Idaho, known as the "Lost Cat", more particularly described in the location notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims at Page 421.

(s) RANGER A certain placer mining claim, comprising 160 acres of Placer Mining ground, situate, lying and being in the Southeast quarter of Section 27, Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as the "Ranger", more particularly described in the location notice thereof on file in the office of the County Recorder of Valley County, Idaho, in Book 6

of Placer Mining Claims, at page 9.

TOGETHER with all metals, gold, monasite sands, and all other minerals and rare earths therein, and all rights and privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed, and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, and also, all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to said premises and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Frank McElhone (SEAL)
Betty McElhone (SEAL)

STATE OF OREGON)
) ss:
County of Malheur)

On this 7 day of April, 1952, before me, the undersigned, a Notary Public in and for said State, personally appeared FRANK McELHONE and BETTY McELHONE, his wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

SEAL

Anthony Yturri
Notary Public for said State:
Residing at Ontario Oregon
My comm ex- 4-25-1954

STATE OF IDAHO)
) ss.
County of Valley)

I hereby certify that this instrument was filed for record at the request of Ryan & Ryan at 15 minutes past 9 o'clock A.M. this 23 day of June, 1952 in my office and duly recorded in Book 28 of Deeds at Page 505.

Forest E. Robb
Ex-Officio Recorder

COMPARED ✓
INDEXED—DIRECT ✓
INDEXED—INDIRECT ✓
DOC. STAMPS AFFIXED None

Fees, $5.25

By Bertha C. Patterson, Deputy

- -

STATE OF IDAHO)
) ss.
County of Valley)

I, Forest E. Robb, Valley County Recorder, in and for Valley County, Idaho, DO HEREBY CERTIFY AND DECLARE that I have compared the foregoing QUIT CLAIM DEED with the record of such instrument in my office, which instrument is Recorded in Book 28 of Deeds at page 505, and that the foregoing is a true and correct copy of such record.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this 9th day of July, 1952.

Forest E. Robb
Recorder of Valley County,

By Bertha C. Patterson, Deputy

INSTRUMENT NO. 44254

QUIT CLAIM DEED

THIS INDENTURE, Made the 9th day of November, in the year of our Lord, One Thousand Nine Hundred and Fifty-One, (1951), between HAROLD HOLLMAN and IRMA HOLLMAN, his wife, of Downeville, California, the Parties of the First Part, and RAYMOND M. CARREY, of Weiser, Washington County, Idaho, Party of the Second Part.

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of ONE DOLLAR ($1.00) and other valuable consideration, Lawful Money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, released, and forever quitclaimed, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, and to his heirs and assigns, all their right, title and interest, in and to the following described Placer Mining Claims situate in Valley County, State of Idaho, to-wit:

(a) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5 East of B.M., said Beaver Dam Creek flowing in a Northerly direction into said Kennally Creek, said mining claims being more particularly described in the Placer Mining Location Notice relating thereto, filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 535. This group of claims being called the "BEAVER DAM" Group.

(b) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B.M. This group of

claims being called the "SWAMP PLACER MINING CLAIMS". The location Notice of this group of claims being posted at the quarter corner between Sections 26 and 27 of said Township and Range, and the adjoining group of claims to the East being the Mink group of placer mining claims, reference hereby being made to the Placer Mining Location Notices of said Swamp Group claims recorded in the office of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 536.

(c) A certain placer Mining claim group comprising 160 acres, more or less, and being in approximately the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B.M. Said group of claims being otherwise known as the "MINK GROUP OF PLACER MINING CLAIMS", the location notice being posted at the half-mile corner between Sections 26 and 27 of said Township and Range, and this group of mining claims lying to the West of the Swamp group and to the South of the Elk Placer Mining Claims, reference to the Placer Mining Location Notice of said Mink group of Placer claims being referred to for further particulars to the records of the said County Recorder's office in said County, in Book 5 of Placer Mining Claims at page 533.

(d) A certain placer mining claim group comprising 160 acres, more or less, and being on both sides of Kennally Creek in Section 30 and Section 31, Township 17 North, Range 5 East of B.M. The corner Monument No. 1 upon which the location notice is posted is situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. This group of claims being called the "OWL GROUP OF PLACER MINING CLAIMS," further reference thereto being made to the records of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 537.

(e) A certain placer mining claim group comprising 160 acres, more or less, and being located on both sides of the North Fork of

Paddy Creek in Section 21, Township 17 North, Range 4, East of B.M. This group of claims being called the "FULL MOON GROUP", and reference is hereto made to the recorded Location Notice of said group of mining claims recorded in said Recorder's Office in Book 5 of placer Mining Claims at page 531.

(f) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Kennally Creek. The Corner Monument No. 1, upon which location notice is posted, being situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. The name of this group of placer mining claims being "I FOUND IT", and adjoining the Owl Group of placer mining claims on the West end line, reference hereby being made to the recorded Placer Mining Location Notice in said Recorder's office in Book 5 of Placer Mining Claims at Page 538.

(g) A certain group placer mining claim running on both sides of Camp Creek, comprising 160 acres, more or less, known as the "HALF MOON #5" Group of Placer Mining Claims, located in Township 17 North, Range 4 East of B.M., the location Corner Monument No. 1 being situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek, and is more particularly described in the recorded Location Notice of said Half Moon #5 of mining claims recorded in said County Recorder's Office in Book 5 of Placer Mining Claims at Page 441.

(h) A certain placer mining claim comprising 40 acres, more or less, situated in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of B.M., same being an amended location of the Half Moon #4, the location notice being posted on a pine tree on the Northwest corner of said placer mining claim. Reference to said HALF MOON #4 placer mining claim, and amended location thereof being hereby made to the records in said

County Recorder's Office in Book 5 of Placer Mining Claims at Page 530.

(i) A certain placer mining claim group comprising 160 acres, more or less, known as "JEEP CLAIM #1", lying and being on the North side of Paddy Flat main road, in Section 27, Township 17 North, Range 4 East of B.M. The number 1 monument, upon which location Notice is posted, being situated about 6000 feet Westerly from the United States Ranger Station, and a more particular description of said group mining claim hereby being made by reference to the records in said County Recorder's Office in Book 5 of Placer Mining Claims at Page 532.

(j) A certain group placer mining claim comprising about 160 acres, more or less, otherwise described as being the Southwest quarter of Section 26, Township 17 North, Range 4 East of B.M., known at the "ELK GROUP" of Placer Mining Claims and location monument corner No. 1 coincides with section corner common to Sections 26, 27, 34 and 35 of said Township and Range, and the adjoining claim on the West being the Ranger Group of Placer Mining claims, reference hereby being made to the records in the said County Recorder's office in Book 5 of Placer Mining Claims at Page 534 for further particulars.

(k) A certain group placer mining claim known as "HALF MOON #3", located on both sides of Paddy Creek in Township 17 North, Range 4 East of B.M., more particularly described as follows:
Commencing at Corner Monument No. 1; thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feet to Corner Monument No. 3, being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to Corner Monument No. 1, being the Southwest corner of

said claim. The said Corner Monument No. 1, is situated about 7000 feet in a Northerly direction from the Mouth of Paddy Creek. Reference hereby being made to the recorded Location Notice of said Placer Mining Claim filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

TOGETHER with all metals, gold, monasite sands, and all other minerals and rare earths therein, and all rights, privileges and franchises thereto incident, appendent and appurtenant, or therewith usually had and enjoyed, and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, and also, all the estate, right, title interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to said premises and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Harold Hollman
Irma Hollman (SEAL)

STATE OF CALIFORNIA,)
) ss.
County of Sierra)

On this 13th day of November in the year one thousand nine hundred and Fifty One before me, C. W. Robbins, a Justice of the Peace in and for Downieville Township, County of Sierra, State of California, personally appeared Harold Hollman and Irma Hollman, his wife, known to me to be the persons whose names are subscribed

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

to the within instrument and they acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand at my office in said Township, County of Sierra the day and year in this certificate first above written.

C. W. Robbins
Justice of the Peace in and for
Downieville Township, County of
Sierra, State of California.

SEAL

STATE OF IDAHO,)
) ss.
County of Valley.)

I hereby certify that this instrument was filed for record at the request of Raymond Carrey at 50 minutes past 3:00 o'clock P.M. this 24th day of June 1952 in my office and duly recorded in Book 28 of Deeds at Page 510.

Forest E. Robb
Ex-Officio Recorder

Fees, $4.50

By Bertha C. Patterson, Deputy

STATE OF IDAHO,)
) ss.
County of Valley.)

I, Forest E. Robb, Valley County Recorder in and for Valley County, Idaho, DO HEREBY CERTIFY AND DECLARE that I have compared the foregoing Quit Claim Deed with the record of such instrument in my office, which instrument is recorded in Book 28 of Deeds at Page 510, and that the foregoing is a true and correct copy of such record.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this 11th day of July, 1952.

Forest E. Robb,
Recorder Valley County, Idaho

By Bertha C. Patterson, Deputy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2265

COMMODITY Monazite, Columbium-Tantalum

Idm-E351

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Extra Copy

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 23rd day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Cosmos Gold Dredging Company, a corporation
465 California Street, Room 803
San Francisco, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Valley, described as follows:[3] A group of claims known as the Paddy Flat Placer, and located in the Paddy Flat Mining District along the drainage area of the North Fork of Gold Fork River, as shown on the attached map, identified as "Annex I" and made a part hereof; and further described in "Annex II", attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

~~(a) That the Operator owns, in possession and entitled to possession, and the Owner's Consent to Lien is attached, the following claims, liens, or encumbrances as to which the Government's lien is not to attach:~~

under a contract to purchase some claims and as a lessee of others, as indicated in "Annex II".

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within ____ days from the date of this contract shall commence work on a project of exploration for Monazite, Columbium-Tantalum,

in or upon the described land; and shall bring the project to completion within a period of twelve months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's paymen[illegible]n all cases will be based on actual, necess[illegible]costs (including contract unit pric[illegible] incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated c[illegible] Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $25,942.50, which is 90 percent of $28,825.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ____________________

____

____

____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

COSUMNES GOLD DREDGING CO.
(Operator)

By ____________________
Acting Administrator
Defense Minerals Exploration
Administration

By ____________________

I, , certify that I am the secretary of the corporation named as Operator herein; that , who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMEA-2265

EXHIBIT "A"

Description of the Work

The work to be done is for the purpose of exploring the described property for monazite and columbium-tantalum in the placer gravel along the drainage area of the creeks as is indicated on the attached map Annex I.

The work consists of preliminary work, described below, followed by work in two stages. If, in the opinion of the Government, the results obtained from the work done in Stage 1 warrants it, so much of the additional work specified in Stage 2 as is authorized by the Government shall be done.

Prior to beginning the work described under Stage I, the equipment and materials required for the work shall be collected at Sloughhouse, California, and transported to the work site, and a sample concentrating plant shall be erected on the land described in Article 2. This equipment includes a clam shell drill, a sample concentrating plant, a tractor and trucks which are to be used for exploring on and sampling for this project and the White Hawk Placer project (Docket No. DMEA-2264) as well. The cost of collecting and transporting the equipment and materials to the work site and of erecting the sample concentrating plant is allocated equally between each of these projects.

Stage I

Drill ten (10) 20" diameter cased holes with a clam shell drill at the locations indicated on Annex I attached, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the holes, and have samples analyzed.

Stage II

Drill fifty (50) 20" diameter cased holes with a clam shell drill at locations approved by the Government, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the drill holes; and have samples analyzed.

Estimated Costs of Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I and Stage II

None

(2) Labor, Supervision, Consultants

Stage I

(The estimated costs under this stage are based upon drilling 10 holes at the rate of two holes every three days, plus the allowance of one day for shutdowns)

			Total (Including Overtime)
1 Driller	16 shifts, 8 hrs.	$1.75 per hr.	$238.00
1 Driller helper	" " " "	1.38 " "	187.88
2 Utility men	32 " " "	1.27 " "	350.52
1 Truck driver	16 " " "	1.50 " "	204.00
1 Sample plant Operator	16 " " "	1.75 " "	238.00
1 Sample plant Operator-Helper	16 " " "	1.38 " "	187.88
1 Engineer-Manager	18 days*	20.00 per day*	360.00*
Total Stage I			$1,766.28

Stage II

(The estimated costs under this stage are based upon drilling 50 holes at the rate of two holes every three days, plus the allowance of two days for shutdowns)

			Total (Including Overtime)
1 Driller	77 shifts, 8 hrs.	$1.75 per hr.	$1,176.00
1 Driller helper	77 " " "	1.38 " "	927.36

			Total (Including Overtime)
2 Utility men	154 shifts, 8 hrs.	$1.27 per hr.	$1,706.24
1 Truck driver	77 " " "	1.50 " "	1,008.00
1 Sample plant operator	77 " " "	1.75 " "	1,176.00
1 Sample plant helper	77 " " "	1.38 " "	927.36
1 Engineer-Managar	3 mos.*	600.00 mo.*	1,800.00*
Total Stage II			$8,720.96

Note: The work week is defined as 48 hours. The rates fixed for labor under both stages are based upon a 40 hour week, and the estimated total amount for each item of labor includes an allowance for time and one-half after 40 hours.

(3) Operating Materials and Supplies

Stage I

Gasoline and oil	$ 700.00
Repair parts for equipment, tires and tubes, etc.	700.00
Miscellaneous supplies	100.00
Power for sample concentrating plant	50.00
Sample concentrating plant supplies	50.00
Total Stage I	$1,600.00

Stage II

Same materials and supplies detailed under Stage I	$4,800.00

1-½ ton Dodge truck	$ 1,500.00
1/2 ton G.M.C. 1950 Model pickup truck	1,500.00
Chrysler 1945 model automobile	1,500.00
D-4 Caterpillar tractor w/dozer	4,500.00
Total value of equipment	$18,925.00
One month depreciation (on 5 year basis)	315.43*

Stage II

Equipment depreciation (detailed in Stage I) @ $315.42 per month for 3 months	946.26 *

(5) Rehabilitation and Repairs

None

(6) New buildings, Improvements, Installations

Stage I

Building 12' x 14' floor area Sample concentrating plant and office	1,000.00*
Equipment installation for power and water at sample plant	500.00*
Collection of equipment and materials at Sloughhouse, California, and transporting to and installing same at work sites	1,535.80*
Lodging and meals of workmen enroute to work sites	96.00*
	$3,131.80*
Only 50% of the estimated total of each item scheduled under this category is an allowable cost under this contract. The remaining 50% is scheduled in Exhibit "A" of Docket No. DMEA-2264	$1,565.90*

(7) Miscellaneous

Stage I

Sample analysis and sample transportation	$850.00*
Payroll compensation insurance @ 4% of payroll	101.37
Accounting @ $50/mo. - one month	50.00
Total Stage I	$1,001.37

Stage II

Sample analysis and sample transportation	4,250.00*
Accounting @ $50/mo. - 3 months	150.00
Payroll Compensation Insurance @ 4% of payroll	348.84
Total Stage II	$4,748.84

Total Stage I	$9,488.97*
Total Stage II	$19,336.06*
Total Estimated Cost of Contract	$28,825.00*
Government Participation @ 90%	$25,942.50*

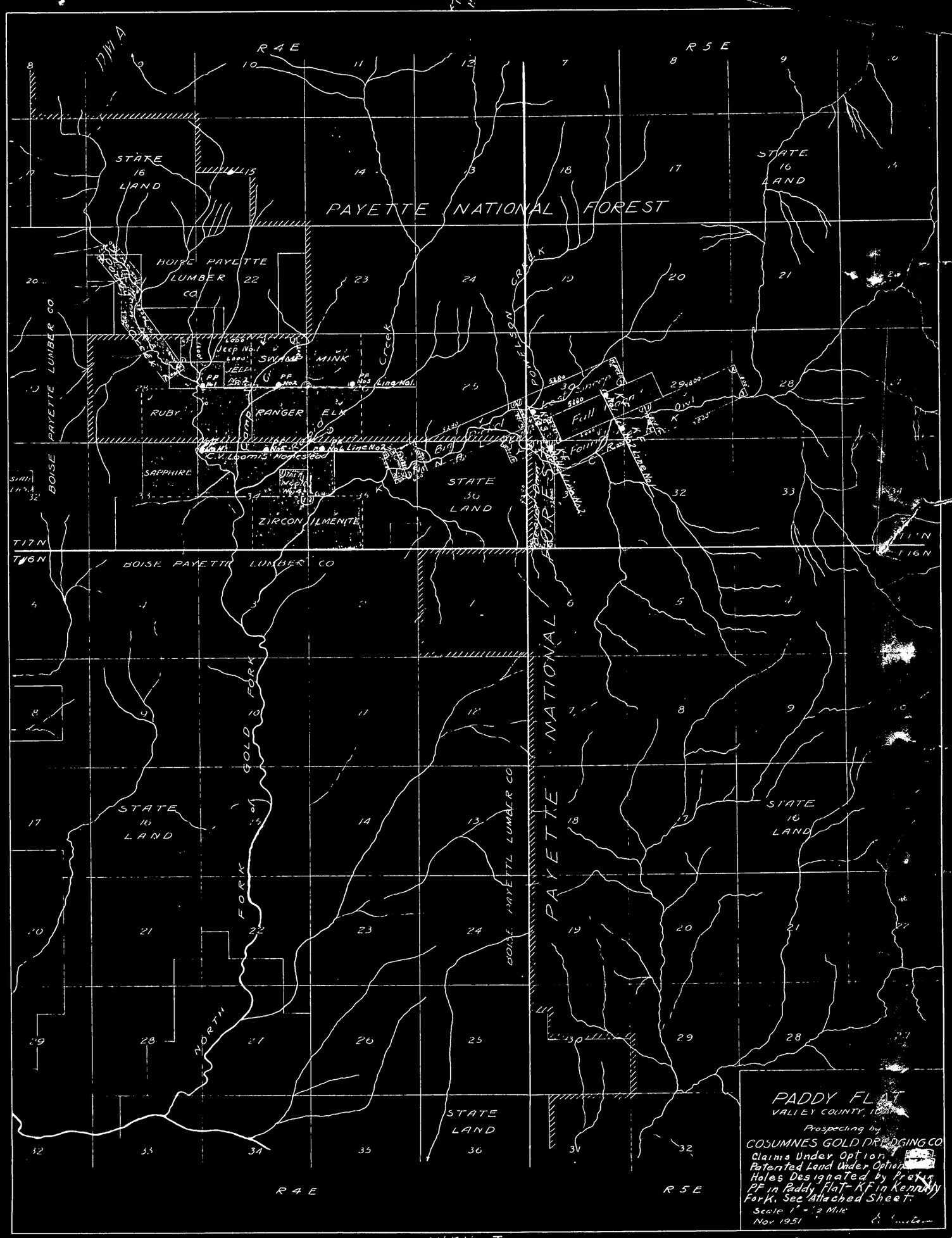
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMEA-2265

ANNEX II

Located in T 17 N, R 4 E; and T 17 N, R 5 E,

and recorded as follows:

Book 5, pages 535, 536, 533, 537, 531, 538, 441, 532, 534, 122, 530, 539 (Held under contract to purchase); and Book 6, pages 10, 11, 15, 16 (Held under lease).


R 4 E
R 5 E
STATE 16 LAND
PAYETTE NATIONAL FOREST
BOISE PAYETTE LUMBER CO
SWAMP
MINK
Creek
RUBY
RANGER
ELK
SAPPHIRE
ZIRCON
ILMENITE
STATE 36 LAND
T17N
T16N
GOLD FORK
NORTH FORK
BOISE PAYETTE LUMBER CO
PAYETTE NATIONAL FOREST
PADDY FLAT
VALLEY COUNTY, IDAHO
Prospecting by
COSUMNES GOLD DREDGING CO
Claims Under Option
Patented Land Under Option
Holes Designated by Prefix
PF in Paddy Flat - KF in Kennedy
Fork. See Attached Sheet.
Scale 1" = 1/2 Mile
Nov 1951

ANNEX-I

MF-206

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/ The placer claims described in the contract dated November 9th, 1952, between Raymond M. Carrey and Myrtle Carrey, et al, parties of the first part, and Standifer and Merrill West, parties of the second part, which contract has been assigned to Sunshine Gold Dredging Co. by Standifer & West.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Sunshine Gold Dredging Co.,
Room 408, 4465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 31st day of May, 1952.

Raymond M. Carrey [Seal]
Myrtle Carrey [Seal]
George Denison [Seal]
Helen Denison [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.
2/ Insert the name of the Operator as it will appear in the exploration project contract.
3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.
4/ Insert the maximum amount of the Government's contribution.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/

The property in Paddy Flat Mining District described in agreement dated November 9th, 1951, between Clarence V. Loomis and Vida Loomis, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, which agreement has been assigned to Cosumnes Gold Dredging Co. by Standifer and Yost.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Cosumnes Gold Dredging Co.,
Room 403, #465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract. leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this third day of June, 195 2.

Clarence V. Loomis [Seal]

Vida A. Loomis [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/

_____

_____

_____

_____

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/_____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this _____ day of _____, 195 ___.

_____ [Seal]

_____ [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip Monazite, etc.

CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2265

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION PROJECT

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To: Mr. Ellis - Room 4070 ~~Rare & Light Metals~~ Date 11-30-51

To: Ellis Date ~~12-6-51~~

To: F. L. Knouse Date 1-24-52

To: E. J. Carlson Date 4-8-52

To: J. J. Norton Date 4-14-52

To: Opr. Com Date 4-18-52

To: Mittendorf Date

To: Mails & Files Date

To: Ellis Date

To: ~~Op Com~~ Date 6-20-52

To: ~~Opr. Com.~~ Date 6-25-52

To: ~~Mittendorf~~ Date

To: ~~Mails & Files~~ Date

To: ~~Ellis Docket~~ Date

To: Op Com Date 7-11-54

Opr Com 9-10-54

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/23	Knouse	000
		225

October 23, 1957

Memorandum

To: Jay L.Chambers, Director
Division of Administration and Audit

From: Ernest Wm. Ellis, Director
Division of Rare and Miscellaneous Metals

Subject: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

With regard to the subject contract, as you know, considerable time elapsed between the ending of the project and the disposition of equipment; therefore, a "closing letter" was not written by this Division to the Operator.

It appears that all accounting matters concerning this contract have been completed. The Division, in this instance, is not writing a closing letter to the Operator. Therefore, it is suggested that the files of both Divisions be placed in the closed file and referred to the Mails and Files Division.

/s/ Ernest Wm. Ellis

Ernest Wm. Ellis

gla 10-23-57
cc to: Mr. Knouse

8623

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

MAR - 8 1957

Mr. Charles J. Thornton
General Delivery
New York 1, N. Y.

Dear Mr. Thornton:

This will acknowledge your letter of February 27, 1957. I find in our files that at the request of Mr. C. O. Mittendorf, Administrator of the Defense Minerals Exploration Administration and on presentation of evidence that he represented the owners of the property, we released to Mr. Frank D. Ryan drill hole information on the Paddy Flat Placer claims obtained as a result of work done under DMEA contract No. Idm-E351. This, I presume, is the information you obtained from Mr. Loomis.

If Mr. Clarence V. Loomis, as joint owner with Vida A. Loomis of patented lands which were part of the land explored under the contract, should request another copy of this drill hole information, we would be glad to send him a copy.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team Region I, A. Dist.

cc: DMEA (2) w/incoming
USBM (2)

(Docket No. DMEA-2265 (Monazite), Cosumnes Gold Dredging Co., Paddy Flat Placer deposit, Valley County, Idaho, E351 Term.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

FINAL FILE COPY
DMEA
RECEIVED MAR 7 1957

DATE	INITIALS	CODE
3-7	C	220
		225

March 5, 1957

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer deposit
Valley County, Idaho
Contract No. Idm-E351 (Term.)

Dear Mr. Selfridge:

Enclosed are copies of a self-explanatory letter of February 27, 1957, received from Mr. Charles J. Thornton, together with my reply. If this reply is in line with policy, will you please date the letter and mail it to Mr. Thornton at New York. If it is not in line with policy, will you please indicate to me a suitable reply to Mr. Thornton.

Sincerely,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Region I, Northwest District

cc: USBM (2)

P. S. For your convenience, attached is a list of pertinent correspondence about furnishing information previously to Mr. Loomis. I'm sure you have copies of all in your files.

Pertinent correspondence: Docket No. DMEA-2265

F. C. Ryan	to	C. O. Mittendorf	10/21/54
C. O. Mittendorf	to	Frank D. Ryan	10/27/54
F. C. Ryan	to	C. O. Mittendorf	11/ 1/54
C. O. Mittendorf	to	Frank D. Ryan	11/18/54
George C. Selfridge	to	A. E. Weissenborn	11/18/54
A. E. Weissenborn	to	Frank D. Ryan	12/ 6/54
Clarence & Vida Loomis	to	A. E. Weissenborn	12/ 8/54
Frank D. Ryan	to	A. E. Weissenborn	12/ 8/54
Frank D. Ryan	to	A. E. Weissenborn	12/11/54
A. E. Weissenborn	to	Frank D. Ryan	12/13/54

(Note: Tables 2, 2A, and 6 that accompanied the Field Team's final report on the project were sent to Ryan with Weissenborn's letter of 12/13/54.)

RECEIVED MAR 7 1957

DATE	INITIALS	CODE

IDAHO RARE MINERALS CORPORATION
420 WASHINGTON STREET
P O BOX 94
BOISE, IDAHO

General Delivery
New York 1, N. Y.
February 27, 1957

Mr. A. E. Weissenborn, Exec. Officer,
D.M.E.A.,
So. 157 Howard Street,
Spokane 4, Washington.

Dear Mr. Weissenborn:

Mr. Clarence V. Loomis, Box 63, New Meadows, Idaho loaned me papers showing partial results of D.M.E.A. drilling on his property near Cascade, Idaho. I made copies and then lost both copies and originals. I wish very much they would not only be replaced but wish that certain details which were not made available to him, but which according to the papers had been compiled by D.M.E.A. would also be given him. I would be most grateful if you would arrange to send Mr. Loomis copies of all information compiled about his property.

There is reason other than my desire to return Mr. Loomis's papers for wanting him to have this information. The Federal Government has spent money on that ground which will only be repaid if the ground is made to produce minerals during the 10 year lien period.

Mr. Loomis having all the available information about his property should improve whatever possibility there may be for putting the ground into production. I, for instance, may be helpful in putting an operation there but need this information in order to do anything about it.

Sincerely,

Charles J. Thornton

RECEIVED
MAR 1 1957

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

March 5, 1957

EXTRA COPY DMEA RECEIVED MAR 1957		
DATE	INITIALS	CODE
		120
3/8	COM	100

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (Monazite)
Consumnes Gold Dredging Co.
Paddy Flat Placer deposit
Valley County, Idaho
Contract No. Idm-E351 (Term.)

Dear Mr. Selfridge:

Enclosed are copies of a self-explanatory letter of February 27, 1957, received from Mr. Charles J. Thornton, together with my reply. If this reply is in line with policy, will you please date the letter and mail it to Mr. Thornton at New York. If it is not in line with policy, will you please indicate to me a suitable reply to Mr. Thornton.

Sincerely,

OK COM

A. E. Weissenborn
Executive Officer, DMEA
Region I, Northwest District

cc: USBM (2)

P. S. For your convenience, attached is a list of pertinent correspondence about furnishing information previously to Mr. Loomis. I'm sure you have copies of all in your files.

Pertinent correspondence: Docket No. DMEA-2265

F. C. Ryan	to	C. O. Mittendorf	10/21/54
C. O. Mittendorf	to	Frank D. Ryan	10/27/54
F. C. Ryan	to	C. O. Mittendorf	11/ 1/54
C. O. Mittendorf	to	Frank D. Ryan	11/18/54
George C. Selfridge	to	A. E. Weissenborn	11/18/54
A. E. Weissenborn	to	Frank D. Ryan	12/ 6/54
Clarence & Vida Loomis	to	A. E. Weissenborn	12/ 8/54
Frank D. Ryan	to	A. E. Weissenborn	12/ 8/54
Frank D. Ryan	to	A. E. Weissenborn	12/11/54
A. E. Weissenborn	to	Frank D. Ryan	12/13/54

(Note: Tables 2, 2A, and 6 that accompanied the Field Team's final report on the project were sent to Ryan with Weissenborn's letter of 12/13/54.)

IDAHO RARE MINERALS CORPORATION
[illegible]
P. O. BOX 94
BOISE, IDAHO

[illegible] Delivery
[illegible] N. Y.
[illegible] Aug. [illegible], 1957

Mr. A. E. Weissenborn, Exec. Officer,
D.M.E.A.,
So. 157 Howard Street,
Spokane 4, Washington

Dear Mr. Weissenborn:

Mr. Clarence V. Loomis, Box 53, New Meadows, Idaho, loaned me papers showing partial results of D.M.E.A. drilling on his property near Cascade, Idaho. I made copies and then lost both copies and originals. I wish very much that they would not only be replaced but wish that certain details which were not made available to him, but which according to the papers had been compiled by D.M.E.A. would also be given him. I would be most grateful if you could arrange to send Mr. Loomis copies of all information compiled about his property.

There is reason other than my desire to be helpful to Mr. Loomis for wanting him to have this information. The Federal Government has spent money on that ground and will only be repaid if the ground is made to produce minerals during the 10 year lien period.

Mr. Loomis having all the available information about his property should improve whatever possibility there may be for putting the ground into production. It, for instance, may be helpful in putting an operation there but need this information in order to do anything about it.

Sincerely,

Charles L. Thornton

RECEIVED
JAN 30 1956

XXXXXXXXXXXXXXXXXX
1201 N. Division Street
Spokane 2, Washington
January 24, 1956

Mrs. Myrtle Purdy, Certifying Officer
DMEA Field Team, Region I, NW District
1201 N. Division Street
Spokane 2, Washington

Re: Contract Idm-E350
Contract Idm-E351
Cosumnes Gold Dredging Co.

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government. Although additional information has been received from the operator on the Paddy Flat project (Docket No. 2265) no acceptable final report has been forthcoming from the operator and this requirement is hereby waived by the Executive Officer.

A Certification of Discovery or Development was issued August 19, 1954 covering contract Idm-E350.

Final audit reports by DMEA Auditor Robert M. Hull have been received on the subject contracts.

As all contract requirements have been met, it is requested that final settlement of our account with the operator be made.

Sincerely yours,

A. E. Weissenborn, Exec.Officer
DMEA Field Team, Region I,
Northwest District

cc: DMEA (2)
USGS (2)

DOCKET COPY

PROJECT SUMMARY REPORT

By: F. L. Knouse January 19, 1956

1. Docket No. DMEA-2265 (Monazite, columbium-tantalum)

Contract No. Idm-E351

Operator - Cosumnes Gold Dredging Company
465 California Street, Room 403
San Francisco, California

Property - Consists of three groups of properties along the North Fork of Gold Fork River: (1) About 600 acres fee land, Clarence V. and Vida Loomis property, (2) Zircon and Ilmenite claims, and (3) 19 placer mining claims, all located in secs. 21, 25, 26, 27, 28, 33, 34, 35, and 36, T. 17 N., R. 4 E., and in secs. 28, 29, 30, 31, and 32, T. 17 N., R. 5 E., B.B. & M., Valley County, Idaho.

Operator's Property Rights -

A portion of property by lease and the remainder by purchase agreement. Owners' Consent to Lien, dated June 3, 1952, signed by Clarence V. and Vida A. Loomis; also Owners' Consent to Lien dated May 31, 1952, signed by Raymond M. and Myrtle Carrey, and George and Helen Denison. In a purchase agreement dated November 9, 1951, G. M. Standifer and Merrill Yost agreed to purchase from George and Helen Denison a certain part of the above property. Also in an agreement dated November 9, 1951, the other referred-to property was leased to G. M. Standifer and Merrill Yost by Clarence V. and Vida A. Loomis. On November 16, 1951, all rights in the above property were transferred by G. M. Standifer and Merrill Yost to the Cosumnes Gold Dredging Company.

2. Contract dated June 23, 1952.

Work authorized -

Objective was to explore the Paddy Flat Placer deposit for monazite, columbium-tantalum.

Work authorized (continued) -

Stage I - Drill ten (10) 20" diameter cased holes with a clamshell bucket drill, each approximately 35 feet deep.

Stage II - Drill fifty (50) 20" diameter cased holes with a clamshell bucket drill, each approximately 35 feet deep.

In addition, the gravel recovered from the drill holes was to be washed, mineral recovered and concentrated, and the mineral fractions separated and analyzed. A screening gravity-concentrator was to be installed at Cascade to reduce the drill-hole samples from this project and also from the White Hawk Placer project (DMEA-2264). Installation and operating costs were to be split on a 50-50 basis for each project. The equipment required to do this work, drill, concentrating plant, etc., was transported from Sloughhouse, California, and cost therefor was an allowable part of the exploration costs for both projects.

Estimated cost of project:		
Stage I	$9,488.97	
Stage II	19,336.06	
Total Estimated Cost		$28,825.00
Government Participation @ 90%		25,942.50

Amendments -

No. 1, dated August 12, 1952, deleted depreciation 3 months @ $240.43/mo. for Model D-4 tractor, and allowed the rental of a Model HD-7 tractor @ $500/mo. for 3-1/2 mos., funds to make up the difference to be taken from unexpended funds for labor.

No. 2, dated October 20, 1952, extended the period to complete the contract work (principally mineral separation from concentrates) 7 months.

Work completed -

Thirty-five 22" diameter clamshell bucket drill holes were drilled, aggregating 1,106 feet, which excavated about 108 cu. yds. of gravel sample. Final calculation shows the drilling cost to be $14.33/ft., e.g., if all costs of the project are prorated to the footage drilled, or a total cost of $15,849.23.

Distribution of Cost:

	Allowed	Spent
Labor & Supervision	$10,487.20	$ 6,154.70
Materials & supplies	6,400.00	1,573.36
Opr. equipment-rental & dep.	1,421.69	1,172.49
" " -repairs	-----	1,206.29
Sampling & Analysis	5,100.00	953.19
Taxes & Ins.	450.21	489.27
Auditing	200.00	150.00
Hauling tractor	-----	96.35
Advertise sale of equip.	-----	12.18
Subtotal	$24,059.10 1/	$11,807.83 1/
Operating Equip. Purchased	3,200.00	2,870.75*
New Buildings & Improvements	1,565.90	1,170.65
Total cost of project	$28,825.00 2/	$15,849.23 2/

* Equipment couldnot be sold by Operator; therefore, Operator waived his interest to DMEA, and title to equipment was transferred to GSA for disposal purposes.

1/Subtotal

		Allowed		Spent
Cost/ft. of drilling	$24,059.10 / 2100 feet =	$11.46/ft.	$11,807.83 / 1106 feet =	$10.68/ft.

2/Total project cost

Total cost/ft.	$28,825.00 / 2100 feet =	$13.73/ft.	$15,849.23 / 1106 feet =	$14.33/ft.

3. Audit Certificate, dated March 9, 1954

Total cost as billed by Contractor		$16,457.68
Add:		
Costs paid by Government	$70.98	
Less: Costs transferred to E-350	54.67	16.31
Total adjusted cost		$16,473.99
Exceptions:		
Prior to audit	$ 4.01	
During audit	620.75	624.76
Total Accepted Costs		$15,849.23
Government participation @ 90%		$14,264.31

4. Certification - none

Field Team report, dated July 1954, recommends that no certificate of discovery or development be issued.

The Operator made the following estimates in the final report, dated October 26, 1953:

Total dredgable gravel	35,000,000 cu. yds.
Magnetie	15.1 lbs./cu.yd.
Ilmenite	7.7 lbs./cu.yd.
Garnet	3.6 lbs./cu.yd.
Monazite	1.2 lbs./cu.yd.

Field Team comments: "The fallacy in the estimate lies in the fact that the monazite content is about one-quarter of Yost's estimate . . .". (Mr. Yost was the Operator's general manager.)

Field Team report - Table 4

Estimated mineral content of Paddy Flat Placer Deposit:

"Estimated total cubic yardage of deposit - 26,487,000

"Magnetite	18.9 lbs./cu.yd.
"Ilmenite	11.6 lbs./cu.yd.
"Garnet	3.4 lbs./cu.yd.
"Monazite	0.28 lbs./cu.yd.
"Black Sand concentrates	60 lbs./cu.yd gravel"

U. S. Geological Survey comments:

D. M.Larrabee, July 16, 1954.

Recommends no certification.

U. S. Bureau of Mines comments:

No comments prepared - not customary at that date.

5. Comments -

Field Team final report: "The Operator, represented by Mr. Merrill Yost, general manager, is a competent placer-dredging operator with many years' experience and was sincere and diligent in prosecuting the drilling and sampling. . . . The drilling program seems poorly planned as evidenced by the irregular spacing of the holes and large areas in the central part of the gravel channel that were only sparsely drilled. . . . The Operator was well equipped with a 22-inch clamshell bucket drill, portable air compressor, trucks and a competent, experienced drill crew. Failure of the Yuba Manufacturing Company to deliver the casing,

couplings, drive shoe and cap made it necessary to terminate holes when caving occurred.

"The concentration of drill-hole samples to black sand concentrates at the pilot plant was reasonably well done. The final concentration of the black sand concentrates to recover a marketable monazite is a complex process which the Operator did not fully understand nor was capable of accomplishing for lack of proper equipment and trained personnel."

Therefore, we understand that the holes were drilled without casing, and the accuracy of the sampling as representing the mineral content of the gravel is questionable. Also, since the contract specified cased holes, we are unable to understand why the drilling was approved when the holes were not cased. However, we understand that the holes were drilled with a minimum of caving, and when a hole caved drilling was stopped.

Prior to the DMEA contract, seven holes were drilled, and several samples were taken from exposed gravel banks in the Paddy Flat Placer deposit. The apparent size of the deposit and quantity of monazite in the samples were of sufficient interest to justify further exploration.

Paddy Flat is underlain chiefly by gneissic granite, with one remnant of basalt, preserved in the western part of the lowland, in fault contact with gneissic rock forming the ridge that separates Paddy Flat from Long Valley. The deposits explored are a complex assemblage representing at least three Pleistocene glacial stages. The oldest of the deposits is locally 180 feet thick from below the stream level to the ridge crest. In some places the bedrock crops out high on the slopes of the ridge. The deposit is, therefore, interpreted as a thick fill in a former bedrock valley, the trend of which did not correspond with the trend of the present ridge.

The principal economic placer mineral found is monazite; however, xenotime, euxenite and allanite were also found in very small amounts in the concentrates. Monazite occurs as a minor accessory mineral in the granitic rocks of the Idaho batholith.

The relatively poor concentration in the deposit, in contrast to the neighboring Cascade Valley, is due to (1) a low content of monazite in the bedrock, and (2) most of the deposits are glacial outwash. The Field Team states: "Sampling of the surface exposures over the district indicates that no high-grade deposits are present, and that the drilling data obtained in the DMEA project provides a good general appraisal of the monazite reserves."

Yost concludes: "Due to high cost and extremely difficult separation of the sands, we would not be interested in proceeding with the project. The margin is too close for the high capital investment."

Since the monazite content of the deposit is only about one-quarter of the Operator's estimate and the accessory minerals are of no economic value, no further exploration work is warranted, and no certificate of discovery or development should be issued.

F. L. Knouse

F. L. Knouse, Mining Engineer
Rare and Miscellaneous
Metals Division

Draft

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

JAN 17 1956

Mrs. Myrtle Purdy
Authorized Certifying Officer
Bureau of Mines
12XX North Division Street
Spokane 2, Washington

Re: Idm-2350, DMEA-2264
Commons Gold Dredging Co.
and
Idm-2351, DMEA-2265
Commons Gold Dredging Co.

Dear Mrs. Purdy:

Receipt is acknowledged of your reply of January 12, 1956 to my letter of January 4, 1956, relative to the payment status of the referenced contracts.

If you will refer to the Audit Certificates covering these projects, I believe that you will agree that the amounts shown in your letter as "Certified by Auditor" are the net amounts valid for payment to the Operator rather than the total amounts valid for charge against the contract amounts. Restatement of the status of the accounts in the following manner may serve to clarify the situation:

	Payments to Date	Certified by Auditor	Balance due Operator
Idm-2350:			
Commons	$ 8,[illegible].73	$ 7,962.91	$-[illegible].82
J. F. Kelaro	[illegible].70	[illegible].70	—
	$ 8,[illegible].43	$ 7,[illegible].43	$-[illegible].82
Idm-2351:			
Commons	$13,714.13	$14,193.33	$ 479.20
J. F. Kelaro	70.98	70.98	—
	$13,785.11	$14,264.31	$ 479.20
[illegible] Commons			$ [illegible]

R.E.b.

We are not too concerned about payment to the Operator of the $221.38 net balance due (though we were questioning why payment had not been made), but we would like to clear the records of the indicated overpayment on Ida-8350. This can be accomplished by transferring expenditures in the amount of $357.82 from the contract account for Ida-8350 to the contract account for Ida-8351.

If you concur and make this adjustment, please forward a copy of your adjusting journal voucher, or advise by letter that the adjustment has been made, so that we may adjust our records accordingly and close our payment records on Ida-8350.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/vb
January 17, 1956

Copy to: Docket - DMEA-2264
DMEA-2265
Admr. Reading File
Irene Smalder
Mr. Chambers

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

1956

Mrs. Myrtle Purdy
Authorized Certifying Officer
Bureau of Mines
1201 N. Division Street
Spokane 2, Washington

Re: Idm-N350, DMEA-2264
Cosumnes Gold Dredging Co.
and
Idm-N351, DMEA-2265
Cosumnes Gold Dredging Co.

Dear Mrs. Purdy:

Our records indicate the payment status of the above cited contracts to be as follows:

Contract No.	Paid	Cert. by Auditor	Balance
Idm-N350	$ 8,251.43	$ 7,993.61	$ - 257.82
Idm-N351	13,785.11	14,264.31	479.20

Information is requested as to whether the above figures are in agreement with your records and, if so, why an appropriate adjustment in the amount of $257.82 should not be made between the two contracts and the balance of $221.38 paid to the operator.

Sincerely yours,

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/ama
January 4, 1956

Copy to: Docket - DMEA-2264
DMEA-2265
Admr. Reading File
Irene Smolder
Mr. Chambers

Docket copy
Surname:

Chamberlain
J Hawes
Ching
Selfridge
Fellman
Mitchenoff

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

JUL - 7 1955

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

Re: Docket No. DMEA-2265 (Monazite)
Commanche Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Rieker:

Reference is made to a letter from George Mavor, auditor, Region II, to Jay L. Chambers, Chief, Contract Administration and Audit Division, in regard to certain questions relating to the disposition of property turned over to the Government by the Operator of the above-cited project. A copy of Mr. Mavor's letter is enclosed for your information.

Mr. Mavor raised the question as to whether the audit of this project had been released since the equipment had not been sold. Because the Operator gave the property to the Government, and because so much time had elapsed between the ending of the project and the disposition of the equipment, the Contract Administration and Audit Division approved and released the final audit of this project. No property settlement is to be made because the Operator waived his interest in the property in favor of the Government.

Mr. Mavor raises the question in the fourth paragraph of his letter as to whether you, acting as Executive Officer for Region II, have the right to declare this property surplus. There is no doubt in our opinion that you do have this right because it appears that there is no bureau or office in the Department of the Interior which needs and will accept this property from DMEA. In this respect your attention is called to a memorandum under date of October 27, 1954, from the Director of the Bureau of Mines, Washington, D. C., to the Regional Director, Bureau of Mines, San Francisco, California. Your attention is further called to a letter dated September 30, 1954, from N. C. Miller, then Regional Director of Region III, to A. E. Weissenborn, then Executive Officer of Region II, asking for certain

R.C.

papers or transfer documents from the Operator to the Executive Officer of Region II (now Region I, Northwest District). It is assumed that Mr. Weissenborn gave Mr. Miller the information requested.

Again your attention is called to an Operating Committee letter of September 10, 1954, to Mr. Miller, at that time Executive Officer of Region III (now Region II), authorizing and indirectly requesting Mr. Miller to dispose of the equipment of this cited project.

This letter is written primarily because of the questions raised in Mr. Mavor's letter to Mr. Chambers, although it can be said that the letter is due because the project equipment should have been disposed of long ago. If you have problems that give you trouble in this case, we shall try to find the answers to any questions you may want to present to the Committee.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JLB)

APPROVED:

/s/ Robert W. Geehan (JLB)

Member, Bureau of Mines

Thor H. Kiilsgaard (JLB)

Member, Geological Survey

Enclosure

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Lamb, BM
Mr. Kiilsgaard, USGS
Mr. Ellis
Mr. Mavor
Mr. Chambers

JIChambers/wb
July 6, 1955

P.S. We are also enclosing two copies each of the above cited letters.

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

C
O
P
Y

420 Custom House
555 Battery Street
San Francisco 11, California

Air Mail

Mr. Jay L. Chambers, Chief
Contract Administration and
Audit Division
Defense Minerals Exploration
Administration
Washington 25, D. C.

Re: Idm-E351, DMEA-2265
Cosumnes Gold Dredging Co.
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Chambers:

Attached hereto is copy of letter dated December 6, 1954, from S. Ricker to W. H. King, also copy of letter dated November 18, 1954, from J. J. Forbes to H. C. Miller in connection with disposal of equipment under subject contract, which at the present time is located in California.

The operator waived his interest in the property, therefore, the Government now has a 100% equity. From the correspondence in the Regional Office files, several attempts were made by Region II to dispose of the property without avail. Due to this contract being under the jurisdiction of Region I, I do not know if the audit is held in abeyance pending disposition of property.

You will note in letter dated December 6, 1954, from S. Ricker to W. H. King, he asks if the property can be used in Region III, otherwise Mr. Ricker will declare it surplus and turn it over to GSA for disposal. This letter to W. H. King was in line with instructions contained in the last paragraph of letter dated November 18, 1954, from J. J. Forbes.

I am not sure of the authority Mr. S. Ricker has in declaring this equipment surplus, in view of the fact that the contract is under the jurisdiction of A. E. Weissenborn, Executive Officer, Region I, and at the same time I am not familiar with the procedure in disposing of DMEA property through GSA, as this is the first time I have ran into this type of a problem.

The only reason I get involved in the case, was due to S. Rieker asking if I knew anything about the disposal of the equipment and I told him no. However, I reviewed the files and have assembled certain information for your review and any action you may recommend to bring this case to a conclusion.

Sincerely yours,

s/ George Maver

George Maver
Auditor

Attachment

C
O
P
Y

xxxxxxxxxxxxxxxx
No. 157 Howard Street
Spokane 4, Washington

December 13, 1954

air mail

Mr. Frank B. Ryan
Ryan & Ryan, Attorneys
340 State Street
P. O. Box 987
Weiser, Idaho

Re: Docket No. DMEA-2265 (monazite, columbium, tantalum)
Contract No. Ida-2351
Consumer Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

Enclosed please find the drill hole information you requested for the above captioned property.

The releases you supplied as signed by Clarence V. Loomis and Vida A. Loomis, in one instance, and by George Denison, Oliver Denison, Frank B. Ryan, and Harold L. Ryan, in another instance, and the statement in your letter of December 8, 1954, that Raymond M. Carney and Myrtle Carney had deeded all their interest in the above property to Oliver Denison, are considered adequate to enable us to release this information to you.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: DMEA (2)
USBM (2)
Armstrong

Ryan & Ryan

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 20 1954

December 11, 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Consumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Sir:

I am enclosing herewith the consent of Clarence V. Loomis and Vida L. Loomis, as referred to in my letter of December 8, 1954.

I assume now that we may receive the log without any further delay, as it is most important that we obtain the same as soon as possible.

Very truly yours,

RYAN & RYAN

Frank D. Ryan

Frank D. Ryan

FDR srb

RECEIVED
DEC 13 1954

Ryan & Ryan

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 20 1954

December 8, 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 11
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265
Contract No. Idm-E351
Consumnes Gold Dredging Co.
Paddy Flat Placer Claims
Valley County, Idaho

Dear Sir:

I have yours of December 6th relative to the above matter. Sometime after the owner's consent to lien was executed by Raymond M. Carrey and Myrtle Carrey, his wife, the Carreys deeded all their interest in any of the claims involved to Oliver Denison, and he is now the owner of the Carrey interests, except that Oliver Denison and George Denison later conveyed a one-third interest in these claims to Frank D. Ryan and Harold L. Ryan. The land owned by Clarence V. Loomis and Vida A. Loomis, is patented land and is not involved as far as the placer claims are concerned. We could obtain a consent from Clarence V. Loomis and wife if under the circumstances you still require it, but they live up at Old Meadows, Idaho, and it would cause considerable delay to get such consent from them. However, it can be done.

We would appreciate whatever you can do to speed this matter up, as their are some important deals pending in regard to operating on these claims and every days delay may mean a loss to all of us.

Very truly yours,

RYAN & RYAN

Frank D. Ryan

Frank D. Ryan

FDR srb

Meadows, Idaho
December 8, 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Consumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Mr. Weissenborn:

This is to certify that Clarence V. Loomis and Vida A. Loomis are the sole and only persons interested in the patented lands, on Paddy Creek, in Paddy Flat, in Valley County, Idaho, referred to in the above docket number, and Frank D. Ryan is duly authorized by us to represent us in all matters relating to the above item and is entitled to receive and has our consent to receive the log on the test holes made on the above referred to claims by the Consumnes Gold Dredging Company.

Will you kindly send this log to Mr. Frank D. Ryan as soon as possible.

Very truly yours,

Clarence V. Loomis
Clarence V. Loomis

Vida A. Loomis
Vida A. Loomis

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DEC 13 1954
U.S.G.S.
SPOKANE, WASH.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 10 1954

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

December 6, 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
340 State Street
P. O. Box 587
Weiser, Idaho

Re: Docket No. DMEA-2265
(monazite, columbium, tantalum)
Contract No. Idm-E351
Consummes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

Your request for the logs of the holes drilled on the above captioned property has been referred to this office by Mr. George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration. Mr. Selfridge points out that as evidenced by Owner's Consent to Lien forms with the contract, Clarence V. Locmis and Vida A. Locmis, in one instance, and Raymond M. Carrey, Myrtle Carrey George Denison, and Helen Denison, in another, are also to be recognized as the landowners of the above property.

Upon presentation to this office of proper releases similar to that from George Denison, Oliver Denison, etc., which you have already supplied, we shall send you the available data that you request.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Armstrong

(Note: Re Operating Committee's ltr dated 11/18/54)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
December 2, 1954

Mr. H. C. Miller, Regional Director
U. S. Bureau of Mines, Region III
420 Custom House
San Francisco 11, California

Re: Docket No. DMEA 2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Miller:

Reference is made to your November 8, 1954 letter concerning the disposal of equipment from the referenced project.

We regret to say that we have had no inquiries concerning this equipment despite all our efforts toward this end. Should we receive inquiries on this equipment from any of the many dealers we have circularized, we shall notify you immediately. We wrote to the two companies suggested in Mr. Johnson's February 3, 1954 memorandum, without luck.

We understand from the Director's letter of October 27, 1954 and Mr. Selfridge's letter to you of September 10, 1954 that the DMEA can advance you project funds to pay the expenses incurred in this matter. We assume from the letters that necessary arrangements in this connection will be handled by the Washington office of DMEA.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
Certifying Officer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

OFFICE OF
REGIONAL DIRECTOR

420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIFORNIA

November 8, 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredgine Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Weissenborn:

Reference is to the file of correspondence concerning the disposal of equipment from the referenced project.

We have now received some definite instructions on how the matter may be carried out by the Bureau, but before going any farther at this time, we would like to know if you had any luck in disposing of any of the material to either of the two companies suggested by Mr. Johnson (see my letter to you dated February 10, 1954) or to any one else.

Our Director writes under date of October 27, 1954, that:

"Our Bureau has no authority to dispose of this property. Also, the property is not at present under Government supervision, part of this equipment being stored at two private residences, the bulk stored in the yard of the Surcease Mining Company, according to the June 8, 1954 letter from Mr. Merrill Yost.

"If you have no need for this equipment within your region, it is suggested in lieu of accepting title to this property which would require bureau property records, you serve only as the disposal agent for DMEA.

"In this connection DMEA can advance you project funds to pay the expenses incurred in the trip to the location of the property for a physical inspection and inventory.

"After this has been done if you will furnish Mr. Secrest (Chief, Property Management Branch, Bureau of Mines) a listing of the available items including present condition, acquisition

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1954
U.S.G.S.
SPOKANE, WASH.

cost and location of the property, circulars will be distributed to other agencies and offices in the Department of the Interior as well as to our other regional offices.

"If any items remain after Department clearance Mr. Secrest will advise you of the next step toward final disposition of the property."

Kindly let us hear from you shortly.

Sincerely yours,

H. C. Miller
Regional Director
Region III

THE DIRECTOR

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

November 18, 1954

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Ida-8351

Mr. N. C. Miller
Regional Director, Region III
Bureau of Mines
420 Custom House
555 Battery Street
San Francisco 11, California

Dear Mr. Miller:

Reference is made to your memorandum of October 12, 1954, and my memorandum of October 27, 1954, in reply.

It is believed that a misunderstanding exists in regard to the disposal of the equipment from the above-cited project through the Bureau of Mines. The DMEA Operating Committee's letter of September 10, 1954 intended that you, as Executive Officer of DMEA, would dispose of equipment in the name of DMEA, instead of the Bureau of Mines. The function of disposing of the material now would come under the responsibility of Spangler Ricker, who became Executive Officer November 1, 1954.

Mr. Ricker, as Executive Officer of DMEA, might desire to contact the DMEA Executive Officer in Denver to see whether or not he could use the material or whether by inquiry he could find out if the Region IV Bureau of Mines could use it. In the meantime, if there is no sale for the equipment in Region III it should be reported to the General Services Administration for appropriate disposal.

Sincerely yours,

J. J. FORBES
Director

Copy to: C. O. Mittendorf, DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

OFFICE OF
REGIONAL DIRECTOR

420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIFORNIA

October 12, 1954

Memorandum

To: The Director, Bureau of Mines, Washington, D. C.

From: Regional Director, Region III

Subject: Docket No. DMEA 2265 (Monazite) Cosumnes Gold Dredging Co., Paddy Flat Placer Deposit, Valley County, Idaho, Contract No. Idm-E351

Reference is made to attached copy of letter to me from George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration, dated September 10, 1954, in regard to the preparation of Standard Form 120, Report of Excess Personal Property, for reporting property donated by the Cosumnes Gold Dredging Company to the Government, together with the following attachments:

Letter from W. G. Agnew, Acting Executive Officer of Region II to Mr. Merrill Yost, dated May 20, 1954;

Letter from Surcease Mining Co. to Mr. Agnew, dated May 4, 1954;

Letter from the Operating Committee to Mr. Weissenborn, dated February 1, 1954.

Upon receipt of Mr. Selfridge's letter of September 10, I communicated with A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, for specific information on the property referred to in Mr. Selfridge's letter, as per copy of my memorandum dated September 30, attached. I am today in receipt of Mr. Weissenborn's reply dated October 7, copy of which is also attached. I had hoped that Mr. Weissenborn's letter would transmit copies of records showing that the Government had taken possession of the property, but such was not the case.

It would appear to us that before offering the property to General Services Administration it would have to be picked up on the Bureau's records which would first necessitate a trip to the location of the property for a physical inspection and inventory. After that, according to the Bureau of Mines Property Manual, a listing of the property should be circulated within Region III, and then between Regions for possible use within the Bureau.

The entire matter was discussed with Mr. A. J. Clark, of Mr. Secrest's office, on his recent visit to San Francisco, for advice as to handling, and he suggested that the transaction be referred to Mr. Secrest for guidance in the procedure of disposing of the property.

As this property is being donated to the Government, Mr. Secrest may be able to suggest another method of handling the transaction. Kindly refer this correspondence to Mr. Secrest and have him advise us what to do promptly.

H. C. MILLER

H. C. Miller
Regional Director, Region III

Surname

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

Ellis
Selfridge
Hedges
Norcomb
Johnson

NOV 18 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
P. O. Box 587
Weiser, Idaho

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

This will acknowledge receipt of your letter of November 1, 1954, with which you enclosed an authorization of the same date for you to receive the information requested in your letter of October 21.

Certain questions have arisen and we are referring the matter to Mr. A. E. Weissenborn, Executive Officer, Region II, South 157 Howard Street, Spokane 4, Washington. He will undoubtedly contact you at an early date.

Sincerely yours,

G. O. Mittendorf

Administrator

EWEllis:am
11-16-54

cc to: Admr. Reading File
Operating Committee
Docket
Messrs. F. D. Lamb, Rm. 3649
T. H. Kiilsgaard, Rm. 5224
Code 700
DMEA Field Team, Region II(2)

RCA

Surname 700

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

Keating
Selfridge
J. Johnson

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

NOV 1 8 1954

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosmopolis Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Weissenborn:

This refers to two letters dated November 1, 1954, from Mr. Frank D. Ryan, attorney, Weiser, Idaho. These letters are relative to his request for copies of the logs obtained as a result of the drilling accomplished under the subject contract. A copy of a letter from the Administrator to Mr. Ryan requesting the required releases together with copies of the above letters from Mr. Ryan are enclosed. We are also enclosing copies of Mr. Ryan's original request dated October 21, 1954, and attachment, in order that your file may be complete.

You will note from Mr. Ryan's letter that he has furnished releases as landowners from George Denison, Oliver Denison, Frank D. Ryan, and Harold L. Ryan; whereas a review of the docket indicates that Clarence V. Loomis and Vida A. Loomis, in one instance, and Raymond M. Carrey, Myrtle Carrey, George Denison, and Helen Denison, in another, have furnished Owners' Consents to Lien, and therefore are also to be recognized as the landowners.

Since we do not have extra copies of the data requested by Mr. Ryan, and to prevent unnecessary delay, we suggest that you advise him that your office will supply the available data upon presentation to you of proper releases.

AGKeating:am
11-16-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. F.D.Lamb,Rm.3649
T.H.Kiilsgaard,Rm.5224
Code 700
Mr. Keating
Enclosures

Sincerely yours,

George C. Selfridge by ESJ
Chairman, Operating Committee

APPROVED:
J. H. Hedges by ESJ
Member, Bureau of Mines

E. L. Newcomb by ESJ
Member, Geological Survey

R.C.H.

11/4/54 gla

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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NOV 4 - 1954

Ryan & Ryan
ATTORNEYS AND COUNSELORS AT LAW
P. O. BOX 587
WEISER, IDAHO

FRANK D. RYAN
HAROLD L. RYAN

TELEPHONE
251

November 1, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Mr. Millendorf:

Since receiving your letter stating you wanted the authority of other interested parties in the claims above referred to in order for me to receive the copy of the log on such mining claims, George Denison and his brother, Oliver, came in the office and consequently I was able to get their signatures at this time, when otherwise, it would have been very difficult to have found them in a short time.

I trust that this will cover the situation and that I may receive this log just as soon as possible. Any delay in giving this log may seriously interfere with the negotiations that are going on to get to work dredging on these claims, and I would appreciate being given every thing possible to facilitate us getting this log.

Very truly yours,

Frank D Ryan

Frank D. Ryan

FDR srb

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 4 - 1954

Weiser, Idaho
November 1, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Edm-E351
Consumnes Gold Dreding Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Mr. Millendorf:

This is to certify that George Denison, Oliver Denison, Frank D. Ryan and Harold L. Ryan are the sole and only owners and the sole and only persons interested in the mining claims in Paddy Flat, in Valley County, Idaho, and in the area adjoining Paddy Flat area, referred to in the above docket number, and Frank D. Ryan is duly authorized by us to represent us in all matters relating to the above item and is entitled to receive and has our consent to receive the log on the test holes made on the above referred to claims, by the Consumnes Gold Dredging Company.

Will you kindly send this log to Mr. Frank D. Ryan as soon as possible.

Very truly yours,

George Denison
George Denison

Oliver Denison
Oliver Denison

Frank D. Ryan
Frank D. Ryan

Harold L. Ryan
Harold L. Ryan

10/28/54 gla

OFFICE OF THE DIRECTOR

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

October 27, 1954

AIR MAIL

Memorandum

To: Regional Director, Region III, San Francisco, Calif.

From: Director

Subject: Docket No. DMEA 2265 (Nonmetals) Consumnes Gold Dredging Co., Paddy Flat Placer Deposit, Valley County, Idaho, Contract No. Idm-E351

Receipt is acknowledged of your memorandum dated October 12, with copies of correspondence concerning the excess property donated by the Consumnes Gold Dredging Company to the Government.

Two important details must be clarified before we can take action. According to Mr. Weissenborn's letter dated October 7, 1954, the title to this property still rests with the Defense Minerals Exploration Administration. Therefore, our bureau has no authority to dispose of this property. Also, the property is not at present under Government supervision, part of this equipment being stored at two private residences, the bulk stored in the yard of the Surocsse Mining Company, according to the June 8, 1954 letter from Mr. Merrill Yost.

Using the information in the above mentioned letters as a guide, the following will have reference to Mr. George C. Selfridge's letter dated September 10, 1954 with partly prepared Form SF-120 which was furnished you for reporting the property to the General Services Administration. If you have no need for this equipment within your region, it is suggested in lieu of accepting title to this property which would require bureau property records, you serve only as the disposal agent for DMEA.

In this connection DMEA can advance you project funds to pay the expenses incurred in the trip to the location of the property for a physical inspection and inventory.

After this has been done if you will furnish Mr. Secrest a listing of the available items including present condition, acquisition cost and location of the property, circulars will be distributed to other agencies and offices in the Department of the Interior as well as to our other regional offices.

If any items remain after Department clearance Mr. Secrest will advise you of the next step toward final disposition of the property.

J. J. FUNBE.
Director

MMFugett:md

Copy to:
Director's Reading File
Mr. Paul Zinner
Mr. Fugett
Mr. Hedges
Mr. Rice
Mr. Secrest
File

700

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

F L Knouse
Ellis

OCT 27 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
340 State Street
P. O. Box 587
Weiser, Idaho

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

This is in response to your letter dated October 21, 1954, concerning your interest in obtaining the results of drilling done by the subject company on a number of claims in Valley County, Idaho.

In order for us to release the information to you we will require evidence that you are the representative of the landowners and this information is requested in their behalf.

Sincerely yours,

C. O. Mittendorf

Administrator

FLKnouse/gla
10-27-54
cc to: Admr. Reading File
Docket
Messrs. Frank D. Lamb, Rm. 3649
T.H. Kiilsgaard, Rm. 5224
Code 700
Mr.Knouse
DMEA Field Team, Region II (2)

R.C.

10/26/54 gla

D. RYAN
D L. RYAN

Ryan & Ryan
ATTORNEYS AND COUNSELORS AT LAW
340 STATE STREET · P. O. BOX 587
WEISER, IDAHO

TELEPHONE
251

October 21, 1954

DMEA-2265

Mr. C. O. Millendorf, Administrator
Defense Minerals Exporation Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Millendorf:

I am herewith enclosing a consent from Consumnes Gold Dredging Company, by G. M. Standifer, President, authorizing you to give to me the log and any information you have in regard to test holes that were drilled on Paddy Creek, Rapid Creek and possibly some other small creeks in the area, in Valley County, Idaho. I think there were some thirty holes drilled.

I am quite anxious to get this log as soon as possible, as we have parties who are interested in financing dredges or draglines to operate on this property. I recently sent to the Bureau of Mines, through Senator Welker of Idaho, samples of sands taken from this area, all of which showed very active on the geiger counter.

Appreciating your early attention to this matter, I am,

Very truly yours,

Frank D Ryan

Frank D. Ryan

FDR srb
encl.

October 18, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

I am the President of the Consumnes Gold Dredging Company of California, that drilled quite a number of test holes on certain placer mining claims located on Paddy Creek, Rapid Creek and in the area where those streams are located.

You have the log on these test holes,, and as we are no longer interested in those properties, it is agreeable to me and the Consumnes Gold Dredging Company to have you give copies of this log, or any information you have in your office relative to the results and values shown by the testing that we did on those creeks and in that area.

This information may be given to Frank D. Ryan, P. O. Box 587, Weiser, Idaho, who is acting for himself and his associates, the present owners of such claims.

Very truly yours,

CONSUMNES GOLD DREDGING COMPANY

By G. M. Standifer

G. M. Standifer

President

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
October 7, 1954

Mr. R. C. Miller
Regional Director, Region III
420 Custom House
555 Battery Street
San Francisco 11, Calif.

Re: Docket No. DMEA 2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Miller:

This will acknowledge receipt of your September 30, 1954 letter concerning disposal of equipment from the referenced project.

For your information we are enclosing photostated copies of a Field Team letter to Mr. Standifer, President of Cosumnes Gold Dredging Company, dated November 10, 1953, which gives an inventory of the equipment. In answer to your question No. 1 you will note on page 2 of the letter, which was returned to us, Mr. Standifer's handwritten waiver of Cosumnes interest in the equipment. This is the only document, if you can call it that, which we were able to obtain from Cosumnes.

As for your question No. 2, none of this property has been inspected by anyone from Region II as the equipment was not delivered until after the project was terminated although it was ordered ahead of time.

We are also enclosing photostated copies of a letter from Mr. Yost, General Manager of Cosumnes, giving the location of some of the equipment. Our understanding is that Mr. Yost left for Guam shortly after writing his letter to us of June 8, 1954. As we understand it now, the steel casing, steel couplings, drive shoe, drive cap, and the steel pulling head are stored at the warehouse of the Surcease Mining Company at Randsburg, Calif. The Vulcan pipe tongs are at the home of a Mr. Martin who works for the Surcease Mining Co. and presumably lives at Randsburg, Calif. From Mr. Yost's letter the jacks should be at his home in Folsom, Calif.

As for your question No. 3, the property was not transferred to the Bureau of Mines and title still rests with the DMEA.

By Field Team, Region II

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: DMEA, Washington, D.C. (2)
USGS (2)

10/5/54 gla

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

Office of
Executive Officer
DMEA Field Team
Region III

420 Custom House
555 Battery Street
San Francisco 11, California

September 30, 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-F351

Dear Mr. Weissenborn:

Reference is made to subject letter from George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration, to me, dated September 10, 1954, copy of which was sent to you, in regard to the preparation of Standard Form 120, Report of Excess Personal Property, for reporting property donated by the Operator of the above-cited project to the Government.

In connection with the above, and preliminary to preparation of Form SF-120, we will appreciate receiving information regarding the following:

1. Do you have a signed document from the operator transferring the property in question to the Government? If so, please forward a copy to this office.

2. Has the property in question been inspected by any members of your Field Team and is it all located at Randsburg, California? If not, advise location.

3. Do you have any transfer documents transferring the property to the Bureau of Mines? If so kindly forward a copy to this office.

Any other information you may have which will assist us in handling this transaction will be appreciated.

Very truly yours,

H. C. MILLER

H. C. Miller
Regional Director, Region III

Copy to: George C. Selfridge
Chairman Operating
Committee, DMEA,
Washington, D. C.

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

Klaeber
Chambers
Ellis
Selfridge
JR Schuch
Mitchendorf

SEP 10 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Ida-E351

Dear Mr. Miller:

We are enclosing an original and four copies of Form S. F. 120, Report of Excess Personal Property, to report property donated by the Operator of the above-cited project to the Government.

Form 120 has not been filled out completely. Your Finance Officer will be able to complete the form, although it may be necessary for you to get certain information from Mr. Weissenborn which our files fail to disclose.

You will note that the above project was carried on in Idaho in Region II. Mr. Weissenborn, however, has informed us that the Operator moved the supplies and equipment to California. Since the Operator was unable to dispose of the supplies and equipment he has turned them over to the Government without charge. The Property Management Division of the Department of the Interior states that the Property Disposal Act of 1950, as amended, provides that any Bureau in the Department can take over the property free of charge. If no Bureau is interested the property must be offered to the General Services Administration for disposal. The chances are that the General Services Administration will appoint your office to act for them as the disposal agent.

Your Finance Officer should know the procedure for making the disposition under these circumstances. There will most probably be some expenses incurred by you in performing this duty. Upon receipt of your estimate of costs money will be advanced to the project to pay these expenses.

R.C.S.

Copies of letters from (1) Mr. W. G. Agnew, Acting Executive Officer of Region II to Mr. Merrill Yost (May 20, 1954); (2) Surease Mining Co. to Mr. Agnew (May 4, 1954); and (3) the Operating Committee to Mr. Weissenborn (February 1, 1954) in regard to this property, are attached for your information. You may desire to communicate directly with Mr. Weissenborn for further data.

A copy of this letter is being sent to Mr. Weissenborn for his information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Enclosure

APPROVED:

J. H. Hedges

Member, Bureau of Mines (GHB)

Thor H. Kiilsgaard

Member, Geological Survey (GHB)

JLChambers/wb
September 8, 1954

Copy to: Docket
Admr. Reading File
Region II Field Team
Region III Field Team
Operating Committee
Mr. E. J. Carlson, BM
Mr. D~~. M. Larrabee~~ USGS Thor H. Kiilsgaard
Mr. Ellis
Mr. Chambers

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

Chambers
Ellis
Selfridge
Hedges

SEP 10 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Ida-2351

Dear Mr. Weissenborn:

Your attention is called to a copy of a letter to Mr. Miller in regard to the disposition of property procured for the above-cited project.

Any assistance which Mr. Miller needs from you should be rendered. This office will appreciate the cooperation of both Region II and III in making disposition of the property.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHS)

Enclosure

APPROVED:

J. H. Hedges (GHS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHS)
Member, Geological Survey

JIChambers/wb 9-8-54

Copy to: Docket
Admr. Reading File
Region II Field Team
Operating Committee
Mr. E. J. Carlson, BM
Mr. ~~B. M. Larrabee~~ USGS
Mr. Ellis
Mr. Chambers

R.C.S.

8-17-54
A.G.

778

Found Surplus Property

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Spokane, Washington
August 10, 1954

3264

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Selfridge:

Reference is made to your letter of July 29, 1954 concerning the storage or disposal of equipment from the referenced project.

In proof reading the final report of the Field Team we had inadvertently overlooked the statement that all the equipment had been delivered to the warehouse of the Surcease Mining Co. when it had not. Upon final disposition of the equipment an addendum will be added to the final report.

A copy of Mr. Yost's letter replying to our letter of May 20, 1954 is enclosed.

As we understand it the steel casing with couplings, drive shoe and drive cap and the fabricated steel pulling head are stored at the warehouse of the Surcease Mining Co., Randsburg, California. The two Vulcan pipe tongs are at Mr. Martin's home. He presumably lives at Randsburg, California. The two hydraulic jacks are at Mr. Yost's home in Folsom, California.

Our information is that Mr. Yost left for Guam shortly after June 8, 1954.

The Field Team has made every effort to dispose of this equipment without success. We have circularized the Surcease Mining Co., junk and equipment dealers in San Francisco and Los Angeles, California,

in addition to our regular listing in Region II. The Bureau of Mines in Regions II, III, and IV, do not want the equipment.

It appears that the only course left is for the DMEA to send a man and truck to collect this equipment for storage at Spokane, Wash., or declare it surplus and turn it over to the General Services Administration for disposal. We prefer the latter course.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John F. Vhey, Acting Member
U. S. Geological Survey

SWZ:mp
cc: Orig. & 1 cy Wash. ✓
USGS (2)

RECEIVED
BUREAU OF MINES
JUN 21 1954
SPOKANE, WASH.

Zoed

Wga

Rapid City, South Dakota,
June 8, 1954

Not ans. get S.2.

Bureau of Mines,
Spokane,
Wash.

Dear Sirs:

In answer to your letter of May 20, 1954.

The 22" Casing is stored in the yard of the Surcease mining Co.

The two hydraulic jacks are stored here in my yard or rather in my yard at Folsom Calif.

The two chain tongs are at Mr. Martin's home who is the welder for the Surcease Co.

The reason that the tongs were left at Martin's home was that when I moved to Sacramento I did not have room for items as large as these. I could not leave the tongs in the Surcease yard as they would be stolen and if I leftthem at their shop they would also come up missing.

The jacks I brought to Sacramento as they could not be left at Randsburg for the same reasons.

I notice that we were allowed $2600.00 and we made up the difference between that figure and ~~$2~~ $2870.75. This apparently is about the amount of the tools. These were not in the original agreement and I think that we put these in with the Yuba personally and paid for them. I do not have the records and data at hand but I believe this is correct.

Sincerely yours
Merill Ford

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Spokane, Washington
August 10, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Selfridge:

Reference is made to your letter of July 29, 1954 concerning the storage or disposal of equipment from the referenced project.

In proof reading the final report of the Field Team we had inadvertently overlooked the statement that all the equipment had been delivered to the warehouse of the Surcease Mining Co. when it had not. Upon final disposition of the equipment an addendum will be added to the final report.

A copy of Mr. Yost's letter replying to our letter of May 20, 1954 is enclosed. -To700

As we understand it the steel casing with couplings, drive shoe and drive cap and the fabricated steel pulling head are stored at the warehouse of the Surcease Mining Co., Randsburg, California. The two Vulcan pipe tongs are at Mr. Martin's home. He presumably lives at Randsburg, California. The two hydraulic jacks are at Mr. Yost's home in Folsom, California.

Our information is that Mr. Yost left for Guam shortly after June 8, 1954.

The Field Team has made every effort to dispose of this equipment without success. We have circularized the Surcease Mining Co., junk and equipment dealers in San Francisco and Los Angeles, California,

in addition to our regular listing in Region II. The Bureau of Mines in Regions II, III, and IV, do not want the equipment.

It appears that the only course left is for the DMEA to send a man and truck to collect this equipment for storage at Spokane, Wash., or declare it surplus and turn it over to the General Services Administration for disposal. We prefer the latter course.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John F. Vhey, Acting Member
U. S. Geological Survey

700

Surname
Docket copy

F. L. Knouse
Ellis
Talbert
Selfridge
H. J. Johnson

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

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Weissenborn:

This is with reference to the status of the equipment purchased for the subject contract that was transferred by the Operator to the account of the Government.

We note in your letter of May 20, 1954, addressed to Mr. Merrill Yost, that you had been informed four items of this equipment were not delivered for storage in the warehouse of the Surcease Mining Company at Randsburg, California, as he had advised, but in the Final Report of the Field Team it is stated that all the equipment was delivered. Please advise if this question has been resolved and, if so, what has been done regarding the disposal of the equipment.

If no sale has been made or the Bureau of Mines has no use for a part or all of the equipment, we suggest contacting some of the equipment dealers concerning the sale of the Vulcan pipe tongs and the 25-ton hydraulic jacks and junk dealers for the remainder of the equipment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

APPROVED:

J. H. Hedges
Member, Bureau of Mines (JHH)

D. M. Larrabee
Member, Geological Survey (DML)

FLKnouse/gla
7-26-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. Frank Lamb, Rm. 3649
D. M. Larrabee, Rm. 5218
Code 700
Mr. Knouse
Mr. Chambers

R.C.H.

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

IN REPLY REFER TO:
G-MD-CNM

July 16, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2265 (monazite and columbite)

To: E. W. Ellis, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Cosumnes Gold Dredging Company.
Name of property: Paddy Flat Placer Deposit.
Location of property: Valley County, Idaho.
Date of Field Team Report: July 1954 Final Report.
Authorship of Field Team Report: John D. Bardill and J. Hoover Mackin.
Field Team's recommendation:

No certification.
No further work.

Comments:

1. 0.42 lbs/yd. monazite concentrate
2. Columbium negligible.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

July 9, 1954

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite)
Cosumnes Gold Dredging Co., Inc.
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Selfridge:

Enclosed are four copies of the final Field Team report on the Paddy Flat project of the Cosumnes Gold Dredging Co., Inc. The operator's final report is also being sent to you under separate cover.

The field examiners recommend that no Certification of Discovery or Development be issued because exploration work did not disclose a placer deposit which could be profitably exploited for its monazite and columbium-tantalum mineral content. They further state that the property has been adequately prospected, and recommend that any future applications for Government exploration assistance be denied. The Field Team concurs with the field examiners recommendations.

The final Field Team report on the White Hawk placers project of the same company is in preparation and will be sent to you as soon as possible.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas E Howard

Thomas E. Howard
For: Wing G. Agnew, Member
(U. S. Bureau of Mines)

Reviewed by
DMEA OPERATING COMMITTEE
7-16-54
(date)

Enclosure
cc: USBM (2)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 12 1954

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION II

FINAL REPORT

Contract Idm-E351

by

John D. Bardill
Metallurgist
U. S. Bureau of Mines

J. Hoover Mackin
Geologist
U. S. Geological Survey

COSUMNES GOLD DREDGING COMPANY, INC.
465 California Street
San Francisco, California

Docket No.:	DMEA-2265
Commodity:	Monazite-Columbium-Tantalum
Contract date:	June 23, 1952
Completion date:	August 23, 1953

Reviewed by
DMEA OPERATING COMMITTEE
7-16-54
(date)

PADDY FLAT PLACER DEPOSIT
Paddy Flat Mining District
Valley County, Idaho

Spokane, Washington

July 1954

FINAL REPORT

COSUMNES GOLD DREDGING COMPANY, INC.
Paddy Flat Placer Deposit
Paddy Flat Mining District
Valley County, Idaho

Contract Idm-E351

* * * *

INTRODUCTION

This report describes a project carried on by Cosumnes Gold Dredging Company, Inc., under a exploration contract with the Defense Minerals Exploration Administration to prospect a monazite-columbium-tantalum-bearing placer deposit at Paddy Flat, Valley County, Idaho.

Summary and Recommendations

Thirty-five drill holes in this placer deposit indicated at least 30,000,000 cubic yards of gravel having an average depth of approximately 12 yards. A composite sample from the drill holes was concentrated in the laboratory, recovering a monazite concentrate estimated to be equivalent to 0.42 pounds per cubic yard of original gravel. The recovered columbium-tantalum minerals were negligible.

A Certification of Discovery or Development is not recommended because this exploration project did not disclose a placer deposit which could be profitably exploited for its monazite and columbium-tantalum mineral content. The property has been adequately prospected, and it is recommended that any future applications for Government exploration assistance be denied.

LOCATION AND ACCESSIBILITY

The Paddy Flat placer deposit is located in Valley County, Idaho. The deposit may be reached readily by driving about 3 miles north of Donnelly on Highway 15, then east about 9 miles on a mountainous, dirt county road to the Paddy Flat Forest Service Guard Station. Refer to figures 1, 2, and 3 for the location and approximate areal extent of the deposit.

The placer is located in a valley having a general north-south direction at an elevation of about 5,000 feet and experiences sub-zero winter weather and heavy snows. The summer weather is mild and pleasant. The north end of the valley extends about a quarter of a mile north of the county road and is heavily wooded. South of the county road the valley extends a distance of 1½ miles and is sparsely wooded.

PROPERTY

Although title records of ownership have not been searched, the mining properties under lease, lease options, and options to purchase, or held by placer mine locations, by Cosumnes Gold Dredging Company, Inc., appear to consist of three groups of properties in the Paddy Flat mining district along the North Fork of Gold Fork River, Valley County, Idaho. Figure 2 shows the locations of some of these properties and the ones which were prospected under the contract.

Most of the project contract work was confined to the C. V. Loomis property and land immediately adjacent to it. An Owner's Consent to Lien agreement, which is part of the DMEA exploration project contract, infers that an agreement dated November 9, 1951, between Clarence V. Loomis and Vida Loomis, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, who, in turn, assigned their interest to Cosumnes Gold Dredging Company, Inc. The terms of the agreement were not disclosed, but figure 2 indicates that about 600 acres were involved which are believed to be owned by virtue of homestead patents.

There seemed to be some question as to the validity of the locations of the Zircon and Ilmenite claims throughout the duration of the project. Reportedly, three different sets of locators staked overlapping claims at approximately the same time. Presumably, the issue has never been settled.

The third property consisted of a group of 19 placer mining claims situated in the same general area as the other properties. A Quit Claim Deed, No. 4241, dated April 7, 1952, by Frank McElhone and Betty McElhone, his wife, of Fields, Oregon, deeded the 19 claims listed below to George Denison of Weiser, Idaho. An earlier Quit Claim Deed, No. 4254, dated November 9, 1951, by Harold Hollman and Irma Hollman, his wife, of Downeville, California, also deeded 11 of these same claims to Raymond M. Carrey of Weiser, Idaho. An Owner's Consent to Lien was granted by the Carreys and Denisons, which is also a part of the DMEA exploration project contract.

Claim locations are filed in the office of the County Recorder, Valley County, Idaho.

Claim	Approx. Acres	Location	Book of Placer Mining Claims: Book	Page
Half Moon #1	160	T. 16 N., R. 4 E. of B.M.	?	?
Half Moon #2	160	T. 17 N., R. 4 E. of B.M.	?	?
Half Moon #3	160	T. 17 N., R. 4 E. of B.M.	?	?
*Half Moon #4	40	SE¼NE¼ sec. 34, T. 17 N., R. 4 E. of B.M.	5	530
*Half Moon #5	40	T. 17 N., R. 4 E. of B.M.	?	?
*Half Moon #8	160	T. 17 N., R. 4 E. of B.M.	5	122
*Elk Group	160	SW¼ sec. 26, T. 17 N., R. 4 E. of B.M.	5	534
*Jeep Claim #1	160	Sec. 27, T. 17 N., R. 4 E. of B.M.	5	532
*I Found It	160	Sec. 30, T. 17 N., R. 5 E. of B.M.	5	538
*Full Moon	160	Sec. 21, T. 17 N., R. 4 E. of B.M.	5	531
*Owl Group	160	Secs. 30 and 31, T. 17 N., R. 5 E. of B.M.	5	537
*Mink Group	160	NW¼ sec. 26, T. 17 N., R. 4 E. of B.M.	5	533
*Swamp Group	160	NE¼ sec. 27, T. 17 N., R. 4 E. of B.M.	5	536
*Beaver Dam	160	W½ sec. 31, T. 17 N., R. 5 E. of B.M.	5	535
Bing #1	160	?	5	332
Bing #3	160	?	5	419
Old Gold	160	?	5	420
Lost Cat	160	?	5	421
Ranger	160	SE¼ sec. 27, T. 17 N., R. 4 E. of B.M.	6	9

*Claims quit claimed to Raymond M. Carrey

The several leases and agreements are believed to have been terminated by Cosumnes Gold Dredging Company, Inc., after completion of the project field work.

The Paddy Flat placer deposit is located in a valley and is covered by heavy timber at the northern end and sparsely wooded to the south.

Several bench cuts and two old abandoned ditches for conveying water indicate that portions of the southeast corner of the deposit were placer mined for gold years ago.

THE PROJECT

The occurrence of monazite in the Paddy Flat gravels was reportedly noted by Raymond M. Carrey several years ago. During the summer of 1951 Messrs. Merrill Yost and E. Knutsen of the Cosumnes Gold Dredging Company, Inc., became interested in Paddy Flat Valley and drilled three holes with a churn drill. One hole was drilled near the junction of Kennally Fork and Gold Fork, another near the Forest Service guard station on Rapid Creek, and the third on the Loomis homestead on Camp Creek. Samples from all of the holes contained monazite, magnetite, ilmenite, and garnet. Four holes were also drilled near the junction of Kennally and Powelson Creeks and showed black sands containing monazite. Several samples were taken of exposed gravel banks, which also showed the presence of monazite.

The apparent size of the deposit and quantity of monazite in the drill hole samples seemed sufficiently interesting to warrant further exploration. An application for a DMEA exploration project contract in the amount of $19,055 was filed November 12, 1951. The application proposed a 5-month drilling campaign and concentration of the drill hole samples in a pilot plant. Later, a more specific revised proposal was submitted. This application was approved and a contract in the amount of $28,825 was granted June 23, 1952.

The project was divided into two stages. Stage I specified drilling ten 20-inch diameter holes with a clam shell drill to an approximate depth of 35 feet each and concentrate the material from the drill holes in a pilot plant and have the concentrate samples analyzed. Stage II, which was contingent upon the results of Stage I and the approval of the Field Team, consisted of not more than 50 additional drill holes, concentration of the drill hole samples, and analysis of the samples.

A barn near Cascade, where power and water were available, was remodeled to house the pilot screening-gravity concentration plant. The plant consisted of scales, a 24-by 30-inch laboratory-size revolving trommel with five-eighths-inch and 10-mesh screens, and a 3½-by 7-foot laboratory Wilfley shaking table and accessory equipment.

Pilot plant operating procedure was to receive the sample by truck from the drill site and weigh it wet. Occasionally, moisture determinations of the samples were made; otherwise, the moisture was estimated. The entire sample was fed to the trommel. The plus 10 mesh minus five-eighths inch, the plus five-eighths inch and sludge products were also dried and weighed.

The minus 10-mesh sands were tabled to recover a black sand concentrate and tailing which were dried and weighed. Gravel sizes were determined to provide data for possible future use in estimating the amount of material the jigs would be required to handled on a dredge.

Nine black sand concentrate samples were submitted to Dings Magnetic Separator Company at Milwaukee, Wisconsin, for high intensity magnetic separation laboratory tests to separate the concentrate into its various components, i.e., magnetite, ilmenite, zircon, garnet, monazite and tailing. The results were poor because clean separations were not attained by their magnetic separator with the result that monazite was present in several products and the monazite concentrate was contaminated with other minerals and too low grade to be salable. It was evident that a Carpco high tension separator, such as is used at the Boise, Idaho monazite concentration plant, would be required to make a satisfactory separation.

A composite sample of black sand concentrates from 14 drill holes was beneficiated at the laboratory of Porter Bros. Corporation at Boise, Idaho. This laboratory is basically equipped with an attrition mill, tables, dryer, screens, low intensity magnetic separator, Dings cross belt magnetic separator, and Carpco high tension separator. Treatment is similar to the one employed to beneficiate black sands from the dredges near Cascade, Idaho, to a monazite concentrate.

Nine major products were recovered and further concentrated by tabling at the Bureau of Mines laboratory at Albany, Oregon, and the various products analyzed. See table 9 for detailed results of these tests.

Composite samples of 14 of the Paddy Flat drill holes were analyzed by methods developed by the Geological Survey in the course of a study of placer deposits in west-central Idaho. The analyses were by John Kolars, who has made many of the Survey analyses. The procedure followed by Kolars is outlined in table 6. Table 2 is a summary of the mineral content of the 14 samples and table 2a lists the detailed descriptions of the heavy minerals according to each fraction.

A novel 22-inch clam shell bucket shaft sinking drill was used instead of the conventional type churn drill. This drill is

mounted on a 2-ton truck and is powered by an independent 125 c.f.m. portable air compressor. The string of tools with the clam shell bucket at the end is raised and lowered by a Gardner-Denver 5-cylinder air-driven hoist. The bucket is actuated by air with a closing pressure of 8,000 pounds per square inch on the jaws and is rotated a quarter of a turn each time through a ratchet making a smooth, round hole. This particular drill rig is capable of handling a 16- to 36-inch bucket. The weight of the string of tools is about 1,480 pounds. The drill operates by lowering the string of tools into the hole, driving the teeth into the ground, closing the jaws of the bucket and hoisting the loaded bucket to surface. When the ground is hard, the bucket is raised several feet above the bottom of the hole and dropped to imbed the bucket teeth in the ground.

The casing is conventional threaded casing with a drive shoe and drive head. When the casing has been driven to the desired depth, the drive block is removed by relieving the air pressure on the teeth, releasing the block. Then the dirt is dug out of the inside of the casing to the bottom of the drive shoe and the operation repeated. When a boulder is encountered that is too large for the bucket, it is usually broken with dynamite. Casing is pulled by a split-pulling head screwed onto the top joint. The tools serve as a pulling hammer and the casing is hammered out in the usual manner.

Seven of the 10 holes drilled for Phase I reached bedrock. With the exception of holes PF-102Y and PF-105Y, the holes were located on the rim of the deposit. Since the black sand concentrate samples were not beneficiated to a clean monazite concentrate at the time of the drilling during Stage I, the decision to start Stage II was based on hand-panning results and the fact that there appeared to be a large yardage of gravel.

Upon the completion of a total of 35 holes, the Operator was satisfied that there was a large enough deposit to dredge, and the field work was terminated before the completion of the 50 holes provided for in Stage II. Another reason for shortening the drilling at Paddy Flat was that the Operator was eager to complete the drilling at the White Hawk deposit in White Hawk Basin at an elevation of 6,100 feet and 45 miles southeast of Paddy Flat before the winter set in.

The drilling was not done on a planned grid; instead, holes were drilled indiscriminately here and there as is evident by referring to figure 3 showing the location of the drill holes.

Many of the holes failed to reach bedrock principally because the holes were not cased and caved. When a hole caved, it was considered completed. Hole No. PF-110Y was drilled to a depth of 84 feet which was the depth limit of the drill. Failure to case the holes was

not the fault of the Operator. Casing had been on order for months with the Yuba Manufacturing Company, San Francisco, but deliver was not made until the contract had been almost completed.

GEOLOGY

General statement. The principal bedrock types of the Long Valley-Cascade Valley area, of which the Paddy Flat mining district is a part, are (1) gneissic and granitic rocks of the Idaho batholith, overlain unconformably by (2) Columbia River basalt flows. Paddy Flat is a small north-south lowland, aligned with the much larger Cascade Valley on the south, and paralleled by Long Valley on the west. The geologic relationships indicate that these lowlands were formed by block faulting in late Tertiary and Pleistocene time. Paddy Flat is underlain chiefly by gneissic granite, with one remnant of basalt, preserved in the western part of the lowland, in fault contact with gneissic rock of the ridge that separates Paddy Flat from Long Valley.

The deposits explored by the Cosumnes Gold Dredging Company, Inc., are a complex assemblage representing at least three Pleistocene glacial stages, and possibly one or more interglacial stages. The deposits are "nested", that is, each younger unit lies in a valley cut on the next older unit. The complexity of these nested fills, and a heavy cover of soil and vegetation, made it impossible to gain more than a generalized picture of the geology during the brief period spent in Paddy Flat in the course of a reconnaissance study of placer deposits of west-central Idaho (TEM 473 and 602).

Interpretation of the geology of the Paddy Flat deposits is based in large part on general principles developed in the regional study. References to the preliminary reports on that study, cited above, will eliminate the need for extended explanations here.

Origin of the deposits. The oldest of the Paddy Flat deposits makes up a ridge between Rapid Creek and Kennally Fork. The deposit is locally at least 180 feet thick, from below the level of the present streams to the ridge crest. In some places bedrock crops out high on the slopes of the ridge. The deposit is, therefore, interpreted as a thick fill in a former bedrock valley, the trend of which did not correspond exactly with the trend of the present ridge. The topographic relations, deep weather of the deposit, and the fact that it contains a high proportion of granitic pebbles (TEM 602) suggest that it is glacial outwash of early Pleistocene age. Smaller bodies of similar deeply weathered gravels occur on high terraces on the east side of Kennally Fork, as much as 300 feet above the stream, and at the level of Paddy Creek north of the junction of Paddy Creek and Camp Creek. Very small amounts of gold in these remnants of the oldest of the Paddy Flat deposits led to considerable prospecting and some scale placer mining years ago.

Late Pleistocene outwash deposits are represented by (1) moderately weathered gravels making up a dissected bench between Camp Creek and Rapid Creek, and (2) slightly weathered gravels of a low terrace on the east side of Rapid Creek. Both of these deposits can be traced northward, up Rapid Creek, into moraines showing corresponding degrees of weathering.

Gravel deposits on a bench between Paddy Creek and Camp Creek, and on a bench west of Paddy Creek, are higher above the present streams than the late Pleistocene outwash deposits and are, therefore, probably somewhat older. Because neither of these high bench deposits can be traced upvalley into moraines, it is uncertain whether they were formed in a glacial or an interglacial stage. An interpretation of origin based chiefly on the mineralogy will be outlined below.

Because of its low altitude, the headwater part of Paddy Creek was not glaciated during the late Pleistocene stages; gravels of the Paddy Creek valley floor are, therefore, normal stream deposits, rather than glacial outwash.

Table 7 shows the mineral composition of a total of 87 samples, divided into groups on the basis of these five geologic units, and several other minor units. This total includes composite samples for the 14 Cosumnes drill holes listed in tables 2 and 2a; grab samples collected from the spoil heaps adjacent to 15 additional Cosumnes holes; samples of various types from surface exposures of gravel and bedrock; and bar samples from the beds of the present streams. Much of this data, as that bearing on the heavy mineral content of the bedrock, is of academic interest only and has no place in this report. The mineralogic data for 49 samples taken from the five main depositional units mentioned above is summarized in table 8. It should be noted that the sampling was not systematic and that there is considerable variation in mineralogy within each of the depositional units. The figures in the table are averages of the samples, with no attempt at weighing; they would not be sufficiently accurate for appraisal purposes if any of the deposits were close to the economic borderline. In this respect the table merely confirms the conclusion based on the drilling; namely, that there is not enough monazite in any of the deposits to support a mining venture at the present time. The figures in the table are sufficiently representative to serve as a basis for discussion of the geologic factors that explain differences in grade between the different Paddy Flat deposits, and between these deposits and those now being dredged in the neighboring Cascade Valley.

Amount of total concentrate. One of the most important of the several factors bearing on concentration of heavy minerals by a stream is the degree of weathering of the bedrock in the source areas; other things being equal, the more thorough the weathering of the bedrock, the larger the concentrate (TEM 602). A systematic decrease in

the amount of heavy mineral concentrate in the three progressively younger glacial outwash deposits in the Paddy Flat district conforms with the progressively shorter duration of the interglacial periods during the Pleistocene (TEM 602). The oldest outwash (Rapid Creek-Kennally Fork Ridge) averages 37 pounds per cubic yard; the intermediate outwash (Camp Creek-Rapid Creek Bench) averages 29 pounds; and the youngest outwash (Rapid Creek Terrace) averages 20 pounds.

A second factor involves a difference between two processes of erosion; namely, glacial erosion versus normal stream erosion. Other things being equal, deposits of glacial outwash ordinarily make poorer heavy mineral concentrates than the deposits of normal streams (TEM 602). This principle is illustrated by the high total concentrate of the Paddy Flat Valley floor deposit (46 pounds per cubic yard), in contrast with the average of the three outwash deposits mentioned above (29 pounds per cubic yard).

A third factor, the importance of which can be demonstrated elsewhere, is rate of upbuilding of the deposit; other things being equal, the total concentrate is inversely proportionate to the rate of deposition (TEM 602). A fourth factor, which obviously lies behind all of the others, is the bedrock content of the heavy minerals. These last two factors are difficult to evaluate in a district as imperfectly known as Paddy Flat. Some combination of them, or perhaps of all four factors, may explain the exceptionally low total concentrate (17 pounds per cubic yard) in the Paddy Creek-Camp Creek bench deposit.

Magnetite content of the deposits. In general, the magnetite content of placer deposits varies erratically throughout west-central Idaho. There is reason to believe (see below) that this is due chiefly to selective destruction of magnetite by humic acids on boggy flood-plains; a stream with a high content of magnetite entering a floodplain or boggy meadow usually carries little of this mineral at the lower end of the swampy segment of its valley floor. There is, therefore, no consistent relationship between the magnetite content of the bedrock of a given drainage basin and the deposits derived from that drainage basin under different conditions; moraines, glacial outwash, and the deposits of non-floodplain streams may carry high proportions of magnetite, while deposits of floodplain streams from the same source areas may contain almost no magnetite. The gross variations in magnetite content (from zero to as much as 70 percent) tend to mask the meaning of the percentage weights of all of the other minerals in a suite of samples. For this reason, table 7 shows the weight of the total concentrate in pounds per cubic yard, the percentage weight of magnetite, the percentage weights of all of the other minerals calculated on a magnetite free basis, and finally, the amount of the important placer minerals in pounds per cubic yard. This arrangement eliminates the distorting effect of magnetite on the percentage weights of the other

heavy minerals, which is critical for most geologic purposes and brings out also the amounts of these minerals per unit volume, which is significant for economic purposes.

In contrast with the bench and terrace deposits of the Paddy Flat district, which average about 50 percent magnetite in the heavy mineral fraction, the beds of the modern streams generally carry very low percentages of this mineral. For example, the Paddy Creek and Camp Creek gravels contain less than 1 percent of magnetite where these streams are meandering on boggy valley floors. The magnetite content of the gravels of these and other modern streams varies somewhat from place to place in the district, the variations being clearly dependent on local contamination where the streams are cutting sidewise into older high magnetite deposits. An exceptionally high magnetite content in the lower part of Kennally Fork is due to heavy contamination by tailings from placer workings on Kennally Fork Terraces. Because the modern stream gravels are derived from the same drainage basins as the glacial outwash, it is evident that the differences in magnetite content are due to conditions of deposition.

In view of these relations, lenses of low magnetite gravel that occur from place to place as interbeds in the high magnetite deposits of the Paddy Flat district are interpreted as having been formed under temporary or local floodplain conditions during the periods of upbuilding of the glacial outwash deposits. It is likely that some deposits with a low over-all average of magnetite, as those comprising the Paddy Creek-Camp Creek Bench, were formed under valley floor conditions approximating those of the present time. The unusually high content of magnetite indicated by a few samples from the bench deposits west of Paddy Creek (70%), together with the subangular shapes and generally poor sorting of the pebbles, suggest that these consist of slope wash derived from the adjacent hills by local, non-floodplain streams.

Monazite content of the deposits. Monazite occurs as an accessory mineral in the granitic rock of the Idaho batholith. Numerous samples of bedrock and residual soil indicate that a north-northeasterly-trending belt of gneissic granite, in which the Paddy Flat drainage basin lies, contains very much less monazite than an adjoining belt of massive granite, on the east, from which the Cascade Valley deposits were derived. These belts are not sharply defined, and the monazite is not uniformly distributed in either of them; nevertheless, the sampling indicates that the average content of monazite in the eastern granitic belt probably exceeds that in the western gneissic belt by at least 10 times. For this reason, it is unlikely that concentrations of monazite comparable in grade with those in Cascade Valley could have been formed in Paddy Flat even under favorable conditions.

The percentage weight of monazite in the three main glacial outwash deposits varies in the same sense as the weight of the total heavy mineral concentrate in these deposits, and probably for the same reasons. The proportion of monazite in the heavy mineral fraction averages 2.5 percent in the oldest outwash (the Rapid Creek-Kennally Fork Ridge); 1.3 percent in the intermediate outwash (the Camp Creek-Rapid Creek Bench); and 0.04 percent in the youngest outwash (the Rapid Creek Valley Floor and Terrace), as calculated on a magnetite free basis. The corresponding figures for these three deposits in pounds per cubic yard are 0.4, 0.2, and 0.04. The low monazite content of the Paddy Creek-Camp Creek Bench deposits (0.2 pounds), and the bench deposits west of Paddy Creek (0.01 pounds), both mainly of local origin, reflect the low average and variable monazite content of the local bedrock. The relatively high proportion of monazite in the Paddy Creek Valley Floor deposit (2.2%) reflects a somewhat higher content of monazite in the bedrock in the upper drainage basin of this stream, and possibly some reconcentration of monazite from the adjacent bench deposits. The actual amount of monazite in the Paddy Creek deposits (0.6 pounds, the highest in the district) is a result of the combination of (1) a relatively high percentage weight, and (2) the high total concentrate characteristic of normal alluvium as opposed to glacial outwash.

Other radioactive minerals in the deposits. Xenotime, a close associate of monazite, occurs in the Rapid Creek-Kennally Fork Ridge deposits and in bar samples from Kennally Fork; the amount is usually less than 0.1 percent of the total concentrate. A few grains of euxenite were found in 5 of the 87 samples. Allanite occurs throughout the district in amounts ranging from zero to 0.5 pound per cubic yard.

Conclusion. The relatively poor concentration of monazite in the deposits of the Paddy Flat district, in contrast with the deposits of the neighboring Cascade Valley, is due (1) to a low content of monazite in the bedrock, and (2) the fact that most of the deposits are glacial outwash. Sampling of surface exposures over the entire district indicates that no sizable high-grade deposits are present, and that the drilling data obtained in the DMEA project provides a good general appraisal of the monazite reserves.

Exploitation Possibilities

Recoverable reserves:

The mineral content of the black sands was estimated in the 8 products resulting from mineral separation determinations of each of the black sand concentrates from 14 drill holes made by John F. Kolars.

The weighted average of 14 black sand concentrate samples indicates that the original placer gravel contains the following mineral content per cubic yard. Please refer to table 2 for details.

Monazite	0.3	lbs. per cu. yd.
Magnetite	18.9	" " " "
Ilmenite	11.6	" " " "
Garnet	3.4	" " " "
Black sand concentrate	60.0	" " " "

The results of the combined tests made at the Porter Bros. Corporation laboratory and the Bureau of Mines laboratory at Albany, Oregon, are shown in table 9 in the Appendix.

The tests indicated that although tantalum-columbium minerals were present in the black sand samples, the final concentrates were too low grade and of negligible amounts to be marketable or of interest.

A monazite concentrate analyzing about 0.18 percent U_3O_8 and 48.2 percent REO was recovered. Approximately 0.28 pound of combined U_3O_8 and REO was recovered per cubic yard of original gravel, which is equivalent to about 0.42 pound of monazite containing 67 percent REO. This concentrate would have to be upgraded to at least 55 percent REO to be salable without penalty.

A bare minimum of 1 pound of monazite per cubic yard of gravel under average conditions is generally considered the break-even point with monazite at $375 per ton or 18-3/4 cents per pound. The cost of beneficiating the black sand concentrate to a marketable monazite concentrate will add several cents per cubic yard of gravel to the actual dredging costs.

Mr. Merrill Yost, general manager, was considering the recovery and beneficiation of by-products from the black sand concentrates in addition to the monazite. He was of the opinion that the magnetite could be economically smelted to pig iron in an electric furnace and the ilmenite smelted to recover titanium dioxide for paint pigment and pig iron. The garnet would be recovered for sale as abrasives.

Mr. Yost made the following estimates in the Operator's final project report dated October 26, 1953.

	Total dredgable gravel	35,000,000 cu. yds.
Magnetite	15.1 lbs/cu.yd. @ 1/2¢/lb. f.o.b. Donnelly, Ida.	$0.075
Ilmenite	7.7 lbs/cu.yd. no quotation	0.00
Garnet	3.6 lbs/cu.yd. @ 2½¢/lb. f.o.b. Donnelly, Ida.	0.09
Monazite	1.2 lbs/cu.yd. @ 18¢/lb. f.o.b. Donnelly, Ida.	0.216
	Total value per cubic yard	$0.381
	Dredging cost per cubic yard	$0.120
	Royalty	0.038
	Black sand beneficiation, administration, shut-downs, engineering, transportation, etc.	0.140
	Net operating costs before taxes, interest and amortization	0.298
	Net operating profit before taxes, interest and amortization	$0.083

Yost concluded: "Due to the high cost and extremely difficult separation of the sands we would not be interested in proceeding with the project. The margin is too close for the high capital investment."

The fallacy in the estimates lies in the fact that the monazite content is about a quarter of Yost's estimate and the gross magnetite content is probably too low to warrant the capital expenditure for an electric furnace plant. The quality of the garnet for abrasive purposes has never been determined.

The extremely irregular spacing of the bucket drill holes and the fact that many of the holes did not reach bedrock because of caving for lack of casing makes it impossible to estimate the volume of gravel in the deposit with any degree of accuracy. The actual cubic yardage of gravel in the deposit will be greatly in excess of the following calculations simply because the holes did not bottom at bedrock.

Figure 3 shows the location, hole number, hole depth, holes in the gravel channel used for calculating gravel yardage and approximate

outline of the channel. The following factors were considered in delineating the deposit:

1. Comments of Mr. Yost on individual drill hole logs regarding feasibility of dredging various areas.

2. Depth of gravel to bedrock.

3. Estimated monazite and black sand concentrate per cubic yard of gravel based on Cascade pilot plant test results.

4. Bedrock outcroppings.

5. Topography of the ground, especially high steep benches.

The deposit was outlined on the map and arbitrarily divided into five areas which were measured on a map having a scale of 1 inch equals 400 feet. Figure 3 has a scale of 1 inch to 800 feet. The areas were converted to square yards and an arithmetical average depth of the holes in and bounding each area was used for calculating the volume of each block.

The estimated volume by areas showed the following total cubic yardage for the deposit.

Area No. 1	10,661,700 cubic yards
Area No. 2	4,928,200 cubic yards
Area No. 3	1,671,100 cubic yards
Area No. 4	8,340,300 cubic yards
Area No. 5	886,100 cubic yards
Total	26,487,400 cubic yards

See Table 3 for calculations.

The arithmetical average depth of the holes in the channel times the surface area of the deposit checks reasonably well with volume when the prismoid method of calculation is used.

12.2 yds. deep x 2,463,300 sq. yds. = 30,052,260 cubic yards

Yost estimated 51,400,000 cubic yards by projecting hole depths to an imaginary bedrock.

The weighted average mineral content of the 14 samples shown in table 2 was applied to the total volume of gravel in the whole deposit. The volume-assay product for each prismoid was considered an unnecessary refinement of calculations because of too many unknown factors. The monazite content of the 14 samples was within a reasonable range of magnitude so that the weighted average assay was applied throughout the deposit. Refinements in calculations would have been more in order if the grade of gravel was borderline.

The black sand concentrates from the dredges near Cascade that are shipped to the Boise beneficiation plant contain a considerable amount of slimes accumulated from the muddy water in the dredge ponds. An unhealthy dust hazard is created when the concentrates are dried in a rotary kiln. The slime dust coats the monazite particles thereby partially insulating them from the Carpco high tension separator rotor, as well as coating the revolving rotor and changing the gap between the electrode and rotor. This slime condition causes inefficient and erratic operation of the separator.

No actual tests were made to determine the percent monazite recovered in the black sand concentrate by the dredge. Reportedly, the dredges near Cascade recover better than 90 percent under normal operating conditions. This would seem to be a reasonable estimate to assume for a Paddy Flat dredging operation.

Based on the estimated contents of the black sand concentrate samples (table 9), the rough dredge concentrate might contain approximately the following:

Magnetite	26	percent
Ilmenite-garnet	28	"
Monazite	1	"
Others (quartz, feldspars, etc.)	45	"

If the magnetite were discarded on the dredge with a wet magnetic separator, the weight of concentrate would be reduced about 26 percent and the monazite content increased to roughly 1.3 percent.

The Boise sand plant is believed to recover about 90 percent of the monazite from the black sand dredge concentrate. This seems to be a reasonable recovery to assume that could be recovered from a Paddy Flat black sand concentrate. The estimated over-all monazite recovery from the gravel to marketable monazite concentrate would approximate 80 percent in a plus 60 percent R.E.O. product.

The benefication process would probably be somewhat simdlar to the Boise plant. The net black sand concentrates would be dried, screened to discard the plus 20-mesh sands, remove the ilmenite by Carpco high tension separators, then remove and discard the non-magnetics by Carpco induction rolls and beneficiate the monazite inmultiple pole Dings electromagnetic separators, discarding the quartz, feldspar and zircon tailings.

Summary of Factual Data

Work

The contract was in the amount of $28,825, of which $25,942.50 was the Government's participating share. A preliminary audit of the accounts shows $15,849.23 was spent on the project, of which amount the Government contributed $14,193.22.

Thirty-five 22-inch diameter clam shell bucket drill holes were drilled, aggregating 1,106 lineal feet, which excavated about 108 cubic yards of gravel samples. Final calculations show the drilling cost $14.33 per foot, equivalent to $146.75 per cubic yard of gravel samples excavated.

Depending upon the depth of the hole, a quarter of, half of, or the entire sample excavated from the hole was trucked to the pilot plant at Boise for concentration. Approximately 46 cubic yards of sample was concentrated in the pilot plant.

Detailed costs are given in the Appendix.

Equipment

The following items of equipment were purchased new for the contract and are stored at the Surcease Mining Company warehouse, Randsburg, California.

Item	Purchase price
10 steel casing, 22" OD x 11/32" x 3' long 10 steel couplings, 1" x 6" x 5", 10-11/16", bent	$1,685.13
1 drive shoe 1 drive cap	465.55
1 fabricated steel pulling head	429.27
2 - #15 Vulcan pipe tongs	130.20
2 - 25-ton hydraulic jacks	160.60
	$2,870.75

The casing, couplings, drive shoe and drive cap were custom built by Yuba Manufacturing Company, San Francisco, California, and although never used probably will have little resale value.

The Operator has waived his equity in this equipment.

The equipment has been advertised for sale and bids have been solicited from likely prospective purchasers without success.

Since the casing, coupling, and drive shoe and cap are custom made the final disposition will probably be for scrap.

Discussion of Conclusions

The Operator was well equipped with a 22-inch clamshell bucket drill, portable air compressor, trucks and a competent, experienced drill crew. Failure of the Yuba Manufacturing Company to deliver the casing, couplings, drive shoe and cap made it necessary to terminate holes when caving occurred. This could have been prevented if the casing had been available throughout the project. The casing was finally delivered at the end of the project when it was no longer needed. The deposit was considerably deeper than the estimated 35 feet in some places so that even with the 30 feet of casing on order the same caving condition would have prevailed on the deeper holes.

The Operator, represented by Mr. Merrill Yost, general manager, is a competent placer-dredging operator with many years experience and was sincere and diligent in prosecuting the drilling and sampling. Minor difficulties were experienced with their bookkeeping.

The actual drilling operations, except for the inability to case holes, was quite satisfactory. The drilling program seems poorly planned as evidenced by the irregular spacing of the holes and large areas in the central part of the gravel channel that were only sparsely drilled. The southern portion of area 1 was heavily drilled. Area 4, which was the largest, was barely drilled and then only on the rims of the channel.

The concentration of the drill hole samples to black sand concentrates at the pilot plant was reasonably well done. The final concentration of the black sand concentrate to recover a marketable monazite concentrate is a complex process which the Operator did not fully understand nor was capable of accomplishing for lack of proper equipment and trained personnel.

The 35 drill holes tested the placer deposit reasonably well. The monazite content of the drill hole samples was fairly uniform and averaged about 0.4 pound per cubic yard. Under present economic

conditions, approximately 1 pound per cubic yard is a bare economic minimum at which a dredging operation can be conducted.

Operators were under the false impression that by-product magnetite, ilmenite, and garnet concentrates could be profitably marketed and with the returns from the monazite result in a successful operation.

No recommendations for further exploration are warranted.

Enclosures(3)
Distribution:
DMEA(4)
USBM(5)
Docket
USGS(SRO)
Mackin
Berdill
Armstrong

APPENDIX

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Detailed Summary of Project Costs

Figure 1 - Index Map showing location of Paddy Flat placer area. *

2 - Claim Map with drill hole locations. *

3 - Areal Map showing drill hole locations and gravel channel. *

Table 1 - Summary of Clamshell Drilling and Pilot Washing Plant Data.

2 - Summary of Estimates of Contents of Black Sand Concentrates and Gravel.

2a- Detailed Description of Heavy Mineral Contents of Drill Hole Samples.

3 - Paddy Flat Placer Yardage Calculations.

4 - Estimated Mineral Content of Paddy Flat Placer Deposit.

5 - Description of Drilling Conditions and Estimated Mineral Content.

6 - Procedure Used in the Mineralogical Analysis of the Drill Hole Placer Concentrates.

7 - Heavy Mineral Content of Paddy Flat Placer Samples. *

8 - Summary of Mineralogical Data of Paddy Flat Placer Samples. *

9 - Summary of Beneficiation Tests on Composite Sample of Paddy Flat Placer Black Sand Concentrates.

Procedure Used by Porter Bros. Corporation for Concentrating Black Sand Concentrates.

Copies of field logs of all drill holes. *

* See folder

APPENDIX

Detailed Summary of Project Costs

Costs to drill 1,106 feet of holes, sample and concentrate approximately 46 cubic yards of sample in the pilot plane.

Item	Total Cost		Unit cost per foot of hole including sampling and sample concentration	
(2) Labor & Supervision:				
Labor	$4,894.70		$4.42	
Supervision	1,260.00	$6,154.70	1.14	$5.56
(3) Operating Materials and Supplies:				
Gas and Oil	1,172.02		1.06	
Miscellaneous supplies	401.34	1,573.36	.36	1.42
(4) Operating Equipment:				
Rental	750.00		0.68	
Purchase	2,870.75		2.60	
Depreciation	422.49	4,043.74	0.38	3.66
(6) New Buildings, Improvements, etc.		1,170.65		1.06
(7) Miscellaneous				
Repairs to Equipment	1,206.29		1.09	
Sampling and analysis	953.19		0.86	
Payroll taxes, liability insurance, etc.	735.62	2,895.10	0.67	2.62
(8) Contingencies		12.18		0.01
GRAND TOTAL		$15,849.23		$14.33

Note: The unit costs appear excessive but transportation of equipment to and from California is included along with labor costs for trucking samples from the drill site to the pilot plant at Cascade, purchase of casing equipment that was not used because of late arrival, excessive truck repair costs, etc.

These costs have been taken from the final audit which is still subject to approval by Washington, D. C.

More realistic actual drilling cost estimates were made by Mr. Yost during Phase II of the project that do not include transportation of equipment to and from California, pilot plant concentration of samples, moving to and from Cascade, nor transportation of samples from the Paddy Flat drill site to the pilot plant at Cascade. Holes are 22" in diameter.

Resume by Mr. Yost

Total feet drilled in 21 working days	830
Total hours drilling and lost time	168
Drilling time, hrs.	121
Lost time, hours	47
Feet drilled per hour actual drilling time	6.86
Feet drilled per hour total time	4.96
Total number of holes	25
Average depth of holes, feet	33.2
Minimum depth, feet	6
Maximum depth, feet	78

Breakdown of lost time

Moving, hours	18
Fuel and greasing time, hours	4
Repairs, hours	18-3/4
Waiting for access road construction, hours	6-1/4
Total lost time, hours	47

21-Day Operating Costs

Labor (driller and helper)	$602.88
Fuel	164.22
Lubricating oil	14.07
Repairs	71.25
Depreciation	150.00
Supervision and Administration	166.00
Total cost	$1,168.42
Cost per foot of hole drilled	1.41

TABLE 2a
(Supplements Table 2)

Docket No. DMEA 2265
Contract Idm-E351

DETAILED DESCRIPTION OF HEAVY MINERAL CONTENTS OF DRILL HOLE SAMPLES

By John F. Kolars

Drill Hole PF 105Y:

1. 55% garnet; 10% qtz waste; 20% il; 15% mafic blacks.
2. 100% mgt.
3. Very few garnet; 1% mgt & hem. after mgt; 99% il.
4. 55% garnet; 43% il; 2% mafic blacks.
5. Few grains epidote; 100% mafic blacks; few garnet.
6. 50% epidote; 30% mafic blacks; 15% monazite.
7. 25% zircon; few epidote (?); few rutile; 60% apatite (?); 10% monazite.
8. 25% (approx) qtz; 75% feldspars.

Drill Hole PF 110Y:

1. 5% mafic blacks; 25% garnet; 1 grain kyanite (?); 10% sillimanite (?); 30% qtz & waste; 30% il; 1 grain epidote; 3 grains sphene.
2. 100% mgt.
3. 10% hem. after mgt (pseudomorphic); 90% il.
4. 25% garnet; 15% hematite after mgt; 60% il.)
5. 5% epidote; 2% garnet; 20% hem. after mgt;) Few grains leucoxene few pseudomorphs after pyrite; 70% mafic blacks.)
6. 65% epidote; 15% garnet; 10% mafic blacks; 1% leucoxene; 5% monazite; 1% hematite & limonite.
7. 50% sillimanite (?); 15% zircon; 20% sphene; few rutile; 10% waste & apatite (?); few monazite.
8. 25% qtz/ 75% feldspars; (some yellow qtz).

Drill Hole PF 111Y:

1. 25% garnet; 10% sillimanite; 10% spheno; 15% il; 40% waste; 2 grains epidote.
2. 100% mgt.
3. 5% hematite after mgt; few grains garnet; 95% il; (few leucoxene coating).
4. 35% garnet; 5% hem. after mgt; 60% il; 1 or 2 grains epidote.
5. 5% garnet; 1% epidote; 2% hem. after mgt; 92% mafic blacks (allanite).
6. 75% epidote; 6% monazite; few leucoxene; 10% garnet; 9% mafic blacks; few hem. & limonite; one or two radio blacks.
7. 40% sillimanite; 55% sphene; 1% zircon; few rutile, few epidote; few dark waste; 3% monazite.
8. 30% qtz (1/3 yellow) / 70% feldspars.

Drill Hole PF 113Y:

1. 30% garnet; 5% sillimanite; 20% sphene; 20% il; 5% epidote; 10% qtz; 5% zircon.
2. 100% mgt.
3. 3% hem. after mgt; 97% il; few garnet.
4. 30% garnet; 65% il; 5% hem. after mgt.
5. 8% garnet; 5% epidote; few xenotine; 20% hem. after mgt; 72% mafic blacks.
6. 70% epidote; 10% mz; 10% garnet; 5% mafic blacks (allanite; few spinel; few leucoxene.
7. 35% sillimanite; 3% zircon; 45% sphene; few rutile; 3% dark waste; 1 or 2 spinel; 8% monazite.
8. 60% feldspars / 40% qtz (1/2 yellow).

Drill Hole PF 114Y:

1. 20% garnet; 5% sphene; 3% sil; 25% il; 2% mafic blacks; 45% waste.
2. 100% mgt.
3. 3% hem. after mgt; few garnet; 97% il.
4. 55% garnet; 45% il; few leucoxene.
5. 3% epidote; trace xenotine; 6% garnet; 90% mafic blacks (some micas); few hem. after mgt.
6. 65% epidote; 10% monazite; 15% garnet; 10% mafic blacks; few sillimanite; few sphene; few leucoxene.
7. 3% monazite; 50% sillimanite; 30% sphene; 2% zircon; 5% waste; 10% apatite (?); very few spinel.
8. 40% qtz / 60% feldspars - Few micas; 1 pyrite.

Drill Hole PF 115Y:

1. 70% garnet; 15% sphene; 10% il; 5% waste; few epidote; 1 or 2 sili.
2. 100% mgt; very few garnet.
3. Trace garnet; 1% - 2% hem. after mgt; 98% il.
4. 50% garnet; 50% il; few pseudomorphs after mgt. (hematite).
5. 5% garnet; 1 grain zircon; 1/2% epidote; 20% hem. after mgt; 74% mafic blacks.
6. 65% epidote; 3% monazite; 12% garnet; 14% mafic blacks; very few garnet; 1% hem. after mgt; very few leucoxene.
7. 1% monazite; 1/2% rutile; 2% zircon; 40% sillimanite; 55% sphene; few grains mafic blacks.
8. 50% qtz / 50% feldspars. Frequent yellow qtz.

Drill Hole PF 116Y:

1. 10% sphene; 25% garnet; 25% il; 30% qtz waste; few mafic blacks.
2. 100% mgt.
3. 1% garnet; few hem. after mgt; 99% il.
4. 40% garnet; 5% hem. after mgt; 55% il.
5. 3% epidote; 3% garnet; few leucoxene; 94% mafic blacks.
6. 12% monazite; 10% garnet; 10% mafic blacks; 3% hem. & limonite; 65% epidote.
7. Few zircon; very few rutile; 50% sillimanite; 45% sphene; 5% monazite.
8. 25% qtz / 75% feldspars.

Drill Hole PF 119Y:

1. 55% garnet; 25% il; 10% qtz waste; 10% sphene; 2 grains sil.
2. 100% mgt.
3. Few hem. after mgt; very few garnet; 100% il.
4. 48% garnet; 50% il; 2% mafic blacks; very few hem. after mgt.
5. 1 grain monazite; 2% epidote; 20% garnet; 78% mafic blacks.
6. 15% monazite; 10% garnet; very few pink garnet; 20% mafic blacks (allanite ?); 55% epidote; few dark leucoxene.
7. 8% zircon; few rutile; very few malacon; 4% monazite; 45% sphene; 37% sillimanite; few hematite after mgt.
8. 40% qtz / 60% feldspars.

Drill Hole PF 123Y:

1. 5% sillimanite; 2% epidote; 20% il; 30% qtz waste; 5% garnet (orange). Plus 38% (pink) garnet.
2. 100% mgt.
3. 1 or 2 garnet; 10% hem. after mgt; 90% il.
4. 60% garnet; 40% il; 1 grain sil; very few hem. after mgt; 1 grain sphene.
5. 15% garnet; few epidote; 85% mafic blacks.
6. 15% garnet; 5% monazite; few hem. after mgt; few leucoxene; 15% mafic blacks; 60% epidote.
7. .0/% zircon; 60% sillimanite; 1% monazite; 3% garnet; 5% dark waste; 30% sphene.
8. 45% qtz (over 1/2 iron-stained); 55% feldspars.

Drill Hole PF 124Y:

1. 25% garnet; 10% sillimanite; 10% il; 15% mafic blacks; 5% sphene; 35% qtz waste.
2. 100% mgt.
3. 100% il; few garnet.
4. 40% garnet; 60T il; few hem. after mgt.
5. 8% garnet; 1 sphene; 1 sil; few hem. after mgt; 92% mafic blacks.
6. 5% monazite; 15% garnet; 50% epidote; 30% mafic blacks; few sillimanite; few hematite after mgt.
7. 2% monazite; 25% sphene; few rutile; few garnet; 60% sillimanite; 10% apatite and/or waste.
8. 50% qtz / 50% feldspars.

Drill Hole PF 125Y:

1. 50% garnet; 15% qtz waste; 25% il; 3% sphene; 3% mafic blacks; 3% sillimanite; few epidote.
2. 100% mgt; 1 grain sphene.
3. Very few garnet; 100% il.
4. 55% garnet; 45% il.
5. 8% garnet; few epidote; 92% mafic blacks.
6. 7% monazite; 10% garnet; 53% epidote; 30% mafic blacks; few hem. after magnetite; few micas.
7. 1% zircon; 50% sphene; 10% apatite and/or waste; 35% sillimanite; 2% - 3% monazite.
8. 30% qtz; 70% feldspars.

Drill Hole PF 128Y:

1. 15% garnet; 55% qtz waste; 20% mafic black; 10% il.
2. 100% mgt.
3. 100% il.
4. 15% garnet; 85% il.
5. 3% garnet; few epidote; 97% mafic blacks; few il.
6. 1% - 2% monazite; 2% - 3% garnet; 40% mafic blacks; 55% epidote; few hematite after magnetite.
7. Few monazite; few rutile; 25% sphene; 15% zircon; 35% qtz and/or apatite; 25% sillimanite.
8. 75% feldspars / 25% qtz.

Drill Hole PF 131 Y:

1. 65% qtz waste; 10% garnet; 2% sillimanite; 5% mafic blacks; 10% epidote; 5% ilmanite.
2. 100% mgt.
3. 100% il.
4. 10% garnet; 90% il; very few epidote.
5. 3% garnet; 2% epidote; 95% mafic blacks.
6. 10% - 12% monazite; 5% garnet; 20% mafic blacks; 1/2% dark leucoxene; 60% epidote; 1/2% hem. after mgt.
7. 2% monazite; 40% sphene; 25% sillimanite; 5% zircon; very few malacon; few epidote; very few rutile.
8. 30% qtz / 70% feldspars.

Drill Hole PF 134 Y:

1. 45% garnet; 5% mafic blacks; 10% sphene; 5% epidote; 15% qtz waste; 15% il; 5% sillimanite.
2. 100% mgt.
3. Very few garnet; 100% il.
4. 65% garnet; 35% il.
5. 5% pink garnet; few epidote; 1/2% hem. after mgt; 94% mafic blacks.
6. 8% monazite; 12% garnet; 25% mafic blacks; 55% epidote.
7. 43% sillimanite; 52% sphene; very few garnet; few rutile; 1/2% zircon; very few epidote; very few mafic blacks.
8. 60% feldspars / 40% qtz.

TABLE 3

Docket No. DMEA 2265
Contract Idm-E351

PADDY FLAT PLACER YARDAGE CALCULATIONS
Cosumnes Gold Dredging Company
Valley County, Idaho

Area No. 1 Aver. depth 48.8 feet or 16.3 yds.

$$\frac{36.676 \text{ sq. in.} \times 160{,}000}{9} = 654{,}090 \text{ sq. yds.}$$

$$654{,}090 \times 16.3 = 10{,}661{,}700 \text{ cu. yds.}$$

Area No. 2 Aver. depth 25.1 feet or 8.38 yds.

$$\frac{33.08 \text{ sq. in.} \times 160{,}000}{9} = 588{,}090 \text{ sq. yds.}$$

$$588{,}090 \times 8.38 = 4{,}928{,}200 \text{ cu. yds.}$$

Area No. 3 Aver. depth 28.25 feet or 9.42 yds.

$$\frac{9.98 \text{ sq. in.} \times 160{,}000}{9} = 177{,}400 \text{ sq. yds.}$$

$$177{,}400 \times 9.42 = 1{,}671{,}100 \text{ cu. yds.}$$

Area No. 4 Aver. depth 27 feet or 9.0 yds.

$$\frac{52.13 \text{ sq. in.} \times 160{,}000}{9} = 926{,}700 \text{ sq. yds.}$$

$$926{,}700 \times 9 = 8{,}340{,}300 \text{ cu. yds.}$$

Area No. 5 Aver. depth 22.8 feet or 7.58 yds.

$$\frac{6.58 \text{ sq. in.} \times 160{,}000}{9} = 116{,}900 \text{ sq. yds.}$$

$$116{,}900 \times 7.58 = 886{,}100 \text{ cu. yds.}$$

ESTIMATED TOTAL CUBIC YARDS 26,487,000

TABLE 4

Docket No. DMEA 2265
Contract Idm-E351

ESTIMATED MINERAL CONTENT OF PADDY FLAT PLACER DEPOSIT
Cosumnes Gold Dredging Company
Valley County, Idaho

Estimated total cubic yardage of deposit: 26,487,000

Magnetite: Estimated 18.9 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 18.9}{2000} = 250,302 \text{ tons}$$

Ilmenite: Estimated 11.6 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 11.6}{2000} = 153,624 \text{ tons}$$

Garnet: Estimated 3.4 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 3.4}{2000} = 45,028 \text{ tons}$$

Monazite: Estimated 0.28 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 0.28}{2000} = 3,708 \text{ tons}$$

Black sands concentrates: Estimated 60 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 60}{2000} = 794,610 \text{ tons}$$

Docket No. DMEA 2265
Contract Idm-E351

TABLE 5

DESCRIPTION OF DRILLING CONDITIONS AND ESTIMATED MINERAL CONTENT
PADDY FLAT PLACER GRAVELS
Cosumnes Gold Dredging Company
Valley County, Idaho

This information was copied verbatim from "Concentrating Data and Estimates" reports, under the heading "Remarks", for each drill hole and was supplied by Mr. Merrill Yost, general manager of the company at the project.

Hole PF 101Y: 18' deep

This hole on bench gravel to the east of upper Paddy Flat Creek proper. Medium gravel, no clay, easy digging and stood well. The gravel was damp and we allowed 5% for moisture. Soft granite bedrock.

The concentrates showed very little magnetite. Most of the blacks were ilmenite, monazite and garnet. Panning estimate of concentrates by drill log 7½ lbs/cu.yd.

Hole PF 102Y: 10' deep

This hole is in the Paddy Flat Creek bed at a point about 1/2 mi. above the present road crossing. Coarse clean gravel was encountered with heavy concentrates. Panning estimate was low. Estimated concentrates per cu. yd. 35 lbs.

This hole was not finished to bedrock due to caving. The casing had not arrived.

The concentrates in this hole showed about 40% magnetite, the balance ilmenite, garnet and monazite and considerable zircon. Probably 30% ilmenite, about 1 lb. monazite and 5 lbs. of garnet to the cu.yd. Zircon probably 1/2 lb/cu.yd.

Hole PF 103Y: 15' deep

This hole is located 2000 ft. east of Paddy Flat proper on the south side of the road about 50 ft. This was bench gravel and did not show very well in concentrates. The estimate by panning was 16 lbs/cu.yd. Considerable monazite probably 1 lb/cu.yd. Zircon 1/2 lb., about 50% ilmenite and 5% magnetite. Garnet about 2 lbs./cu.yd. This ground is easy digging with medium coarse gravel. Soft granite bedrock.

Hole PF 104Y: 28' deep

This hole is on the road from Paddy Flat to the Ranger Station. It is 1500 ft. east of Hole No. PF-103Y about 100 ft. to the south of the road.

The gravel was somewhat heavier than 103. There was some coarse wash up to 15" in size. However, the concentrates did not show much. Probably 50% ilmenite, 1/4 lb. monazite, Tr. zircon, and 1 lb. garnet. This is definitely an outwash of glacial gravel and has not concentrated. Excellent dredging gravel. Panning estimate 38 lbs. overestimated.

Hole PF 105Y: 27' deep

This hole is located in Paddy Flat proper about 100 ft. south of bridge across stream. This hole tended to slough near the surface. Water was encountered at about 6 ft. The above values were calculated by weight. The gravel was exceptionally heavy and very wet when weighed. This is ideal dredging gravel. Heavy concentrates. Probably 50% magnetite, 25% ilmenite, 1-1/2 lbs. monazite, 8 lbs. garnet, 1 lb. zircon.

Panning estimate 67 lbs. Under estimate of concentrates.

This checks with hole put down by C. G. D. Co. in Nov. 1951. This hole to 16 ft. made 134 lbs. of concentrates.

Hole PF 106Y: 20' deep

This hole is 1500 ft. east of hole No. PF-104Y on the north side of the road from Paddy Flat to the Ranger Station. This is in the bench gravel between Paddy Flat and Rapid Creek. No true bedrock was encountered but a granite sand which may have been bedrock. The panning of the concentrates did not show very well but when the sample was run it did much better than the panning showed.

The panning result showed only 10 lbs/cu.yd. This hole should be rechecked from the remaining sample.

Hole PF 107Y: 31' deep

This hole is located about 800 ft. east of the bridge in Paddy Flat on the south side of the road about 50 ft. Medium coarse gravel with heavy concentrates. Easy digging, very little clay. Good dredging ground.

This showed about 45% magnetite and about 30% ilmenite. Probably 1 lb. of monazite, 10 lbs. of garnet, 1 lb. of zircon per cu. yd. Due to the sloughing at the water level the hole over run the actual displacement. Due to this ground being exceptionally heavy 3300 lbs. to the cu.yd. was allowed. 1/2 of the hole was concentrated.

40 lbs. of concentrates per cu. yd. estimated. This was under the actual.

Hole PF 108Y: 26' deep

This hole is located about 2000 ft. east of the Ranger Station on the bench near Rapid Creek. Due to sloughing all values were calculated by weight. Good dredging section of gravel. This showed 40% magnetite and about 20% ilmenite. The monazite, garnet and zircon did not show up very well.

Panning estimate 32 lbs. of concentrates per cu. yd.

Hole PF 109Y: 20' deep

This hole is located to the east of Rapid Creek about 800 ft. and to the south of the road to Kennally Creek about 1000 ft. This gravel was very coarse and heavy. The concentrates were 40% garnet. The balance magnetite and ilmenite. There was very little monazite and zircon. Probably 1/2 to 1/4 lb. to the yard.

There were many cobbles 15" in diameter.

There was a slight overrun on the gravel due to the large cobbles.

Panning estimate of concentrates 41 lbs. to cu. yd.

This gravel is distinctly different than Paddy Flat Creek and the bench between the two. This is clean, coarse hard granite gravel and tight throughout.

Hole PF 110Y: 84' deep

This hole is located about 3000 ft. south of the Rapid Creek bridge on the left side of the Sloans Point trail about 200 ft. east of the Sloan's point trail sign. This gravel is entirely different from any in the vicinity. Apparently it is a very old channel and does not conform to the topography of the area. Bedrock was not reached in this hole as 85 ft. was the length of the line on the drill. The concentrates were increasing with depth. About 54% magnetite and 25% ilmenite. Probably 1 lb. of monazite, 4 lbs. of garnet, 1 lb. of zircon to the cu.yd. This hole gives distinct evidence of a big yardage of this gravel. It is easily dug and free of excessive clay. Very good dredging ground.

The panning estimate is 62 lbs. of concentrates to cu.yd.

This area warrants further investigation by drilling to delimit the gravel area.

Hole PF 111Y: 78' deep

This hole is located 250 ft. west of the sign (Sloan's Point Trail) and 500 ft. west of hole No. PF-100Y. Clean gravel. Exceptionally heavy with heavy concentrates. Hole not bottomed. 45% magnetite and 25% ilmenite. Probably 1 to 1-1/2 lbs. monazite, 4 lbs. garnet, 1 lb. zircon. This hole is probably near center of deep channel. Water from 30 ft. down.

Panning estimate 58 lbs. underestimated.

1/2 of hole run.

Hole PF 112Y: 31' deep

This hole is out of main channel.

Did not calculate in results.

Hole PF-113Y: 70' deep

This hole in channel not bottomed due to caving at depth.

Hole PF-114Y: 66' deep

This hole in channel gravel.
Not bottomed due to caving.

Hole PF-115Y: 57' deep

This hole is in channel gravel.
Not bottomed due to caving.

Hole PF-116Y: 34' deep

This hole is located about 1200 ft. south of Holes PF-100 and PF-111 and is the hole to the east of the road about 900 ft. Due to not having casing this hole began to slough at 34 ft. and caused the over-run in the weight of the gravel. The panning estimate was 30 lbs. to the cu.yd. (underestimated). This hole was definitely in the deep channel and should be put on down to bedrock as all holes in this area improved in concentrates with depth. Typical dredging gravel. 45% magnetite, 25% ilmenite, probably about 1/2 lb. monazite, 3 lbs. garnet, and 1 lb. zircon. 1/4 of hole run.

Hole PF-117Y:

Bedrock came to surface. Hole not concentrated.

Hole PF-118Y: 6' deep

Hole not sampled as bedrock came to 5 ft. of surface.

Hole PF-119Y: 36' deep

This hole in channel. Not bottomed due to caving.

Hole PF-120Y: 39' deep

This hole is located on the ridge between Rapid Creek and Kennally Fork about 1500 ft. north of hole PF-113Y. This hole is definitely on the high east rim of the deep channel. This hole should not be included in the ultimate calculations of yardages and depths as it is on the rim and is inaccessible for dredging purposes.

This hole was dry. The gravel was small and sandy.

Due to the position of this hole no estimates were made and sample was retained. Not sent to Dings for separation.

Hole PF-121Y: 24' deep

This hole not in channel gravel. Should not be used in calculating.

Hole PF-122Y: 15' deep

This hole not in channel gravel. Should not be considered in evaluation.

Hole PF-123Y: 40' deep

This hole is about 1000 ft. south of the Ranger Station. This gravel was very coarse and had considerable glacial cobbles. This hole was not bottomed due to lack of casing. It is believed that the deep channel runs under this glacial outwash. This hole should be bottomed to determine this.

The same proportion holds in this hole as others except there was considerable more garnet. Probably 45% magnetite, 30% ilmenite, 6 lbs. of garnet, 1/2 lb. monazite and 1 lb. zircon. Typical dredging ground. Panning estimate 23.4 lbs. conc. cu.y.d (underestimated).

Hole PF-124Y: 41' deep

This hole is in channel. Not bottomed due to caving.

Hole PF-125Y: 15' deep

This hole is located about 1000 ft. west of hole 124 and near Camp Creek. There was a glacial outwash of about the first 10 ft. of this hole and large cobbles. Due to a 20" cobble in the side of the hole at about 10 ft. in depth that fell into the bottom of the hole it was abandoned. This also accounts for the excessive weight of gravel for the volume. At about 14 ft. a clean pegmatite gravel was encountered and was very high in concentrates. Probably 200 lbs. per cu.yd. at 16 ft. when a rock about the size of the hole dropped in and the driller was unable to get it out. This hole will probably be redrilled. The calculations on this sample was by weight using 3200 lbs./cu.yd.

Hole PF-126Y: 23' deep

This hole was mostly clay and hence the light weight per cu.yd. dry.

This area definitely has too much clay and too low grade in concentrates. This area will have to be delimited. This hole is about 1700 ft. north of the lower bridge on Camp Creek. This hole contains the usual minerals in about the same proportion as others. However, the monazite and zircon are almost negligible.

In my estimation this hole should not be considered in values or yardage calculations.

Hole PF-127Y: 37' deep

This hole out of channel. Do not figure in estimates.

Hole PF-128Y: 41' deep

This hole in channel. Not bottomed due to caving.

Hole PF-129Y: 15' deep

Heavy clay. Hole in channel not to bedrock due to caving. No casing.

Hole PF-130Y: 5' deep

Hole not concentrated as bedrock came to within 5 feet of surface.

Hole PF-131Y: 55' deep

Hole not to bedrock due to caving. Hole on channel gravel.

Hole PF-132Y: 29' deep

Hole not in channel. Not used in calculations.

Hole PF-133Y: 22' deep

This hole not in channel. Should not figure in calculations.

Hole PF-134Y: 20' deep

This hole in channel gravel. Not to bedrock due to caving and casing not arrived.

Hole PF-135Y: 10' deep

Hole not bottomed due to loose sandy streak at 10 feet. No casing as yet. Hole on channel gravel.

TABLE 6

Docket No. DMEA 2265
Contract Idm-E351

Procedure Used in the Mineralogical Analysis of the Drill Hole Placer Composites

The following procedure is used by the U. S. Geological Survey in the study of placer samples from deposits in west-central Idaho. The pan or table concentrate samples are weighed dry and the weight is recorded. The sample is then cut to approximately 10 grams by use of a Jones splitter. The "10 gram" split is then separated as follows:

Step #1. A hand magnet separates the "10 gram" split into magnetite and non-magnetite fractions.

Step #2. A 20 mesh screen separates the non-magnetite fraction into plus and minus 20 fractions.

Step #3. A heavy liquid, bromoform, divides the minus 20 fraction into a bromoform sink product including all the heavy minerals and a bromoform float product including quartz, feldspar, mica, and other light minerals.

Step #4. A Frantz Isodynamic Magnetic Separator is used to fractionate the bromoform sink product. A relatively high angle forward slope, 35°, and cross tilt, 30°, are used on the Frantz separator chute. Contamination and loss at these high angles is prevented by covering the chute. By varying the amperage at constant voltage, 110 volts DC, the bromoform sink product is split into five products, as follows:

"Ilmenite fraction", 0.2 3/4 amps., dominantly ilmenite.

"Garnet fraction", 0.4 amps., dominantly garnet and ilmenite.

"Mafic mineral fraction", 0.5 amps., dominantly hornblende, also allanite, xenotime, columbite, etc.

"Monazite fraction", 0.8 amps., dominantly monazite and epidote, also euxenite, etc.

Frantz heavy mineral tailings fraction, dominantly sphene, apatite and zircon, also anatase, kyanite, leucoxene, sillimanite, spinel, rutile, etc.

By these methods, the "10 gram" split is divided into final fractions, as follows:

Fraction #1. Non-magnetite, plus 20 mesh.

Fraction #2. Magnetite.

Fraction #3. Frantz "ilmenite fraction".

Fraction #4. Frantz "garnet fraction".

Fraction #5. Frantz "mafic mineral fraction".

Fraction #6. Frantz "monazite fraction".

Fraction #7. Frantz "heavy mineral tailing fraction".

Fraction #8. Bromoform float product, light minerals.

Step #5. All of the fractions are weighted to a $\pm$ 0.01 grams and the weights recorded. The fractions usually contain more than one mineral, and while most of the grains of any given mineral are usually in the same fraction, some grains of the given mineral may be in the adjoining fractions. For this reason, visual estimates are made under a binocular microscope of the percentage of each mineral type in each fraction. From these, the percentage weights of minerals in the heavy minerals portion of the "10 gram" split are computed. These percentage weights also represent the percentage weights of minerals in the heavy minerals portion of the original pan concentrate. Pounds per cubic yard represented by the heavy minerals in the original sample are computed from the weight of the pan concentrate less the weight of the light minerals and constants depending upon the pan size used. The weight of the light minerals is calculated from the weight of the bromoform float product. Finally, the percentage weights of the various minerals are recalculated in terms of pounds per cubic yard.

Fragments of euxenite are readily and accurately recognized by treating a part of each #6, 0.8 amp, fraction with hydrofluoric acid as follows: A representative split is cut out of the #6 fraction; it is covered with several drops of 48% HF in a polyethylene dish; it is allowed to react for about two minutes at room temperature and then is rinsed with water, dried, and examined under the microscope. Euxenite is coated with a thick fragile green- or blue-tinted white reaction rind which makes it distinguishable from all other HF reactants. Yellow monazite, which is unaffected, is readily and positively distinguished from sphene, which takes on a thin white frosty HF reaction coating.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

July 9, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite)
Cosumnes Gold Dredging Co.
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Selfridge:

Enclosed are three copies each of reports from the operator, dated April 5, 1953, June 7, 1953, and October 26, 1953. These reports were intended by the operator to serve as final reports on the cited contract.

The original report, dated April 5, did not contain sufficient information on the accomplishments of the project to be considered as acceptable, and the subsequent reports did little to improve the picture. Consequently, none of these reports have yet been accepted by the Executive Officer. They are, however, being distributed as they do contain a certain amount of information, and it is evident that we are unlikely to obtain any better report from Cosumnes. We are certain that the Field Team's final report will present a clearer picture on the accomplishments of the project.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures
cc: USBM (2)

RECEIVED
APR 12 1954
U. S. G. S.
SPOKANE, WASH.

Sacramento, Calif.
Oct. 26, 1953.

Final report, Paddy Flat, Idaho. DMEA Contract No IDM E-351

All work was stopped on the concentrates from Paddy Flat about April 17, 1953. There were several reasons for dropping the project named below.

It was found that, due to the complex nature of the sands, that magnetic seperation would not produce a commercial grade of the various fractions. There was too much grading of one fraction into the other as was shown by the separation made by the Dings Magnetic Seperator Co.

It was decided to try a combination of magnetic seperation, flotation and gravity seperation. A split was made of each hole Nos. PF-111-Y through PF-135-Y excepting Nos. PF-117- 118-121-130-PF which were too shallow and low grade to be considered and could easily be eliminated from the dredging area.

Each sample was weighed and seperated as follows:

1. The magnetite was recovered with a permanent magnet.

2. The Ilmenite and garnet were seperated together with the magnetic seperator at the Surcease Mining Company's plant. These fractions were determined by grain count with the microscope. The two fractions were then seperated by gravity with such poor success that it was given up. Flotation was then tried under the supervision of Mr. Otto Brown of the American Cyanamid Co. This, as predicted by Mr. Brown, did not give satisfactory results. A composite sample of this flotation product was sent to the Bureau of Mines at Spokane.

3. The tailings were then re-tabled making a fairly clean product of Monazite and Zircon along with some unidentified heavy white mineral. It occurs to me that it might be possible to seperate the Monazite from this product with a high intensity magnetic seperator. Due to the magnetic spearator being eliminated from the original equipment necessary to fully determining the procedure of recovery of the various fractions in a marketable grade we were not able to do this. The magnetic seperator at the Surcease Mining Co. would only pull the Garnet and

magnetite. Consequently the work done on this fraction was as follows.

First a grain count was made in a dark room under the microscope with a flourescent light with the filter on which gave the zircon count. By accident we discovered that the Monazite would show a particular grass green color with the filter off from the flourescent light. Ocassionally other minerals would show a green color but the Monazite had a distinctive green. The grain count of the monazite was made in a dark room in the above manner under the microscope. I believe this procedure gave a fairly accurate grain count result. I checked a number of our results of this procedure with a P_2O_5 determination using the factor of 3.5 for monazite and the checks were fairly close. The U.S. Steel Company at Geneva also checked results with a method that was unknown to me. All results were within reason. The U. St Steel Co. also made the Iron, Titanium determinations.

With a high intensity labratory magnetic seperator eliminated from the equipment requested by us we were at a terrific handicap in making the full and complete determinations of the various fractions. As can be plainly seen the seperations made by the Dings Magnetic Separator Co are useless. The Dings people can not be blamed for this as I gave them the various known fractions to be seperated. They have a set formula of amperage to pull each fraction and it would have taken a lot of time and trial and errof to have made a product of commercial value. It must be remembered that in a project of this nature the magnetic seperator is just as essential as the concentrating plant. In fact in actual operation it is of just as much importance as the dredge and the recovery system. In view of this handicap we proceeded as best we could.

Our final conclusions were based on the above determinations and all monazite determinations are in actual monazite.

The following are the tonnage and value estimates:

Total dredgable tonnage ---------- 35,000,000 Cu. Yds.

Magnetite	15.1 Lbs Cu. Yd. @$\frac{1}{2}$ ¢ per Lb. FOB Donnelly --------	7.5
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Monazite	1.2 Lbs. Cu. Yd. @18¢ Lb. FOB Donnelly ----------	21.6
	Tot Value Cu. Yd. ----------	38.1

Dredging cost taken from the cost of 1970 operation ----------	7.8 ¢
Add cost at Paddy Flat (additional) ----------	3.5
Present additional cost and added expense of additional Plant ------	1.7
Add royalty ----------	3.8
Total dredging cost ----------	15.8

Seperation plant costs on 10,000 Cu Yds per day dredged.

Power ----------	2.0
Labor ----------	4.65
Repairs and replacements ----------	2.10
Transportation to Donnelly and Loading facilities ----------	2.00
Maintainance repairs and upkeep transportation from dredge to plant ----------	1.70
General admin. , engineering and allowence for shut down 5 Mo. -----	1.55
Tot. seperation cost ----------	14.00 cents.

Net operating cost exclusive of taxes and Int. Amort. --------	29.8
Net profit exclusive of taxes Int etc. ----------	8.3

Magnetite Value by Mr. Sargis of U. S. Steel for 67 % Iron.
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Monazite at current price.
No other values quoted.

All reject samples were shipped to the Bureau of Mines at Spokane , Wash.

The equipment that was purchased under the above DMEA contract is stored as follows:

The 22" casing purchased from the Yuba Manufacturing Co. is stored at the equipment yard of the Surcease Mining Co. Red Mountain Calif.

The Bosch and Lomb microscope is at 328-51St. Sacramento, and the Berkley Jet pump at 3133-Mckinley Blvd. Sacramento. Properties of M. Yost

All items have been advertised in the Sacramento Bee and letters written to the various probable buyers as instructed. Copys of letters sent to these prospects and answers if any are herewith inclosed.

Maps and cross sections are being sent to the Bureau of Mines at Spokane.

Conclusion: Due to the high cost and extremely difficult separation of the sands we would not be interested in proceeding with the project. The margin is too close for the high capital investment.

Sincerely yours,

Merrill Yost

149 USGS WA

8214

51 WA SP /I-GS-G/

SPOANE WASH 7-2-54 415P

Received
Geoch. & Pet. Branch
JUL 6 - 1954

MR. C. O. MITTENDORF

US GEOLOGICAL SURVEY WA

2265

REUTEL PADDY FLAT REPORT WILL BE SENT TO YOU BEFORE END OF WEEK.

WHITE HAWK WILL FOLLOW SHORTLY.

2264

A. I. TRISSEBERGER, USGS, SP

VA 416P

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

June 30, 1954

Memorandum

To: File

From: F. L. Knouse, Mining Engineer
Rare & Miscellaneous Metals Division

Subject: Docket No. DMEA-2264 (Monazite and Columbium-tantalum)
Contract No. Idm-E350
Cosumnes Gold Dredging Co.
White Hawk Placer Claims
Valley County, Idaho

Pursuant to the referral by Mr. Mittendorf's secretary of a telephone call from Miss Rishell of Congresswoman Gracie Pfost's office, I telephoned Miss Rishel today and explained the status of this case. She is forwarding landowner's letter for official reply.

F. L. Knouse

F. L. Knouse

Surname 700

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

JUN 30 1954

FLKnouse

T E L E T Y P E

DMEA-Department of the Interior

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

14X4401(01) Revolving Fund,
Defense Production Act (Interior)
(Allocated Working Fund to the
Office of the Sec.)

A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION II
SUITE 157 HOWARD STREET
SPOKANE 4, WASHINGTON

RE DOCKETS 2264 AND 2265, COLUMBIA OIL DRILLING COMPANY, ADVISE WHEN WE WILL RECEIVE FINAL FIELD TEAM REPORTS. INFORMATION REQUIRED FOR CONGRESSIONAL INQUIRIES.

C. D. Mittendorf (for)

C. C. Mittendorf, Administrator

FLKnouse/am
6-30-54
cc to: Admr. Reading File
~~Operating Committee~~
DMEA Docket No. 2264
DMEA Docket No. 2265
Messrs. E. J. Carlson, Rm. 3649
D. M. Larrabee, Rm. 5218
Code 700 (2)
Mr. Knouse
Confirmation to Region II

R.C.S

Copy

Cosumnes Gold Dredging Company
P. O. Box 532
Cascade, Idaho

Red Mountain, Calif.
June 7, 1953

Bureau of Mines,
Spokane,
Washington

Dear Sirs:

Enclosed is final results of the second Phase of Paddy Flat. I made an error in that I had headed REO instead of Monazite or Monazite equivalent. After considerable work on our own here these are about the recoverable results. The rougher concentrates can be easily made with a dredge but the difficulty begins with the separation of the sands into marketable products. Dings did very poorly as the grading from one product to another by magnetic separation alone will not make marketable products. It would be necessary to reconcentrate and re-separate to make a marketable product. The Ilmenite could be floated and it may be possible to float the monazite from the tails as there was considerable Monazite that did not come out on the last pole of the separator. In fact the separation of the sands is too difficult for us to undertake at the present time. It may be that new methods of separation can overcome these difficulties.

Concerning the prices of the products Mr. Standifer gave me the price of $40.00 per ton for Zircon from the Pacific Coast Carbon Co. The price of $50.00 per ton was also quoted for Garnets by a company in Seattle. Copies of these can be secu from Mr. Standifer.

In view of the difficulties of separation of the various fractions and having ground that will exceed these properties by twice the value here in Calif. we do not intend to go further on Paddy Flat or White Hawk Propert

Upon Mr. Knutsens return we will make and send to you a map showin calculations of Yardage and values.

I have received only a couple of replies from the companies you

regard to the salvage of the equipment here in Red Mountain. I will send the replies to you shortly. If you have any other suggestions concerning this I will be glad to proceed in accordance with your suggestions.

Sincerely yours,

/s/ Merrill Yost
Cosumnes Gold Dredging Co.

DMEA

ANALYSIS OF CONCENTRATES, PADDY FLAT, IDAHO, PF 11. DMEA 2265
CONTRACT NO. 351. COSUMNES GOLD DREDGING CO. RED MOUNTAIN CLAIF.

Hole No.	Yd³ Cons.	Lbs. Fe_3O_4	Lb. $FeTiO_2$	Lb. REO	Lb. M'zite	Lb. Zircom	Lb. Garnet	Lb. Others
	Yd³	Lb. Yd³	Lb. Yd³	Lb. Yd³	Lb. Yd³	Lb. Yd³	Lb. Yd³	Lb. Yd³
PF111Y	101.0	31.0	18.9	2.163	4.1	3.8	9.3	33.9
PF112Y	10.0	2.1	1.0	.22	.2	.5	1.0	5.2
PF113Y	30.3	10.1	8.0	.19	.3	.4	2.0	9.5
PF114Y	55.7	20.1	9.2	1.44	2.2	1.0	5.1	18.1
PF115Y	35.0	12.3	5.7	.52	.80	1.0	2.3	13.9
PF116Y	75.9	15.9	6.8	1.72	2.7	2.3	7.0	41.2
PF117Y	See Report.							
PF118Y	See Report.							
PF119Y	56.5	17.3	9.5	.90	1.4	1.7	5.1	21.5
PF120Y	30.5	12.1	5.3	.44	.7	.5	2.0	9.0
PF121Y	See Report							
PF122Y	9.1	3.7	1.4	.20	.3	.2	1.0	2.5
PF123Y	50.0	18.1	10.7	.64	1.0	1.0	5.0	14.2
PF124Y	40.0	20.0	3.2	.44	.7	1.0	3.0	12.1
PF125Y	74.3	26.2	12.3	1.35	2.1	2.0	5.2	26.5
PF126Y	27.7	9.8	4.6	Tr	Tr	Tr	1.0	12.3
PF127Y	22.2	7.0	4.3	.25	.4	.5	2.0	8.0
PF128Y	33.5	10.1	6.8	.71	1.1	.5	3.0	12.0
PF129Y	77.5	28.3	16.8	1.54	2.4	2.0	5.0	19.5
PF130Y	See Report.							
PF131Y	51.2	17.5	12.1	.77	1.2	1.0	3.0	16.4
PF132Y	41.1	14.1	6.4	.12	.2	.5	4.0	15.9
PF133Y	3.8	1.1	.8	Tr	Tr	Tr	.5	1.4
PF134 Y	48.0	15.4	8.1	.82	1.3	.5	3.6	17.3
PF135Y	77.0	25.3	11.4	1.35	2.0	2.0	5.4	30.8
Totals	968.8	317.5	163.2	16.15	25.2	22.4	75.5	332.1
Averages	46.1	15.1	7.7	.80	1.2	1.0	3.6	15.8

Cosumnes Gold Dredging Co.,

Merrill Yost

Make enough copies of this to send to work, if requested

Redmountain California
April 5, 1953

Final report on Paddy Flat DMEA No.2265 Contract #351 Phase 11

Due to the poor magnetic separation of the various products etc. of the Paddy Flat concentrates by the magnetic separator Co. which was shown in the products by magnetic separation in the First Phase it was decided to make the products by a combination of magnetic separation and gravity consetrations.

A sample was split out of each concentate from No. PFY111Y throught PFY 135 Y, with the exception of PFY Nos. 117-118-121-130 Y , which were to shallow to consider due to bedrock shallows not discernable from the surface, with a Jones splitter each sample was weighed and separated as follows: Magnetite separated by permanent magnet. Ilmenite and gravel separated together with magnetic separator at Surcease plant, and amounts estimated with miscroscope by grain count. The remainder or tailings contained the monazite and Zircon with quarts sand and other non-magnetics. This was re-tabled and a clean Monazite band with the Zircon included was recovered. By both grain count and P_2O_5 determination using the factor for multiplication of 3.5 for Monazite equivalant. The results of mnazite were based on this procedure. The U. S. Steel Co, Geneva division made the Iron, Titanium and R E O determinations without cost.

In evaluating the property the yardage and values are as follows:

Total Yardage ----------	35,000,000
Magnetite 15.1 Lbs. per Cu. Yd. @ ½¢ Lb. Yd. ----------	7.5 ¢
Ilmenite 7.7 Lbs Cu. Yd. @ ? ----------	0.0
Monazite 1.2 Lbs. Cu. Yd. @ 18¢ Lb. Yd. ----------	21.6
Garnet 3.6 Lbs. Cu. Yd. @ 2½¢ Lb. ----------	9.0
Total value per Cu. Yd. ----------	38.1 ¢

Estimate of dredging cost 15.8 Cu. Yd.
Including royalty.

Sand plant separation and 14.0 Cu. Yd.
preparation cost.Handling
Total cost ---------- 29.8 Cu. Yd.

Net per Cu. Yd. -------- 8.3

The value of magnetite was taken from estimates of 67% Fe_3O_4 by Geneva Steel by Mr. Sargis @ ½¢ per Lb.

Garnet value taken from quotations to 2½¢ Lb.

Monazite at quoted price of 18 ¢ per Lb.

We did not get a quotation on Zircon.

Conclusion

The separation of the very complex sand concentrates makes this

gh cost operation. The dredging operation is high cost due to severe nters and other difficulties that can readily be seen in this area.

The procedure of separation of the sands are as follows:

The use of jigs aboard the dredge to make a rougher product which is pumped ashore to a sand plant as a rougher concentrate.

1st step in the sand plant is to remove the magnetite by wet magnetic separation.

2nd step . Dry the sands with rotary drier.

3rdstep. Separate the Ilmenite by magnetic separation.

4th Step. separate the garnet by magnetic separation.

5th Step. By retabling the monazite and zircon can be recovered.

6th step. The monazite and zircon can be separated by re-drying and intense magnetic separation as the zircon is not magnetic and the monazite only slightly magnetic.

Due to the complex nature of this operation and all prices subject to change at any time the margin in the property in relation to the investment is too close, for us to consider at this time.

This gravel channel extends on to the south and east of Kennally fork and many million Cu. Yds. of similar gravel could be added to this project.

This property should be noted and considered reserves for the future and could be profitably operated at such time as the U. S. Government stabalizes the price of the products or the values increased to a greater margin.

Sincerely yours

C. G. D. Co.

Merrill Yost

MOUNTAIN CALIFORNIA?
April 5, 1953

Analyis of Concentrates from Paddy Flat, Idaho by Cosumnes Gold Dredging Co., 2nd Phase of Paddy Flat. DMEA 2265 Contract No. 351.

Hole No.	Lbs Yd³ Cons.	Lbs.Yd³ Fe_3O_4	Lbs. Yd³ $FeTiO_3$	Lbs Yd³ REO	Lbs Yd³ Garnet	Lbs Yd³ Zircon	Lbs Yd³ Others.
PFY111Y	101.0	31.0	14.2	4.1	9.3	3.8	33.9 Lbs
PFY112Y	10.0	2.1	1.0	.2	1.0	.5	5.2
PFY113Y	30.3	10.1	3.0	.3	2.0	.4	9.5
PFY114Y	58.7	20.1	9.2	2.2	5.1	1.0	18.1
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PFY116Y	75.9	15.9	6.8	2.7	7.0	2.3	41.2
PFY117Y	SEE REPORT						
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PFY120Y	30.5	12.1	5.3	.7	2.0	.5	9.9
PFY121Y	SEE REPORT						
PFY122Y	9.1	3.7	1.4	.3	1.0	12	2.5
PFY123Y	50.0	18.1	10.7	1.0	5.0	1.0	14.2
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PFY125Y	74.3	36.2	12.3	2.1	5.2	2.0	26.5
PFY126Y	27.7	9.8	4.6	.Tr	1.0	.Tr	12.3
PFY127Y	22.2	7.0	4.3	.4	2.0	.5	8.0
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Averages	46.1	15.1	7.7	1.2	3.6	1.0	15.8

The averages are in Lbs. per Cu. Yd. of each product.
There are some of the holes figured in this average that are not n the dredging area or that could be eliminated and the overall average uld come up considerably. See report.

C. G. D. Co.
Merrill Yost

Reject samples at Mountain, Calif.
M. Yost

COPY

DMEA
2265

Sacramento, Calif.
Oct. 26, 1953

Final report, Paddy Flat, Idaho. DMEA Contract No. Idm-E351

All work was stopped on the concentrates from Paddy Flat about April 1, 1953. There were several reasons for dropping the project named below.

It was found that, due to the complex nature of the sands, that magnetic seperation would not produce a commercial grade of the various fractions. There was too much grading of one fraction into the other as was shown by the separation made by the Dings Magnetic Seperator Co.

It was decided to try a combination of magnetic seperation, flotation and gravity seperation. A split was made of each hole Nos. PF-111-Y through PF-135-Y excepting Nos. PF-117-118-121-130-PF which were too shallow and low grade to be considered and could easily be eliminated from the dredging area.

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3. The tailings were then re-tabled making a fairly clean product of Monazite and Zircon along with some unidentified heavy white mineral. It occurs to me that it might be possible to seperate the Monazite from this product with a high intensity magnetic seperator. Due to the magnetic separator being eliminated from the original equipment necessary to fully determining the procedure of recovery of the various fractions in a marketable grade we were not able to do this. The magnetic seperator at the Surcease Mining Co. would only pull the Garnet and magnetite. Consequently the work done on this fraction was as follows.

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Sincerely yours,

/s/ Merrill Yost

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

1201 N. Division St.
Spokane 2, Washington
May 20, 1954

Mr. Merrill Yost
608 - 34th Street
Sacramento, California

Re: Docket No. DMEA 2265 (monazite, columbium-tantalum)
Cosumnes Gold Dredging Company
Valley County, Idaho
Contract Idm-E351

Dear Mr. Yost:

On October 6, 1953, you informed Mr. J. A. Boucher, Bureau of Mines engineer, that you had delivered for storage at the Surcease Mining Company warehouse, Randsburg, California, the following jointly-owned equipment:

Quantity	Item	Cost
10	Steel casing, 22" OD x 11/32" x 3' long)	$1,685.13
10	" couplings 1"x6"x5", 10 - 11/16" bent)	
1	drive shoe)	465.55
1	drive cap)	
1	fabricated steel pulling head	429.27
2	#15 Vulcan pipe tongs	130.20
2	25-ton hydraulic jacks	160.60
		$2,870.75

As you no doubt know, the Cosumnes Gold Dredging Company relinquished its equity in the above equipment so that title now rests with the Government.

We have been informed that the following items had not been delivered for storage:

2	#15 Vulcan pipe tongs	$ 130.20
2	25-ton hydraulic jacks	160.60
		$ 290.80

Your cooperation in informing us of the location of the above items is requested.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
(U. S. Bureau of Mines)

J. J. Quinlan, Acting Member
(U. S. Geological Survey)

cc: DMEA, Wash. (2)
USGS (2)

OPERATIONS ADDRESS:
P. O. Box 27
RED MOUNTAIN, CALIF.
Phone—Randsburg 5661

K. MALONE, Manager
D. A. MOYER, Asst. Manager

SURCEASE MINING COMPANY

ATOLIA SCHEELITE PROPERTIES

BUSINESS OFFICE:
214-30th Street
SACRAMENTO 16, CALIF.
Phone—GIlbert 3-8593

J. W. HOEFLING, President
J. B. GEE, Secretary

RECEIVED
BUREAU OF MINES
MAY 10 1954
SPOKANE, WASH.

Red Mountain, California
May 4, 1954

Mr. Wing G. Arnew
U. S. Department of the Interior
1201 N. Division St.
Spokane 2, Washington

Dear Mr. Arnew:

Mr. Yost of Cosumnes Gold Dredging Company has stored at our Atolia property the items you list in your letter of April 21st with the exception of the pipe tongs and hydraulic jacks.

We have no use for the casing and allied gear. I have informed local parties who might have use for this gear of the Government's desire of selling. If they have any interest they will, no doubt, communicate with you.

Very truly yours,

SURCEASE MINING COMPANY

By K. Malone
K. Malone

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

May 12, 1954

Cosumnes Gold Dredging Company
Room 403
465 California Street
San Francisco, California

Re: Docket No. DMEA-2265 (monazite and columbium-tantalum)
Paddy Flat Placer Claims
Contract No. Ton-1351

Gentlemen:

Transmitted for your information and files is your copy of an audit certificate and audit report for the period June 27, 1952, to April 30, 1953, by Robert M. Hull.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures
cc: [illegible] (2)
[illegible] (2)
[illegible]
[illegible]

Talbot
Chambers

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

APR 1 3 1954

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E350, DMEA-2264
and
Idm-E351, DMEA-2265
Cosumnes Gold Dredging Co.

Dear Mr. Hull:

The final Audit Reports and Certificates, covering the referenced Exploration Project Contracts, as submitted under cover of your letter of April 1, 1954, are acceptable and normal distribution may be effected.

Our records, however, do not disclose the receipt of copies of the vouchers covering costs paid directly to assayers. Please request Mr. Hindman to forward copies of these vouchers for distribution in the same manner that is in effect for the Forms MF-104.

Sincerely yours,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
April 13, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

R.C.S.

Mitt:

This is the case where Hufsland & Chambers differed and wrote separate letters. It has not been cleared with John. However, I seem to be the better approach.

JEJ.

Mack K

FILE COPY
SURNAME:

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

FEB - 1 1954

Mr. A. E. Weinzenbern
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-[illegible] (Manganite)
Contract Ida-[illegible]
and
Docket No. DMEA-[illegible] (Manganite)
Contract Ida-[illegible]
Commonwealth Gold Dredging Company
Valley County, Idaho

Dear Mr. Weinzenbern:

In your letter to the Chairman of the Operating Committee dated January 15, you inquire as to whether it would be possible to transfer to the Bureau of Mines title to some personal property which has passed to DMEA in the winding-up of the subject exploration project contracts. We are also in receipt of a copy of your letter dated January 21 to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, providing him with a list of the property and inquiring as to whether the Bureau of Mines would wish to take it over or would aid in disposing of it.

If you cannot dispose of the property by sale, the following steps should be taken:

1. Secure a waiver from the operator in favor of the Government. Any kind of hand signed document by the operator listing the property will suffice.

2. Ask the Bureau of Mines if it will assist in disposing of the property.

3. In case the Bureau cannot assist in the disposal, you may offer to transfer the property to the Bureau without remuneration.

4. In transferring the property to the Bureau of Mines, you should include an inventory. This transfer should be justified by outlining your efforts to dispose of the property, and saying that the Bureau has agreed to take over the property in the interest of the Government.

HHK
2-1-54

5. Three copies of this transfer should be sent to the Washington office, attention, Contract Administration and Audit Division. The Washington Office will make the required report to the Bureau of the Budget.

6. The Field Team's final report should contain an inventory of the transferred property and recite the justifying circumstances resulting in the transfer.

The above procedure is in accordance with section 202 (c) of the Federal Property and Administrative Services Act of 1949, and has the approval of the Division of Property Management of the Department.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

s/ Philip W. Smith (JHB)
Member, Geological Survey

JLHofflund/emd
Rewritten, JLChambers/mb 1-29-54

Copy to: Docket (2)
Admr. Reading File
Operating Committee
J. H. Hedges
T. P. Thayer
J. L. Hofflund
J. L. Chambers
E. W. Ellis

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

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2264 (Monazite)
Contract Idm-E350
and
Docket No. DMEA-2265 (Monazite)
Contract Idm-E351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

In your letter to the Chairman of the Operating Committee dated January 15, you inquire as to whether it would be possible to transfer to the Bureau of Mines title to some personal property which has passed to DMEA in the winding-up of the subject exploration project contract. We are also in receipt of a copy of your letter dated January 21 to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, providing him with a list of the property and inquiring as to whether the Bureau of Mines would wish to take it over or could aid in disposing of it.

This is the first instance in which title to property used on an exploration project contract has passed to DMEA, with a consequent problem of disposal. I am advised by Counsel for DMEA that if the Bureau wishes to take over this property, it undoubtedly can be transferred to the Bureau, although for lack of recent experience in this respect, the procedures to be followed are not known offhand. If the Bureau would like to take over this property, we will take the necessary steps to accomplish the transfer. If the Bureau is familiar with the procedure, it might be willing to draft the necessary papers for accomplishing the transfer.

JLHofflund/emd 1/28/54
Copy to: Docket (2) E.W.Ellis
Adm. R. File J.L.Hofflund
Op. Comm. chron.
J.H.Hedges pending
T. P. Thayer

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
Co. 157 Howard Street
Spokane 4, Washington

January 21, 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 4, California

Re: Docket No. DMEA-[illegible] (monazite)
Contract Idm-[illegible]50
and
Docket No. DMEA-[illegible] (monazite)
Contract Idm-[illegible]51
Cosumnes Gold Dredging Co.
Valle, County, Idaho

Dear Mr. Miller:

At the termination of work under the subject exploration project contracts, the Operator removed from the site of the work some equipment owned jointly by the Government and the Operator and stored it at the Surcease Mining Company warehouse, Hanisburg, California, about 1[illegible]0 miles northeast of Los Angeles. He has informed us that he is unable to dispose of the material according to terms of the contracts and in the interest of settling the accounts has waived his interest in favor of the Government. The equipment is as follows:

Item	Purchase Price
10 steel casing, [illegible]" OD x 11/32" x 5' long	$1,185.15
10 steel couplings, 1"x[illegible]'x5', 10-11/16" bent)	
2 drive shoe)	469.55
1 drive cap)	
3 fabricated steel pulling head	439.[illegible]
2 [illegible]15 Vulcan pipe tongs	130.[illegible]
2 25-ton hydraulic jacks	160.60
	[illegible],870.75

The casing, drive shoe and drive cap, which make up the major items of equipment, have never been used and should be in good condition. They were custom made, however, and probably would have little resale value. As the valuation of this equipment is small

we hesitate to go to much expense for its disposal. We certainly think it would be too expensive to send one of our men to Randsburg for this purpose. If you have any use for this equipment, or can see where it could be of service to your personnel in future Bureau of Mines projects, we shall be glad to recommend that DMEA waive its interest in your favor. On the other hand, if you cannot use the equipment we would greatly appreciate your assistance in helping us dispose of it for the Government's account. Perhaps you are informed of mining companies or other concerns in the area that might have use for such equipment who would be interested in making an offer. In view of the extenuating circumstances of this case we do not believe it should be necessary to put these items up for bid. Instead, we believe DMEA should be satisfied with any offer that could be considered as being at all reasonable.

We have been trying to settle these contract accounts with the Operator for more than a year. However, despite our efforts there remains the problem of disposing of this jointly-owned equipment. We therefore would be deeply appreciative if you could find a use for this equipment in your own department or if you could help us dispose of it in some manner for the Government's account.

Sincerely yours,

W. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2) ✓
USBM (2)
Hindman

140

FILE COPY
SURNAME:

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

DEC 30 1953

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2264 (Monazite)
Contract Idm-1390
and
Docket No. DMEA-2265 (Monazite)
Contract Idm-1391
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

With your letter dated December 16 to the Chairman of the Operating Committee, there were enclosed photostatic copies of the Field Team's letter dated November 18 to the Operator which, in part, suggested that the Operator, in the interest of early settlement of the contracts, waive its ten percent interest in the jointly owned equipment, the waiver to be in the form of a letter from the president of the company. The Field Team's letter stated further that the Operator, in lieu of the waiver, could either repay the Government's share of the purchase price of the equipment ($2,870.75), or sell it at an acceptable price. The Operator returned the Field Team's letter with a notation thereon that "We agree to waive our interest in the above equipment in accordance with your letter." The letter to the Chairman of the Operating Committee stated that the equipment is stored in a warehouse located on the property of the Surrease Mining Company, Randsburg, California, which is about 180 miles northeast of Los Angeles, and concludes that, because of the expense that would be involved in selling the equipment, it should be declared surplus and disposed of by the General Services Administration. Our views in this matter are requested.

Under all DMEA contract forms, except the short form, the Operator takes legal title to the property acquired under the contract in his own name, and he is charged with disposing of the property upon completion of the work or termination of the contract. Therefore, as the Operator holds the legal title to the property, he may dispose of it and pass the legal title without any joinder by the Government. The usual method for the transfer of legal title

R.C.S.
12-31-53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 2 7 1953

1201 N. Division St.
Spokane 2, Washington
November 20, 1953

Memorandum

To: DMEA Auditors, Region II

From: DMEA Field Team, Region II

Subject: Docket No. DMEA 2265 (monazite), Contract No. Idm-E351
Cosumnes Gold Dredging Co., Valley County, Idaho

The Operator has purchased under the subject contract items of equipment costing $3,151.50 under Yuba Manufacturing Co. invoice No. 51986. A breakdown of this invoice is shown in the October 22, 1952 letter of Yuba Manufacturing Co. to Mr. Guy Standifer.

Item (8) of this equipment consists of an 890-lb. Rough Forging costing $280.75. This rough forging was ordered from an outside source and was to be made up into a Drive Cap and Drive Shoe. The outside supplier could not deliver this forging on time; consequently, the Operator authorized the Yuba Manufacturing Co. to make their own forging which was fashioned into a Drive Shoe and Drive Cap and is billed as Items (4) and (5), costing $465.55.

As a result, the Operator was billed and paid for two Rough Forgings whereas only one was used. Sound business practice should have dictated that the order for the Rough Forging to the outside supplier be cancelled when it was learned that delivery could not be made on time.

In view of this situation it is recommended that this item of $280.75 be deleted.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

M. E. Volin, Member
U. S. Bureau of Mines

cc: DMEA, Wash. (2)
Contr. Admin. Div.
Certifying Officer

FILE COPY
SURNAME:

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

Mr. A. . Weissenborn
Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane 1, Washington

OCT 29 1953

Re: Docket No. DMA-2264 (Monazite)
Contract No. Dmr-5350
Commanche Gold Dredging Company
Valley County, Idaho

Re: Docket No. DMA-2265 (Monazite)
Contract No. Dmr-5351
Commanche Gold Dredging Company
Valley County, Idaho

Dear Mr. Weissenborn:

In order for us to keep our records current, kindly advise when we may expect to receive the final reports of the Field Team and the Operator for the captioned projects. In this connection please also furnish your recommendations concerning the issuance of certificates of discovery.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

FLKnouse/db
10-26-53
cc to: Adm. Reading File
Operating Committee
Docket (2)
Messrs: E.J.Carlson, Rm. 3649
D.M.Larrabee, Rm. G-232, GSA
Ellis
Knouse

R.C.G.
10-29-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
October 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

Donart & Donart
Weiser, Idaho

Attention: Mr. James B. Donart

Re: Docket No. DMEA-2265 (monazite)
Contract No. Idm-E351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Gentlemen:

This is in answer to your letter of October 8, 1953, to Mr. M. E. Volin, Member, DMEA Field Team, Region II, with reference to the lands of Mr. Clarence V. Loomis at Paddy Flats and the nature or extent of any claim or lien that the Government might have on Mr. Loomis' property.

Mr. Clarence V. Loomis and Vida A. Loomis signed an Owner's Consent to Lien on June 3, 1952, wherein they granted to the Government a lien upon the land and upon any production of minerals therefrom on certain lands in Valley County, Idaho, which were subsequently incorporated, under Article 2, "Operator's Property Rights," into an exploration project contract dated June 23, 1952, between the United States Government and the Cosumnes Gold Dredging Company.

As of this date the Government has not asserted its claim of lien upon the property for the following reasons:

1. The contract will not be completed until the receipt of a satisfactory final report from the Operator.

2. Samples obtained during the exploration are in the process of being analyzed, and until this is completed it will be impossible to appraise the mineral potentialities of the ground tested.

Whether or not the Government asserts its claim of lien upon Mr. Loomis' ground will depend largely upon the results of samples now being tested. Should the Field Team decide that a significant discovery or development was made as a result of the exploration, then the Government's lien will obtain for a period of ten years from the date of the contract or until the amount of the Government's contribution is repaid, whichever is shorter.

If no discovery or development is certified as a result of the exploration, no lien is asserted, in which case there is no obligation to repay the loan.

To clarify a point brought out in the last paragraph of your letter, the fact that the lease between Loomis and Consumes was terminated in no way affects the Government's right of lien (see Article 3 of Owner's Consent to Lien form attached).

By Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: DMEA (2)
USBM (2)
Armstrong

LAW OFFICES
DONART & DONART
WEISER, IDAHO

GEORGE DONART
JAMES B. DONART

October 8, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane 2, Washington

ATTENTION: Mr. M. E. Volin, Member
DMEA Field Team, Region II

Dear Sir:

Reference is made to your letter of May 18, 1953, to Mr. Clarence V. Loomis of Meadows, Idaho. From looking over all of the correspondence in this matter there still appears to me to be some uncertainty as to the nature or extent of any claim that the Government might have on Mr. Loomis's property at Paddy Flats.

An agreement has been entered into between the Cosumnes Gold Dredging Company terminating their lease. As I read your former correspondence there is still a possibility that the Government might assert a claim in the nature of a lien that might subject the property to a royalty in favor of the Government. In any event we are trying to determine what claim, if any, the Government is asserting and if it is still subject to a Government lien for a royalty notwithstanding the release extracted by the Cosumnes Gold Dredging Company whether or not it would be possible to obtain a release of this lien.

Yours very truly,

DONART & DONART

By: James B. Donart
JAMES B. DONART

JBD:mek

1201 N. Division St.
Spokane 2, Washington

September 10, 1953

Dr. J. Hoover Mackin
Department of Geology
University of Washington
Seattle, Washington

Subject: DMEA Docket Nos. 2264 & 2265, Cosumnes Gold Dredging Co., White Hawk and Paddy Flat Placers

Dear Dr. Mackin:

Under separate cover Mr. Bardill mailed to you today a package containing 14 Paddy Flat black sand concentrate samples and 10 White Hawk Basin samples. Mineral separation determinations are to be made in the manner he discussed with you during your visit at this office yesterday.

Mr. Bardill states that some of these samples may not have been completely concentrated and that further concentration by panning may be necessary before the mineral separation determinations. If this proves to be the case, please have your technician record the weights of the discarded gangues and the black sand concentrates. Our weights are on the basis of pounds per cubic yard of concentrate as shipped to you.

I appreciate your interest and cooperation in making it possible to have this work done at the University of Washington.

Sincerely yours,

M. K. Velin, Chief
Mining Division, Region II

cc: Wash. DMEA-2
USGS-2
DMEA
JDB
Mdf

JDB:kt

FILE COPY
SURNAME:
800

Chambers
Attorney
Hoffman
Ellis

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

AUG 14 1953

Mr. M. E. Volin
Acting Executive Officer
DMEA Field Team, Region II
1201 North Division Street
Spokane 2, Washington

Re: Dockets No. DMEA-2264 and 2265
Contracts No. Idm-E350 and 351
Cosumnes Gold Dredging Company
Valley County, Idaho (Monazite)

Dear Mr. Volin:

Reference is made to your letter of July 24, 1953, in which you request a determination as to whether certain analytical and laboratory work in regard to samples of the above-cited contracts could be done by the Bureau of Mines or other laboratory and the cost for such work charged to the contract concerned, because the Operator has refused to contribute further toward the cost of the project.

If, in your opinion, the proposed analytical work is in the best interests of the Government the cost thereof may be charged to the projects concerned in accordance with Section 7 of the contract form. If the amount now withheld on Contract No. Idm-E351 is not sufficient in your opinion to cover the analytical work on both projects and the purchased equipment on Contract No. Idm-E351, the Operator should be billed for his part immediately upon determining the cost of such work. You may charge the cost of the analytical work to the projects and pay for same on a regular supply voucher or, in case the Government does the work, a transfer of funds voucher should be used.

I trust this has answered your questions but if not please write us again.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

JLChambers/ama
August 13, 1953
Copy to: Mails and Files
Admr. Reading File
Mr. Ellis
Administrator
Mr. Chambers

HHR
8-14-53

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

1201 N. Division St.
Spokane 2, Washington
July 24, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Subject: Dockets No. DMEA 2264 and 2265 (monazite)
Contracts No. Idm-E350 and 351
Cosumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Selfridge:

Enclosed are copies of letters from G. M. Standifer and Merrill Yost, written in answer to our letter of June 26, 1953 regarding final reports for the subject contracts and arrangements for test work on the samples from both projects.

We had intended to charge the cost of the assays to the projects, and we believe this would be within the terms of the contracts. Mr. Standifer, however, indicates that Cosumnes Gold Dredging Company is unwilling to go to any further expense in connection with these contracts.

Only two vouchers submitted under Contract Idm-E351 are unpaid; these total $1144.21. All vouchers submitted under Contract Idm-E350 have been paid. The cost of additional laboratory work, therefore, could not be deducted from the final settlement of these contracts as the above amount, and even more, will be required to reimburse the Government for its equity in equipment purchased for the project.

Mr. Yost has promised to send us the samples, and we will have them run either by a private firm or by the Bureau of Mines laboratory in Albany, Oregon. The analytical work will be costly and we would prefer not to use regular Bureau operating funds to pay for it. Is it possible to use funds allotted for the subject contracts for this purpose, without charging the Operator for his share of the costs? If such a procedure were adopted, the results of the determinations, of course, would not become available to him.

We will appreciate your advice as to the legality of this plan and, if it is acceptable, as to the procedure for invoicing the costs.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

J. J. Quinlan, Acting Member
U. S. Geological Survey

Enclosures

COSUMNES GOLD DREDGING CO.
465 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

July 10, 1953.

262 W. Santa Inez,
San Mateo, Calif.

DMEA Field Team 11,

Attention Messrs. Weissenborn & Howard,

So.157 Howard St.,

Spokane 4, Wash.

Docket No. DMEA-2265-Contract Idm-E351

Gentlemen:

Yours of June 26th received. Mr. Yost is no longer on our payroll, in fact, the Cosumnes Co. has no employees at present, however I have contacted Mr. Yost in Nevada and enclose letter sent to me for transmittal to you. I am sure Mr. Yost will do all he can to help out in this matter. The Cosumnes Co. cannot go to any further expense in connection with same, in fact I understand they have already put up more than their share on these contracts. I believe Mr. Bardill is familiar with all the facts, and hope that he feels Mr. Yost did good field work at a cheap price under difficult conditions. According to his letter you will hear from him on his return to Red Mountain.

Yours very truly,

G. M. Standifer

RECEIVED

Verdi, Nevada
July 3, 1953

Messrs Weisenborn and Howard
Spokane
Wash.
Dear Sirs;

I am in receipt of a letter from Mr. G. M. Sandifer with your letter of June 26 Re Paddy flat.

In the first paragraph concerning the disposition of the equipment, I followed your instructions and have written several letters to the various ones you named in a prevous letter. I have two replies so far, which I will send you.

In reference to the White Hawk Basin I gave Mr. Bardill samples from the ten holes we put down and the results from the work done at the laboratory at Albany the property was not of a commercial grade and work was abandoned upon completion of the first phase. Maps were sent to Mr. Bardill. Also the property was too shallow for an operation of the type we were interested.

Upon my return to Red mountain which will be the week of July 12 to 19th I will send you all bids and etc. on the equipment. I have samples of all work done at Paddy flat which I will send you, they are quartered samples of about 12 lbs each. Also I will send you the magnetically separated samples from Kings. This is on the first ten holes. I feel sure that you can readily see that the separation made is very unsatisfactory and would

would not make a commercial grade product. When I received the separated samples from Kings I wrote them and told them not to attempt the second phase separation. They have the other quartered samples.

I believe Dr. Machin and his associate Mr. Schmitt are well qualified to separate these samples at the University of Washington. However using the Bradley separator for these do could not be duplicated on a large scale operation.

As to the yardage and values I have come to the conclusions as I have previously written you concerning values.

The yardage has not definitely been determined yet. I do not know whether you want included only the higher grade areas or all the deposit.

I think the yardage is going to be very difficult to give an exact figure. We found that the deposit is confined to a pronounced channel of considerable extent. The contract called for holes up to 35 ft. in depth and before I realized there was a limit on depth by contract I had put down holes 70 and 80 ft in depth and no bedrock. When I became aware of the depth limitation I proceeded according to contract, hence many holes were not bottomed.

Upon my return to Red Mountain I will send you all of the above stated and send maps of both properties with yardage (estimated). Kindly write to me at Red Mountain Rt. Box 7 Calif. for anything further.

Sincerely yours
Merrill Flora

FILE COPY
SURNAME:
DOC

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

JUL 16 1953

Mr. Robert W. Bull
DMA Auditor
1201 North Division Street
Spokane 2, Washington

Subject: Contract Idm-5350, Docket No. [illegible]
Contract Idm-5351, Docket No. [illegible]-2265
Cosmos Gold Dredging Company
Valley County, Idaho

Dear Mr. Bull:

Reference is made to your letter of July 10, 1953, in regard to the above-cited contracts.

In regard to the $494.53 which the Operator claimed under the heading of New Buildings, Improvements and Installations, it would seem that a disallowance should be taken for the microscope in the amount of $417.90, and that the other items, 1 Illuminator, Nichols $40.00, 1 Transformer-$16.00, 1 Extra lamp bulb-$[illegible].96, and 1 set weights 2000 Gr, 12720 set-$20.07, should be considered as Materials and Supplies.

In regard to the claim under New Buildings, Improvements, and Installations, it appears to me that the work done on the old building cost approximately as much as the construction of the new building would have cost. The Operator practically rebuilt the barn. The Government therefore should accept this item as a new building for the reason that it might be difficult to determine whether or not we would have an equity in rehabilitating an item. Under the circumstances I think you should suspend payment on the new building item and that the Field Team should notify the Operator that if disposition of the building is not consummated by a certain date, the suspended item will become a disallowance, unless the Operator is able to furnish good reasons why he could not dispose of the property. The suspended amount for the building would be $2534.62, instead of $2457.59, on the basis that the microscope alone was disallowed.

I hope I have answered the points raised in your letter but if you have further questions, I shall be glad to hear from you again.

Sincerely yours,

JLChambers/wb 7-15-53

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

cc: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington .

July 7, 1953

Mr. George Denison
Andrews, Oregon

Dear Mr. Denison:

In reply to your letter of June 29 concerning the Cosumnes Gold Dredging Company's exploration done under defense minerals exploration contract (Docket No. DMEA-2265), it will be necessary for you to obtain the results of the exploration from the Company as we are not permitted to give out this information without their consent. However, if you will obtain such consent, we will be glad to comply with your request.

Sincerely yours

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2) w/cy incoming ltr
USBM (2) " " "
Armstrong " " "

C
O
P
Y

June 29, 1953

Mr. A. E. Weissenborn
S. 157 Howard St.
Spokane, Washington

Dear Sir:

Consumnes dredging Co. has given up their lease on Paddy Flat near Cascade, Idaho. I am one of the owners of this property and am trying to interest other people in doing work in this area.

Considerable testing was done by Consumnes Dredging Co. on DMEA Loan No. 2265. I would like to have a copy of the report. so the work will not be duplicated and also to give an idea what the values are in this area.

Please advise the proceedure necessary to receive all the information.

George Denison
Andrews, Oregon

/s/ George Denison

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
So. 157 Howard Street
Spokane 1, Washington

June 26, 1953

AIR MAIL

Mr. [illegible] Standifer, President
Yosemite Gold Mining Company
2[illegible] Post Santa Fe Bldg
San Mateo, California

Re: Muddy Flat Placer Deposit
Docket No. [illegible]-2265 (Pennsylvania)
Contract Idm-351

Dear Mr. Standifer:

Reference is made to our letter to you dated April 9, in which we advised that the final report for Contract Idm-351, Muddy Flat placer deposit, was inadequate and that the disposition of the equipment is not being prosecuted diligently. Your letter to the Field Team dated April 13 assured us that we would have your complete cooperation in these matters. Since that time, we have received Mr. Yost's report on the second phase of the Muddy Flat project, but, although this supplies some additional information, it cannot be considered as a final report on the project. Furthermore, we have not received any final report, assay data, tonnage estimate, or adequate maps for the White Flat project (Contract Idm-350).

Your attention is invited to the fact that failure to present an acceptable final report adequately describing the work done, the results obtained, and the costs of the exploration can be considered as a failure to complete the work, and this in turn can be construed as a breach of contract. In that event, the Government may pursue whatever legal course of action is necessary to assure satisfactory completion of the work, or in lieu of that, [illegible] return of its contributions towards the work.

The mutually agreed procedure was to have the [illegible] samples separated into their various components by the Inco Magnetic Separator Company and then to have these fractions analyzed by Abbott A. Hanks, Inc. We recognize that because of the difficulties involved, this procedure may not have given entirely satisfactory results and that it may have been necessary to attempt other methods

of separation. We also recognize that results obtained to date are not encouraging, and that, consequently, there is no justification at present for doing more work on the deposits themselves. Nevertheless, we believe that further testing of the samples is necessary.

We are unable to determine from the information submitted by Mr. Yost what the recovery of monazite was, and we feel that, in any event, this should be checked. We also believe that there should be some additional testing to determine if columbium-tantalum minerals, "radioactive blocks", or other minerals are present in the black sands. A good deal of money has been spent to collect the samples, and it is essential that the test work on them be carried far enough to be sure that nothing of importance has been overlooked. We would be glad to arrange for additional test work on these samples, charging the cost to the project contract. If you wish us to do this, please immediately have all of the samples from the Paddy Flat and White Rock projects properly labeled, hauled to the nearest railroad or auto freight depot and shipped to the U. S. Bureau of Mines, 1201 North Division Street, Spokane, Washington. If you do not wish us to have this done, immediate arrangements should be made to have the additional testing done by a competent, reliable firm satisfactory to the Field Team.

In addition to the above, we must include a detailed statement explaining how the yardage calculations were made for both projects.

Attached are cancelled copies from Duke Manufacturing Company in the amount of $3,151.50 for drill casing, couplings, drive shoe and drive cap, pulling head, tongs and hydraulic jacks and from Bausch & Lomb Optical Company in the amount of $[illegible] for a microscope and accessories. These invoices represent equipment purchased for the two projects in which the Government has a 90 percent equity. Since Mr. Yost has been unable to sell this equipment at a fair price, please advise where each item is located so that the Government may take steps towards their disposal.

We are, of course, very anxious to have the contract completed and the full results in the form of our acceptable final report made available, and we ask your cooperation to accomplish this end.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas L. Howard, Acting Member
(U. S. Bureau of Mines)

Enclosures
cc: DMEA (2)
DLM (2) Armstrong

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

June 25, 1953

Mr. George C Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C

Re: Docket No DMEA-2265
(Monazite, columbium, tantalum)
Cosumnes Gold Dredging Co
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Selfridge:

Enclosed are copies of a "final report" of the second phase of the Paddy Flat Project which was sent to us in response to our letter to Mr. Standifer pointing out that the previous "final report" sent in by Mr. Yost was not satisfactory. Also enclosed is a copy of a letter to Mr. Standifer pointing out the deficiencies of both reports and suggesting a remedy

We are very much dissatisfied with the information that the company has furnished us in lieu of an acceptable report, and we will keep you informed of further developments.

Sincerely yours,

A. E. Weissenborn

A. E Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM (2)
Armstrong

Cosumnes Gold Dredging Company
P. O. Box 532
Cascade, Idaho

Red Mountain, Calif.
June 7, 1953

Bureau of Mines,
Spokane,
Washington

Dear Sirs:

Enclosed is final results of the second Phase of Paddy Flat. I made an error in that I had headed REO instead of Monazite or Monazite equivalent. After considerable work on our own here these are about the recoverable results. The rougher concentrates can be easily made with a dredge but the difficulty begins with the separation of the sands into marketable products. Dings did very poorly as the grading from one product to another by magnetic separation alone will not make marketable products. It would be necessary to reconcentrate and re-separate to make a marketable product. The Ilmenite could be floated and it may be possible to float the monazite from the tails as there was considerable Monazite that did not come out on the last pole of the separator. In fact the separation of the sands is too difficult for us to undertake at the present time. It may be that new methods of separation can overcome these difficulties.

Concerning the prices of the products Mr. Standifer gave me the price of $40.00 per ton for Zircon from the Pacific Coast Carbon Co. The price of $50.00 per ton was also quoted for Garnets by a company in Seattle. Copies of these can be secured from Mr. Standifer.

In view of the difficulties of separation of the various fractions and having ground that will exceed these properties by twice the value here in Southern Calif. we do not intend to go further on Paddy Flat or White Hawk Properties.

Upon Mr. Knutsens return we will make and send to you a map showing the calculations of Yardage and values.

I have received only a couple of replies from the companies you gave me in

regard to the salvage of the equipment here in Red Mountain. I will send the replies to you shortly. If you have any other suggestions concerning this I will be glad to proceed in accordance with your suggestions.

Sincerely yours,

/s/ Merrill Yost
Cosumnes Gold Dredging Co.

ANALYSIS OF CONCENTRATES, PADDY FLAT, IDAHO, PHASE 11. DMEA 2265
CONTRACT NO. 351. COSUMNES GOLD DREDGING CO. RED MOUNTAIN CALIF.

Hole No.	Yd³ Cons.	Lbs. Lb. Yd³ Fe_3O_4	Lb. Yd³ $FeTiO_2$	Lb. Yd³ REO	Lb. Yd³ M'zite	Lb. Yd³ Zircon	Lb. Yd³ Garnet	Lb. Yd³ Others
PF111Y	101.0	31.0	18.9	4.1	4.1	3.8	9.3	33.9
PF112Y	10.0	2.1	1.0	.22	.2	.5	1.0	5.2
PF113Y	30.3	10.1	8.0	.19	.3	.4	2.0	9.5
PF114Y	55.7	20.1	9.2	1.44	2.2	1.0	5.1	18.1
PF115Y	35.0	12.3	5.7	.52	.60	1.0	2.3	13.9
PF116Y	75.9	15.9	6.8	1.72	2.7	2.3	7.0	41.2
PF117Y	See Report.							
PF118Y	See Report.							
PF119Y	56.5	17.3	9.5	.90	1.4	1.7	5.1	21.5
PF120Y	30.5	12.1	5.3	.44	.7	.5	2.0	9.0
PF121Y	See Report							
PF122Y	9.1	3.7	1.4	.20	.3	.2	1.0	2.5
PF123Y	50.0	18.1	10.7	.64	1.0	1.0	5.0	14.2
PF124Y	40.0	20.0	3.2	.44	.7	1.0	3.0	12.1
PF125Y	74.3	26.2	12.3	1.35	2.1	2.0	5.2	26.5
PF126Y	27.7	9.8	4.6	Tr	Tr	Tr	1.0	12.3
PF127Y	22.2	7.0	4.3	.25	.4	.5	2.0	8.0
PF128Y	33.5	10.1	6.8	.71	1.1	.5	3.0	12.0
PF129Y	77.5	28.3	16.8	1.54	2.4	2.0	5.0	19.5
PF130Y	See Report.							
PF131Y	51.2	17.5	12.1	.77	1.2	1.0	3.0	16.4
PF132Y	41.1	14.1	6.4	.12	.2	.5	4.0	15.9
PF133Y	3.8	1.1	.8	Tr	Tr	Tr	.5	1.4
PF134 Y	48.0	15.4	8.1	.82	1.3	.5	3.6	17.3
PF135Y	77.0	25.5	11.4	1.35	2.0	8.0	5.4	30.8
Totals	968.8	317.5	163.2	16.15	25.2	22.4	75.5	332.1
Averages	46.1	15.1	7.7	.80	1.2	1.0	3.6	15.8

Cosumnes Gold Dredging Co.,

Cosumnes Gold Dredging Company
P. O. Box 532
Cascade, Idaho

Red Mountain, Calif.
June 7, 1953

Bureau of Mines,
Spokane,
Washington

Dear Sirs:

Enclosed is final results of the second Phase of Paddy Flat. I made an error in that I had headed REO instead of Monazite or Monazite equivalent. After considerable work on our own here these are about the recoverable results. The rougher concentrates can be easily made with a dredge but the difficulty begins with the separation of the sands into marketable products. Dings did very poorly as the grading from one product to another by magnetic separation alone will not make marketable products. It would be necessary to reconcentrate and re-separate to make a marketable product. The Ilmenite could be floated and it may be possible to float the monazite from the tails as there was considerable Monazite that did not come out on the last pole of the separator. In fact the separation of the sands is too difficult for us to undertake at the present time. It may be that new methods of separation can overcome these difficulties.

Concerning the prices of the products Mr. Standifer gave me the price of $40.00 per ton for Zircon from the Pacific Coast Carbon Co. The price of $50.00 per ton was also quoted for Garnets by a company in Seattle. Copies of these can be secured from Mr. Standifer.

In view of the difficulties of separation of the various fractions and having ground that will exceed these properties by twice the value here in Southern Calif. we do not intend to go further on Paddy Flat or White Hawk Properties.

Upon Mr. Knutsens return we will make and send to you a map showing the calculations of Yardage and values.

I have received only a couple of replies from the companies you gave me in

regard to the salvage of the equipment here in Red Mountain. I will send the replies to you shortly. If you have any other suggestions concerning this I will be glad to proceed in accordance with your suggestions.

Sincerely yours,

/s/ Merrill Yost
Cosumnes Gold Dredging Co.

ANALYSIS OF CONCENTRATES, PADDY FLAT, IDAHO, PHASE 11. DMEA 2265
CONTRACT NO. 351. COSUMNES GOLD DREDGING CO. RED MOUNTAIN PLF.

Sole No.	Yd³ Cons.	Lbs. Fe₂O₃	Lb. Yd³ Fe TiO₂	Lb. Yd³ REO	Lb. Yd³ M'zite	Lb. Yd.³ Zircon	¢Yd³ Garnet	Lb. Yd³ Others
PF111Y	101.0	31.0	18.9	4.1	4.1	3.8	9.3	33.9
PF112Y	10.0	2.1	1.0	.22	.2	.5	1.0	5.2
PF113Y	30.3	10.1	6.0	.19	.3	.4	2.0	9.5
PF114Y	55.7	20.1	9.2	1.44	2.2	1.0	5.1	18.1
PF115Y	35.0	12.3	5.7	.52	.60	1.0	2.3	13.9
PF116Y	75.9	15.9	6.8	1.72	2.7	2.3	7.0	41.2
PF117Y	See Report.							
PF118Y	See Report.							
PF119Y	56.5	17.3	9.5	.90	1.4	1.7	5.1	21.5
PF120Y	30.5	12.1	5.3	.44	.7	.5	2.0	9.0
PF121Y	See Report							
PF122Y	9.1	3.7	1.4	.20	.3	.2	1.0	2.5
PF123Y	50.0	18.1	10.7	.64	1.0	1.0	5.0	14.2
PF124Y	40.0	20.0	3.2	.44	.7	1.0	3.0	12.1
PF125Y	74.3	26.2	12.3	1.35	2.1	2.0	5.2	26.5
PF126Y	27.7	9.8	4.6	Tr	Tr	Tr	1.0	1233
PF127Y	22.2	7.0	4.3	.25	.4	.5	2.0	8.0
PF128Y	33.5	10.1	6.8	.71	1.1	.5	3.0	12.0
PF129Y	77.5	28.3	16.8	1.54	2.4	2.0	5.0	19.5
PF130Y	See Report.							
PF131Y	51.2	17.5	12.1	.77	1.2	1.0	3.0	16.4
PF132Y	41.1	14.1	6.4	.12	.2	.5	4.0	15.9
PF133Y	3.8	1.1	.8	Tr	Tr	Tr	.5	1.4
PF134 Y	48.0	15.4	8.1	.82	1.3	.5	3.6	17.3
PF135Y	77.0	25.5	11.4	1.35	2.0	8.0	5.4	30.8
Totals	968.8	317.5	163.2	16.15	25.2	22.4	75.5	332.1
Averages	46.1	15.1	7.7	.80	1.2	1.0	3.6	15.8

Cosumnes Gold Dredging Co..

PHONE
FIELD 5320

PLANT:
SLOUGH HOUSE, CALIFORNIA

COSUMNES GOLD DREDGING CO.
351 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

RECEIVED
BUREAU OF MINES
APR 22 1953
SPOKANE, WASH.

DMEa 2265

262 W. Santa Inez,
San Mateo, Calif.,
April 18, 1953.

JEH

Field Team, Region II,
U.S.Bureau of Mines, 1201 Division St.,
SPokane, Wash.

Gentlemen:

Replying to yours of the 9th signed by Mr. Kulsgaard and Mr. Volin, beg to advise that Paddy Flat does not interest us as a commercial dredging venture for many reasons including values found and general operating conditions, and we desire to close our file and collect any sums due us. Unless we have some obligations to do so, we do not want to spend any further time or money in this connection. I understand our contribution has exceeded the 10% we expected to invest. Also, that a further sum which has been approved is due us.

Mr. Yost is very busy on three widely separated projects at present, however, I am sure he will cooperate with you fully in closing this matter and supplying any information that he can.

We appreciate the help and cooperation of your very efficient Field Team on this project and the opportunity of meeting and working with your staff.

With kindest regards and best wishes, I am,

Sincerely yours,

G. M. Standifer
President, Cosumnes Gold Dredging Co.

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

Spokane, Washington
April 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1953

Mr. W. R. Standifer, President
Consumes Gold Dredging Company
465 California Street
San Francisco, California

Subject: Docket No. DMEA 2265 (monazite)
Contract Ida-2351
Consumes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Standifer:

Mr. Merrill Yost has submitted the final report for the captioned project contract dated April 5, 1953. With due respect to Mr. Yost's good efforts, we still find this report to be inadequate in some respects and must ask for another more complete report.

The estimated yardage of gravels (35,000,000 cubic yards) in the deposit has not been substantiated with satisfactory detailed appraisals giving cut-off grade, limits of dredgable gravels, and profile sections through the drill holes illustrating the volumes upon which the yardage was computed.

The evaluation of the recoverable products seems questionable. Magnetite is quoted at $10 per ton, presumably f.o.b. Paddy Flat, from which must be deducted freight to Geneva. Specifications for garnet are very rigid and unless this particular product can meet these requirements, it is of no value. The basis for the estimated preparation and sand plant separation cost is not presented in detail.

The tabulation of product analysis does not indicate whether the averages are weighted or arithmetical. Mr. Yost's evaluation of the products shows an average of 1.2 pounds of monazite per cubic yard and the concentrate analysis reports 1.2 pounds of RE_2O_3 per cubic yard. Monazite is a cerium-lanthanum-thorium phosphate, of which roughly 27-30 percent is phosphorus pentoxide. The usual purchase specification for monazite requires not less than 60 percent RE_2O_3. If the reported 1.2 pounds of RE_2O_3 is correct, the monazite equivalent is about 2 pounds per cubic yard. Please clarify this discrepancy.

The Government has an equity in the casing, coupling, drive shoe, drive cap, microscope, microscope accessories, etc. to the extent of 90 percent of $2,600 which may be salvaged from the sale of this equipment. A copy of a memorandum is enclosed for your information on the subject of disposition of property in which the Government has an interest. The advertisement that Mr. Yost inserted in the Sacramento Bee, March 21-24, did not adequately describe the equipment to be sold. Attached are exalid copies of the invoices which will assist you to properly describe each item. You should request bids from companies which might be interested in purchasing this equipment, submitting copies of your requests and their replies. If the bid prices are satisfactory, Government approval will be given for their sale. The following companies are suggestions as potential purchasers of the casing, coupling, drive shoe, etc.

Yuba Manufacturing Co., San Francisco
Bodinson Manufacturing Co., San Francisco
Washington Iron Works, Seattle
Natomas Co., Sacramento
Union Iron Works, Oakland

Optical companies, universities, and schools are potential purchasers of the microscope and accessories.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

H. E. Velin, Member
U. S. Bureau of Mines
1201 N. Division Street

Enclosures

cc: Mr. Merrill Yost

DMEA, Wash. (2)
USGS (2)
DMEA
AD
JDB
DF

JDB/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

So. 157 Howard Street
Spokane 4, Washington

MEMORANDUM

To: Operators under DMEA exploration project contracts

From: Executive Officer, DMEA Field Team, Region 11

Subject: Disposition of property in which the Government has an interest.

By the terms of the exploration project contract under which you are operating, the Government acquires an interest in property purchased for use on the project which is " . . .paid for or purchased with funds contributed jointly by the Operator and the Government . . . " Such property includes any individual items of equipment and facilities, buildings, or other fixtures costing more than $50.00 each. It also includes materials and supplies considered in groups or categories (such as pipe, explosives, rails, drill steel), if the original cost of the remaining unexpended portion of any such category of materials or supplies exceeded $50.00. As to any facility, building, fixture, or piece of equipment, and as to any such group or category of materials or supplies the original cost of which or the unexpended portion of which did not exceed $50.00, the Government does not assert any claim or interest under the terms of the contract.

The effect of the contract provisions is to make you the agent of the Government for the disposition of its interest in such property. Therefore, it is your responsibility to make the best possible disposition of the property for the benefit of the Government. Every reasonable effort must be made to realize its full value. Such reasonable efforts might include: (1) Advertising in newspapers, periodicals, and posting notices in public places; (2) canvassing users of and dealers in such property; and (3) negotiating with the original vendor for the repurchase of the property.

Should you wish to retain the property or, in effect sell it to yourself, you may do this only after first having made every reasonable effort to procure a price higher than you yourself are willing to pay; or you may buy the Government's equity by paying for it either on the basis of the original cost or the ceiling price fixed by the Office of Price Stabilization, whichever is lower.

The undersigned is authorized to approve of and to join in the sale of such property for the joint account of the Operator and the Government. You are requested to advise this office in advance of the proposed disposition of any such property so that we may advise you if the Government will approve thereof and join in the transaction.

Upon completion of the exploration project or termination of the exploration project contract, your final report should include a detailed statement of the disposition you have made of such property. Proceeds from sales of property, or credit for its value in the event you retain it for your own account, should be indicated in your final monthly report, on form MF-104, by the insertion of suitable credits in the "Monthly Total" column.

The Government will withhold from your final voucher or vouchers such sums as it deems necessary to cover its equity in property, until you have rendered your final report and final account, and the final auditing and settlement of the contract has been made.

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 11

YUBA MANUFACTURING COMPANY
ESTABLISHED 1906
ENGINEERS DESIGNERS
BUILDERS OF PLACER DREDGES
FACTORY
BENICIA, CALIFORNIA
CABLE ADDRESS
YUBA
SAN FRANCISCO 4, U.S.A.
SAN FRANCISCO 4, U.S.A.

San Francisco 4, California
October 22, 1952

Mr. Guy Standifer
262 West Santa Ines Ave.
San Mateo, California

Subject: Cosumnes Gold Dredging Company
Drill Pipe Order - Yuba OIB-1987

Dear Mr. Standifer:

Our Invoice No. 51986 covering 22" drill pipe with accessories, etc., was billed to you in a lump sum of $3,151.50. A breakdown of the invoice is as follows:

10 - Steel Casings, 22" OD x 11/32" wall x 3' long - Pc. 5 Dwg. N-12632 10 - Steel Couplings, 1" x 6" x 5' 10-11/16", Bent - Pc. 1 Dwg. N-12632 Total	$1,685.13
1 - Drive Shoe - Pc. 2 Dwg. N-12632 1 - Drive Cap - Pc. 3 Dwg. N-12632 Total	465.55
1 - Fabricated Steel Pulling Head, Dwg. N-13063 Total	429.27
2 - #15 Vulcan Pipe Tongs Total	130.20
2 - 25-ton Hydraulic Jacks Total	160.60
1 - Rough Forging 890#, ordered from outside source to make the drive cap and shoe. This could not be delivered in time to complete the job. To improve delivery, Mr. Yost authorized making these parts by rolling forgings in our plant and welding them. The rough forging was received subsequent to shipment of your pipe and is held in our Benicia plant as your property, for use on some future order. Total	280.75
GRAND TOTAL	$3,151.50

YUBA

BAUSCH & LOMB OPTICAL CO.

SAN FRANCISCO, CALIFORNIA

BRAUN-KNECHT-HEIMANN-CO.

1400 - 16TH STREET

SAN FRANCISCO 19 CALIFORNIA

CUSTOMER'S ORDER NO. 8242 ~~6-30-52~~

DATE 6 / 30 / 52

COSUMNES GOLD DREDGING COMPANY
~~SLOUGH HOUSE~~
SACRAMENTO COUNTY, CALIFORNIA

P. P.
INS.
EXPRESS
FREIGHT

CAT. NO	QTY.		AT	LIST	NET
31-26-24-36	1	BKW-5 MICROSCOPE SERIAL AND 648			417.50
31-33-51-02	1	NICHOLAS ILLUMINATOR WITH PEDESTAL BASE			40.00
31-36-45	1	ADJUSTABLE TRANSFORMER			16.00
31-31-79	1	EXTRA LAMP BULB 6.5 VOLT			
					474.46
		3% California Sales Tax			14.23
					489.69

NB:CD

NOTE: [illegible]

3677

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1953

XXXXXXXXXXXXXXXX
201 N. Division St.
Spokane, Washington
March 27, 1953

Mr. Kerrill Yost,
Cosumnes Gold Dredging Co.,
603 - 34th Street,
Sacramento, California.

Subject: Contract Idm-135
Paddy Flat

Dear Mr. Yost:

When preparing your final MF 104 on the subject contract you may claim the balance of $55.50 for the 20' diamond drill casing. This amount, with the $2,600.00 claimed on the October MF-104, will clear the Yuba Manufacturing Company's bill of $2,651.50.

Your attention is invited to the fact that the Government has a 90 percent equity in the pipe. Therefore it must be disposed of for salvage before the final settlement can be made.

Yours very truly,

J. D. Sardis, Chief
DMPA Section, Bureau of
Mines, Region I.

cc:
Washington (2)
USGS (2)
DMEA
AD
DF
JDB
RMH

700 FILE COPY
SURNAME:

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

Mr. [illegible] Weissenborn
Executive Officer
DMA Field Team, Region II
South 1[illegible] Howard Street
Spokane 8, Washington

Re: Project No. [illegible] A-2265
(Monazite-columbium-tantalum)
Contract No. DMx-[illegible]551
Cosmos Gold Dredging Co.
Daddy Placer
Valley County, Idaho

MAR [illegible]

J.C. 3/31/53

Dear Mr. Weissenborn:

Enclosed are copies of a letter received from Mr. Merrill Post, Manager of subject exploration project. We thought you would like to have this "pat-on-the-back" for your files.

When available we will be greatly interested in receiving the final reports.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

EWEllis/gla 3-26-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs. J.J.Norton, Rm. G-232 GSA
E.J.Carlson, Rm. 3619
Ellis
Region II, DMA

COSUMNES GOLD DREDGING COMPANY
P. O. BOX 532
CASCADE, IDAHO

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 1953

Sacramento, Calif.,
March 6, 1953.

Defense Minerals Exploration Administration,
Washington,
D. C.

Dear Sirs;

We have about completed an exploration program in Idaho on monazite and the radio actives under the direct operations of the Bureau of Mines at Spokane, Washington. Mr. Volin, who is in charge at Spokane ,handled all of our operation in a very pleasant manner.

Mr. J. D. Bardill who was assigned to our particular operations is one of the most pleasant and helpful men I have ever had the pleasure to work with. Having men like Mr. Bardill in the employ of the government is exceedingly helpful to the operator and certainly of credit to the DMEA.

Thanking you for the pleasant exploration program and the very good judgment of assigning Mr. Bardill to our operations.

Sincerely yours,

Merrill Yost.

DMEA-2265

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
February 13, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

Mr. Merrill Yost, General Manager
Cosumnes Gold Dredging Company
Red Mountain, California

Subject: Contract Idm-8351
Docket No. DMEA 2265 (monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Merrill:

Final payment for expenses incurred under your contract cannot be made until a final report on the project has been submitted and an audit made at the completion of the project. The contract also provides that a maximum of 10 percent of project expenditures can be withheld by the Government until the final audit has been made. Since I have no estimate of additional expenses to be incurred, your December 1952 voucher is being held for payment, temporarily. Please submit a rough estimate of further expenses you anticipate.

I shall appreciate knowing what progress you have made in producing marketable monazite, magnetite and ilmenite products from the Paddy Flat drill hole samples. You inferred that the monazite could be recovered by gravity after removing the heavy magnetic minerals. What success did you have with flotation? Do you think the deposit can be mined profitably?

What is the status of the White Hawk project, and your opinions of the deposit?

Best wishes to you and Irma.

Sincerely yours,

John D. Bardill
Chief, DMPA Section
Bureau of Mines, Region II

cc: DMEA
AD
JDB
DF
DMEA, Wash. (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Spokane 2, Washington
1201 N. Division St.
January 19, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
5 1953

Mr. Merrill Yost
Cosumnes Gold Dredging Co.
P. O. Box 7
Red Mountain, Calif.

Subject: Docket No. DMEA 2265 (monasite)
Contract Idm-E351
Paddy Flat Placer
Cosumnes Gold Dredging Co.

Dear Merrill:

Thanks for the negatives of the pictures of the clam-shell drill rig, which I shall return after the required prints have been made.

The titanium dioxide content, ranging from 41.3 to 47.1 percent, of the ilmenite portion recovered by magnetic separation by Dings Magnetic Separator Co. from four of the Paddy Flat drill holes was rather disappointing. Normal ilmenite will contain about 56.6 percent TiO_2.

If you have the sample rejects from Hanks, please send them to me for iron analysis; otherwise, I suggest you have Hanks make the iron assay so that the grade of ilmenite may be determined. Do you think Dings made a good separation of the magnetite and ilmenite or do you think that magnetic fraction is a titaniferous magnetite?

Sincerely yours,

John D. Bardill
Chief, DMPA Section
Bureau of Mines, Region II

JDB/he

cc: DMEA, Wash. (2)
USGS (2)
DMEA
M/D
JDB
DF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Spokane 2, Washington
1201 N. Division St.
January 19, 1953

Mr. Merrill Yost
Cosumnes Gold Dredging Co.
P. O. Box 7
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Subject: Docket No. DMEA 2265 (monazite)
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Paddy Flat Placer
Cosumnes Gold Dredging Co.

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Sincerely yours,

John D. Bardill
Chief, DMPA Section
Bureau of Mines, Region II

JDB/he

cc: DMEA, Wash. (2)
USGS (2)
DMEA
M/D
JDB
DF

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

November 24, 1952

Memorandum

To: Legal Division

From: F. L. Knouse, Rare and Misc. Metals Division FLK

Subject: Docket No. DMEA-2265 (Monazite)
Amendment No. 2 to Contract No. Idm-E351
Cosumnes Gold Dredging Company

The time extension is approved; however, it is believed the wording of this amendment could be more clearly stated.

Cal 12-3

RECEIVED
DEC 1 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

November 24, 1952

Memorandum

To: Legal Division

From: F. L. Knouse, Rare and Misc. Metals Division

Subject: Docket No. DMEA-2265 (Monazite)
Amendment No. 2 to Contract No. Idm-E351
Cosumnes Gold Dredging Company

The time extension is approved; however, it is believed the wording of this amendment could be more clearly stated.

FLKnouse/gla
cc to: Operating Committee (Hazel Berry)
Docket
Legal Division
Mr. Ellis
Mr. Knouse

700
FILE COPY
SURNAME:

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

November 24, 1952

Memorandum

To: Legal Division

From: F. L. Knouse, Rare and Misc. Metals Division

Subject: Docket No. DMEA-2265 (Monazite)
Amendment No. 2 to Contract No. Idm-E351
Cosumnes Gold Dredging Company

The time extension is approved; however, it is believed the wording of this amendment could be more clearly stated.

FLKnouse/gla
cc to: Operating Committee (Hazel Berry)
Docket
Legal Division
Mr. Ellis
Mr. Knouse

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
[redacted]
So 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

November 18, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite columbium tantalum)
Cosumnes Gold Dredging Company
Valley County, Idaho
Contract Idm-E351

Dear Mr. Johnson:

Enclosed are the original and two signed copies of Amendment No. 2 to the subject contract, with attached justification.

Copies of the amendment have been retained by the Operator, the Finance Officer, and by this office.

Sincerely yours,

Thor H. Killsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
Armstrong

RECEIVED
DEC 1 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 24 1952

1201 North Division Street
Spokane 2, Washington

November 17, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Chief, DMPA Section, Bureau of Mines, Reg. II

Subject: Interim Progress Report - Cosumnes Gold Dredging Company, Paddy Flat Placer Deposit, Valley County, Idaho, Contract Idm-E351, Docket No. DMEA 2265 (monazite)

The clamshell drill rig and the sample concentration mill has been dismantled at Cascade and all of the equipment has been shipped to the company's plant in California.

The samples have been concentrated at Cascade and the table concentrates shipped to the Dings Magnetic Separator Company at Milwaukee, Wisconsin, for further concentration by magnetic separation. The concentrate samples from Dings will be analyzed by Abbott A. Hanks, Inc. at San Francisco and results reported regularly.

Attached are copies of a recent map of Paddy Flat by E. Knutsen, company engineer, showing the location of the drill holes and approximate location of the gravel channels.

The black sand table concentrates from the 25 holes from Phase II of this contract weighed:

Hole No.	Ft. Hole Depth	Lbs. Black Sands/Cu. Yd.	Hole No.	Ft. Hole Depth	Lbs. Black Sands/Cu.Yd.
*PF-111Y	78	101	*PF-124Y	41	40
1/PF-112Y	31	10	*PF-125Y	15	74
*PF-113Y	70	30	1/*PF-126Y	23	28
*PF-114Y	66	56	1/*PF-127Y	37	22
*PF-115Y	57	36	PF-128Y	44	33
*PF-116Y	34	76	1/*PF-129Y	15	75
1/PF-117Y	13	Not concentrated	1/PF-130Y	7	Not concentrated
1/PF-118Y	6	Not concentrated	*PF-131Y	54	51
*PF-119Y	36	57	1/PF-132Y	29	41
1/PF-120Y	40	31	1/PF-133Y	22	8
1/PF-121Y	24	5	*PF-134Y	20	48
1/PF-122Y	15	9	*PF-135Y	10	77
*PF-123Y	40	50			

Note: *Bedrock was not reached because of caving ground in most cases, because of lack of casing.
1/Drill hole outside of dredgable gravel channel.

Cross sections are being prepared by the company from which yardage estimates will be made. This data will be transmitted with a future report.

A cost study of the clamshell drilling during Phase II was made for comparison with conventional churn drilling costs. This information has been summarized as follows:

Operational and Cost Data of Clamshell Drill

Paddy Flat, Idaho
August 4 - 27, 1952

Drilling

Total feet drilled		830
Total hours drilling and lost time		168
Hours drilling time		121
Lost time:		
Moving from hole to hole	18	
Fueling and greasing	4	
Repairs	18-3/4	
Waiting for road construction	6-1/4	47
Feet per hour actual drilling time		6.86
Feet per hour total time		4.96
Total number of holes		25
Average depth of holes, feet		33.2
Minimum depth, feet		6
Maximum depth, feet		78

Procurement of casing was delayed because of the steel strike, so that casing was used in only 2 of the 25 holes. Mr. Yost estimates that in ground requiring casing throughout, drilling time would be about 50 percent higher.

Sixteen of the 25 holes did not reach bedrock because of caving and lack of casing and in one instance where the gravel was deeper than the capacity of the drill. The capacity of the hoist drum in use at the time only held enough cable for a 78 foot hole.

Costs 21 days operating time	
Labor (driller and helper)	$ 602.88
Fuel	164.22
Lubricating oil	14.07
Repairs	71.25
Depreciation on 5 yr. basis	150.00
Supervision and administration	166.00
Total Cost	$1,168.42
Cost per foot drilled	$ 1.41

Wages:	Driller	$1.85 per hour
	Helper	1.50 per hour

3 days overtime at 1-1/2 during drilling period.

Sampling cost not included because its cost will vary depending upon the manner in which it is done.

Cost of moving from one property to another has not been included either, because this cost will vary considerably depending upon distances and circumstances involved.

Mr. Yost estimates that churn drilling under similar conditions would probably cost about $3.50 - $4.00 per foot. This estimate is based on years of experience in California when churn drills sampled the gravel channel continuously ahead of operating dredges.

John D. Bardill

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
JDB/vf

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

1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 23 1952

October 22, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Chief, DMPA Section, Bureau of Mines, Reg. II

Subject: Interim Inspection Report - Cosumnes Gold Dredging Company, Paddy Flat Placer Deposit, Valley County, Idaho, Contract Idm-E351, Docket No. DMEA 2265 (monazite)

This property was visited August 18 and September 24, 1952 to inspect the progress of this project. The attached sketch map shows the approximate location of the 10 holes under Stage I and the 25 holes under Stage II. Applicant will submit a more accurate map in the near future based on a new survey and tied into section corners.

As previously mentioned, the contents of one-half or one-quarter of a hole was screened and tabled at the Cascade plant. Samples of the table concentrates were shipped to Dings Magnetic Separator Company at Milwaukee, Wisconsin for further concentration into magnetite, ilmenite, garnet and monazite concentrates and tailings. The results of the first nine tests have been used to calculate the approximate contents of the black sands:

Hole No.	Ft. Depth	Lbs. Black Sands/Cu. Yd.	Calculated Content, Lbs./Cu. Yd. Magnetite	Ilmenite, Garnet, Etc.	Monazite
PF 101Y	18	9.6	0.43	4.9	0.15
*PF 102Y	10	58.5	14.4	26.4	1.05
PF 103Y	15	23.0	1.1	10.6	0.74
PF 105Y	27	137.0	50.2	34.9	2.46
*PF 106Y	20	43.1	0.07	9.9	0.82
PF 107Y	31	65.2	5.7	18.9	? 26.0
PF 108Y	26	30.5	14.5	7.2	0.49
PF 109Y	20	52.1	11.5	21.4	0.63
*PF 110Y	84	52.2	19.3	11.8	0.58

Note: Calculated content of black sands is based on Dings EBK High Intensity Magnetic Separator tests. Monazite content will be corrected when chemical analysis of products are available.

*Did not reach bedrock.

Balance of sands are tailings other than the above concentrates.

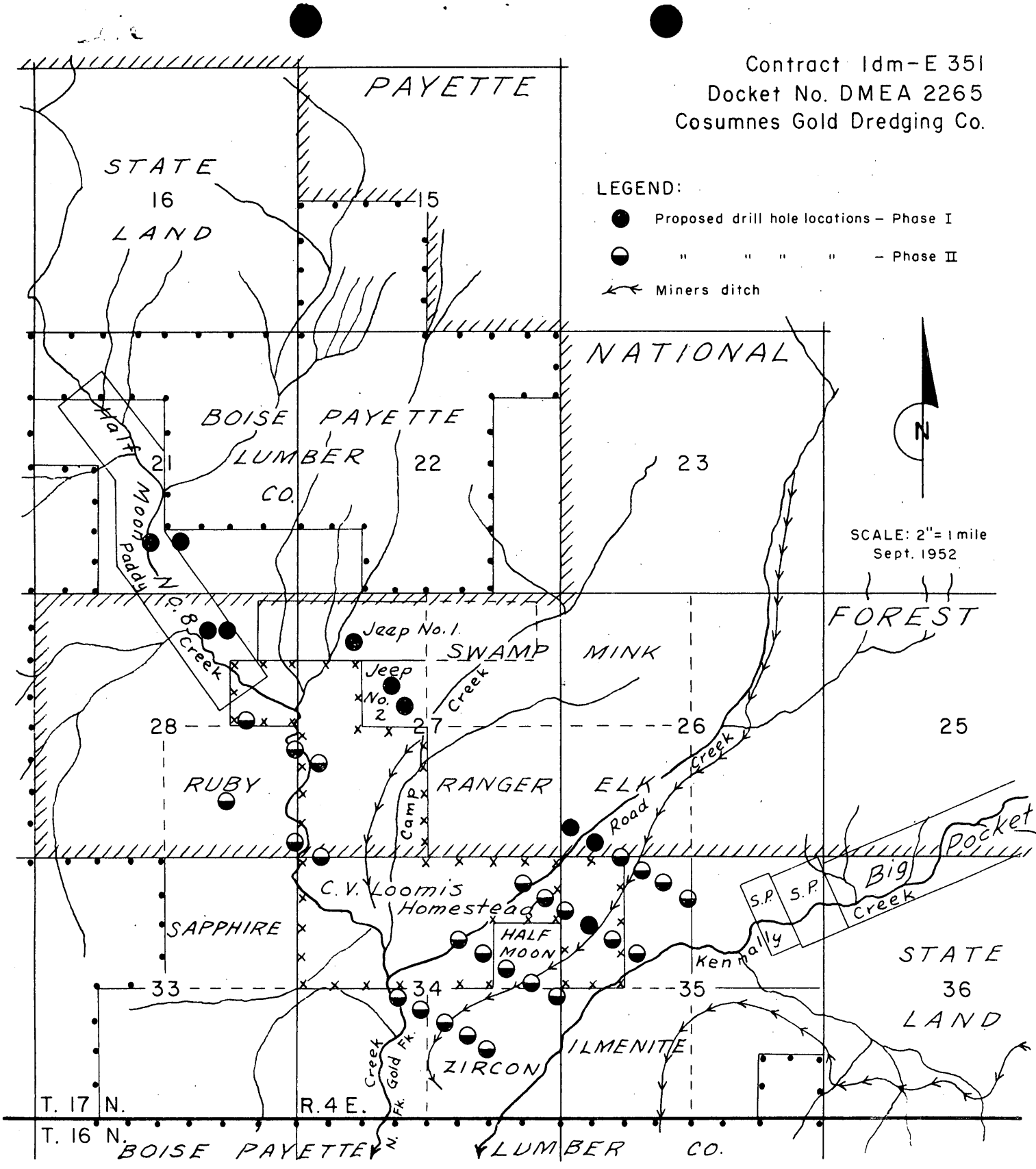
The first 10 test drill holes of Phase I were completed July 31, 1952. Drilling under Phase II of the contract was started August 4. Twenty-five of the fifty holes allowed were completed August 27 when drilling was suspended until the results of the first 35 holes are known.

Test hole depths are:

Hole No.	Ft. Depth	Hole No.	Ft. Depth
PF-111Y	78	PF-124Y	41
PF-112Y	31	PF-125Y	15
PF-113Y	70	PF-126Y	23
PF-114Y	66	PF-127Y	37
PF-115Y	57	PF-128Y	44
PF-116Y	37	PF-129Y	15
PF-117Y	13	PF-130Y	7
PF-118Y	6	PF-131Y	54
PF-119Y	36	PF-132Y	29
PF-120Y	40	PF-133Y	22
PF-121Y	24	PF-134Y	20
PF-122Y	15	PF-135Y	10
PF-123Y	40		

John D. Bardill

Orig. & 3 - Wash.
USGS (2)
DMEA
M/D
JDB/vf



SKETCH MAP SHOWING APPROXIMATE
LOCATION OF TEST HOLES
PADDY FLAT PLACER DEPOSIT
VALLEY COUNTY, IDAHO

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

C C
O O
P P
Y

1201 N. Division St.
Spokane 2, Washington
October 22, 1952

Cosumnes Gold Dredging Company
Box 532
Cascade, Idaho

Attention: Mr. Merrill Yost, Mgr.

Subject: Amendment No. 1, Contract Idm-E350
~~Amendment~~ No. 2, Contract Idm-E351 2265

Dear Mr. Yost:

Enclosed are copies of the subject amendments. If these amendments meet with your approval please sign all copies, retain one copy of each for your files and return the others, including the originals, to this office.

Sincerely yours,

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

Enclosures

cc: DMEA, Wash. (2)
USGS (2)

C C
O O
P P
Y

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SEP 1 1952

So. 157 Howard Street
Spokane 4, Washington

September 16, 1952

Memorandum

To: [illegible] Field Team, Region II

From: Frank C. Armstrong, Geologist, U. S. Geological Survey

Subject: Examination of Cosmos Gold Dredging Company, Paddy Flat Placer Claims, Docket No. DMA-2265, Contract No. Idm-351, Monazite, Columbium-Tantalum.

I visited Paddy Flat September 6 in company with Merrill Foot, resident manager for Cosmos Gold Dredging Company, and Dwight Schmidt, geologist for the U. S. Geological Survey. Phases I and II of the project had been completed which constitutes the physical exploration for the project. The samples taken have yet to be analyzed. Phase II of the project consisted of drilling 25 holes instead of 50 holes as originally set forth in the contract, as later modified by Volin and Hobbs' letter of July 31, 1952, and Foot's memorandum dated August 25, 1952. Many of the holes were drilled deeper than 35 feet as originally outlined in the contract. Several of the holes were drilled as deep as 92 feet without penetrating bedrock. The drill and other equipment were moved out of Paddy Flat shortly before my visit there on September 6.

Originally it was thought that drilling would show all of Paddy Flat proper contains gravels that could be placered. However, drilling indicates that only the northern part of Paddy Flat contains gravel of economic interest. It was found that two bedrock ridges separated the northern and southern parts of Paddy Flat and that south of the northernmost ridge the gravels do not contain economic concentrations of heavy minerals. The northern part of Paddy Flat is an old stream channel that has a more easterly trend than the present drainage and crosses the present drainage pattern at an angle of about 70 degrees. By drilling, the old stream channel was traced to the east across the ridge dividing Paddy Creek and Camp Creek, across Camp Creek, across the ridge dividing Camp Creek and Rapid Creek, and east of this point the channel swings to the south. On the ridge between Rapid and Camp Creeks holes 32 feet deep were drilled but did not enter bedrock. The gravels in this old channel differ from those in the area in that they are rich in magnetite and relatively poor

in ilmenite—the reverse is usually the case. Yohemit is of the opinion that somewhat west of where the old channel swings south there are more [illegible], thick gravels which may represent a tributary to the old channel.

Yost estimates that in the gravel beds he explored there are 6,000,000 cubic yards of gravel which will average between 60 and 70 pounds of heavy concentrate per yard, about half of which would be magnetite. The rest of the concentrate would consist doubtfully of ilmenite, garnet, monazite, zircon, zoisite and some oxide ores - tantalum and radioactive minerals. According to Yost's figures one of the deeper holes has an average value of $[illegible] per cubic yard. Yost plans to separate and market all of the above heavy minerals. He even spoke of the possibility of finding a market for the quartz in the gravel.

Yost sends his samples for magnetic separation to Dings Magnetic Separator Company, 4700 West Electric Avenue, Milwaukee 46, Wisconsin. It is understood that the monazite fraction he will send to Chas. A. Hanks, Inc., assayers, in San Francisco, for rare earth determinations. It is my understanding that Hanks is doing the rare earth determinations on the samples from the Mountain Pass District in Southern California.

This winter Yost plans to send bulk samples to the Research Foundation at the Colorado School of Mines to determine the best methods of mineral separation in order to recover marketable concentrates of all of the heavy minerals.

Yost objected to the deletion of $[illegible] for engineering, supervision and management from the July account. He has written the Bureau of Mines about it.

While in Lapwai, Idaho, I met Mr. [illegible] Murphy of the Provo Division of the U. S. Steel Corporation at Provo, Utah. He said that U. S. Steel is very interested in this placer development as a possible source of magnetite. The hope is that Clearwater Idaho placers and a Consumes placer in California would be able to supply the plant at Provo with 1,000 tons of magnetite per day. Apparently the Idaho magnetite is a very high-grade furnace feed. The standard analysis shows an iron content of 6[illegible] percent for one sample from Dally Flat. This sample was roughly concentrated by the use of a hand magnet, and Yost thinks that it would be possible to produce a concentrate running perhaps as high as 7[illegible] percent iron. The magnetite would be nodulized to give a uniform size furnace feed--a point which Murphy stressed as extremely desirable. According to Yost, U. S. Steel would make a high grade steel from magnetite which would be used in the manufacture of tin cans. Because of the thinness of the can and of the tin plate on it, it is apparently necessary to use a high grade

steel so that impurities will not get through the tin plate or otherwise damage the can. [illegible] took numerous samples for analysis for several constituents. I got the impression that if the analyses proved favorable, U. S. Steel would be willing to make many more analyses for comparison. I also got the impression that if the analyses are favorable then U. S. Steel would be interested in cooperating in the exploration and development of the property. [illegible] brought up the possibility of using a magnetometer to outline the old stream channel and to explore for other magnetite-bearing placer deposits in the area. The general impression left with me was that U. S. Steel was already sufficiently interested to really look into the deposits. Last spring he wanted [illegible] to know about [illegible] U. S. Steel representatives but asked that the information not be made public.

Last [illegible] work in the Jally Fast area next year. The plan at present is to drill all holes to bedrock that have not reached it, and to delineate more thoroughly the old channel in order to plan placer operations and better determine grade.

Frank G. Armstrong
Geologist

cc: [illegible] (1)
[illegible] (2)
J. Hoover Mackin
Armstrong

Y

Magnetite

Smelter analysis by U. S. Steel.

Sample from C. U. D. Co. Paddy Flat property, Idaho.

Al_2O_3	1.76 %
SiO_2	1.87 %
CaO	Trace
MgO	Trace
Fe m	69.0 %
S	.010 %
Phos.	.023 %
Mn	.13 %
TiO_2	.06 %
Cu	.005 %
Pb	.005 %
Arsenic	.005 %
Zn	.01 %
V	.06 %
Ca F	.0175 %

By Mr. Sargis

Copy by [illegible] Kart. Sept. 5, 1952.

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

1201 N. Division St.
Spokane 2, Wash.
September 15, 1952

Cosumnes Gold Dredging Co.
Box 532
Cascade, Idaho

Subject: Contract Idm-E351, DMEA Docket No. 2265 (monazite)

Gentlemen:

Answering that portion of your letter of August 30, 1952, to Mr. Volin, referring to deletions made on your invoice submitted for the period June 27 to July 31, the item of $250.00 for rental on the dozer was deleted because the amendment allowing this charge had not been signed and received by us when the subject invoice was checked. This amendment has now been received and this charge may be reclaimed on your next invoice if you wish.

When your invoices and supporting papers are received by us they are checked here and then sent to our Fiscal Officer at Albany, Oregon, as he is the one who certifies them for payment. It was rather difficult for us to determine, therefore, just why the charge of $360.00 for supervision had been disallowed since your certified payroll had been sent to Albany. We talked with the Fiscal Officer on the telephone, and he states that the $360.00 for supervision was not shown on the certified payroll and that is undoubtedly the reason it was disallowed on this particular invoice. Mr. Hull wrote you August 14, asking you for a more detailed payroll to cover the period under discussion. Your contract calls for an expenditure of $360.00 for supervision under Stage I, and if you will include this on a subsequent certified payroll as a separate item and make a notation calling the circumstances to our attention, we will be glad to pass it for payment.

Our Washington office has requested that you submit with future monthly reports a more complete narrative description of the work done and maps showing the location of holes, depth of holes, and any assay data you have on them. This information is requested also for your June 27-July 31 invoice and for your August report which we have just received.

Sincerely yours,

Thomas E. Howard
Mining Engineer

cc: USGS (2)
DMEA & AD
JDB
W. Rulon Lee
WASH (2)

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

1201 N. Division St.
Spokane 2, Wash.
September 5, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 15 1952

Mr. Merrill Yost, Gen. Mgr.
Cosumnes Gold Dredging Co.
Cascade, Idaho

Subject: Contract Idm-E351, DMEA Docket No. 2265

Dear Mr. Yost:

This is in answer to your letters of August 20 and 30, 1952.

Mr. Howard of this office gave Mr. Vandeventer answers to some of the questions in your letter of August 20, and your second letter confirms that this information was relayed to you.

With respect to your question as to whether the subject contract permits iron and titanium oxide pilot plant tests, it is my guess that the amount of funds left over after sampling and assaying charges will not be enough to undertake such tests. If considerable funds remain, however, I believe that they could be used for metallurgical studies for the purpose of improving monazite recoveries. Separation of the iron and titanium incidental to such tests would be permissible, but I do not believe that expenditures for metallurgical studies directly concerned with iron and titanium would be permissible under the contract.

As Mr. Bardill may have informed you, the Albany metallurgical laboratories, under the supervision of Mr. Stephen M. Shelton, Regional Director, Region II, are undertaking certain metallurgical tests for the improvement of grade of the ilmenite sands associated with the monazite. Bureau of Mines funds allotted for this purpose are not enough to go into the investigation very far. Perhaps some of the companies conducting monazite operations and interested in the marketing of by-product ilmenite sands, such as the Cosumnes Gold Dredging Company, will want to enter into a cooperative project with the Bureau of Mines in making full-scale metallurgical studies leading to the utilization of the ilmenite. I am having Mr. Bardill discuss this with you on his next inspection trip to your DMEA project.

I believe the assaying service of the Abbot Hanks laboratories will be satisfactory for the analytical work in connection with your DMEA project.

Mr. Howard will write you in regard to the items deleted from your last voucher for reimbursement under your contract.

If we can help you further in connection with your contract please do not fail to get in touch with us.

Sincerely yours,

M. E. Volin, Member
DMEA Field Team
Region II

MEV:he

cc: DMEA, Wash. (2)
USGS, (2)
Stephen M. Shelton
DMEA
DF
JDB

FILE COPY
SURNAME:
700

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

SEP 4 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA-2255 (Monazite)
Consumers Gold Dredging Co.
Paddy Flat Placer
Valley Co., Idaho

Dear Mr. Weissenborn:

Kindly instruct the operator to furnish with the "Operator's Monthly Report Form MF-104" a concise narrative description of the work done. Wherever possible the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of churn drilling, the location of holes is to be shown on a map; logs and assays also are to be submitted.

Sincerely yours,

Ernest Wm. Ellis (EWE)
ACTING Chairman, Operating Committee

APPROVED:
J. H. Hedges (JHH)
Member, Bureau of Mines

D. M. Lemmon (DML)
Member, Geological Survey

FLKnouse/jem 9/2/52
cc to: Adm. Reading File
Docket
Messrs. E.J.Carlson-1347
J.J.Norton-G-232
Ellis Knouse
Opr. Committee
Field Team, Region II

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

1201 N. Division St.
Spokane 2, Wash.
August 26, 1952

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
262 West Santa Ines
San Mateo, California

Subject: Docket No. DMEA 2265, Contract Idm-E351,
Cosumnes Gold Dredging Co., Valley County, Idaho

Dear Mr. Standifer:

Our original instructions to you were to have Dings Magnetic Separator Company send the monazite sand samples to the Bureau of Mines Metallurgical Laboratory at Albany, Oregon, for assaying. In a recent discussion, the Regional Director, Mr. Stephen M. Shelton, stated that this procedure would not be consistent with Bureau of Mines policy not to compete with private assaying firms. Accordingly, we are notifying you at this time to send the monazite samples to some private assayer such as Ledoux & Co., 157 Sixth Ave., New York City, Foote Minerals Co., 1604 Summer St., Philadelphia, Pa., or such firm as you may choose.

The following schedule of assaying is suggested and will be satisfactory to the Field Team:

1. On the samples from each hole returned from Dings Magnetic Separator Company:

   a. Monazite fraction;
      Assay for total R.E.O., ThO, and U_3O_8 (if suspected in appreciable quantities).

   b. Magnetic fraction;
      Assay for Fe and TiO_2.

   c. Ilmenite fraction;
      Assay for TiO_2 and Fe.

2. On one or more composite samples (depending on your own judgment):

   a. Magnetic fraction;
      Assay for R.E.O., ThO, and U_3O_8.

b. Ilmenite fraction;
Assay for R.E.O., ThO_2 and U_3O_8.

c. Tailings fraction;
Assay for R.E.O., ThO_2 and U_3O_8.

Assays for $(Ta,Cb)_2O_5$ should be made on any samples suspected to contain tantalum or columbium.

You may, of course, want to include other fractions and assay for other metals and oxides to fully complete the overall picture. We would like to receive your ideas in this respect.

You should instruct the assay office to return the rejects for possible future checking.

We will appreciate receiving the assay data when it is reported to you.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II
(U. S. Bureau of Mines)

Thor Kiilsgaard
For: A. E. Weissenborn
(U. S. Geological Survey)

cc: Mr. Merrill Yost, Cascade, Idaho
Mr. Dwight Schmidt, Cascade, Idaho
USGS, Spokane
DMEA, Wash. (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
S. 157 Howard Street
Spokane 4, Washington

August 21, 1952

Memorandum:

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region II

Subject: Amendment No. 1 to exploration project, Contract Idm-E351 Docket No. DMEA 2265 (monazite) Cosumnes Gold Dredging Co., Valley County, Idaho

Transmitted herewith are three copies of the captioned amendment together with two copies of a memo of justification prepared by a representative of the Field Team.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

cc: DMEA, Wash. (2)
USBM, Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1952

RECEIVED
SEP 5 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

SJS 8/26/52

SD

M. E. Volin, Member, DMEA Field Team, Region II August 13, 1952

John D. Bardill, Metallurgist, DMPA Field Team, Region II

Interim inspection report - Columbus Gold Dredging Company
Valley County, Idaho, DMEA Docket No. 2265,
Contract Idm-E351 (monazite, columbium-tantalum)

SUMMARY

Applicant has completed Stage 1 of the contract providing for 10 test holes in the placer gravels at Paddy Flat in the vicinity of Paddy Creek, Camp Creek and Rapid Creek. Preliminary estimates are that the deposit may contain 50 or 60 million cubic yards of gravel containing an estimated 1 pound of monazite, 60 pounds of black sand (60 percent ilmenite and 40 percent magnetite), 5 pounds of garnet, 1 pound of zircon and 6 cents to 7 cents gold per cubic yard.

The Field Team has authorized Stage 2. Applicant plans to drill about 25 holes instead of the 50 originally anticipated feeling that the smaller amount will be sufficient to prove the ground.

WORK PROGRESS

This property was visited July 25th and 26th, 1952.

A novel clamshell type drill is being used to drill the test holes. The outfit is quite similar to a churn drill rig except that the drill bit is replaced with an air actuated clamshell. The clamshell digs a 22 inch diameter hole and after each bite is hoisted and discharged into the shovel of the sampler, yielding an excellent sample. In the case of the conventional churn drill, heavy gold can concentrate into the bottom of the hole by the agitating effect of the drill and continue downward, giving the false impression that the gold occurred at a lower horizon than was actually the case. When the ground caves, casing is used. A Bureau of Mines Information Circular will be prepared on this method of drilling with cost data.

Hole depth for the first 10 holes varied from about 10 to plus 84 feet, averaging 25 to 30.

The sample plant has been set up at Cascade in a rented barn. Equipment and treatment consists of a small trommel which yields four products, a plus 5/8" size, minus 5/8" plus 10 mesh, minus 10 mesh and slime. The minus 10 mesh material is tabled on a laboratory size table to recover a black sand concentrate. The black sand concentrate will be s shipped to Dings Magnetic Separator Company at Milwaukee, Wisconsin, where a separation will be made into magnetite, ilmenite, monazite and

probably garnet and zircon. The monazite concentrates will be sent to the Bureau of Mines laboratory at Albany, Oregon, for analysis.

If the drilling indicates the placer ground to be economically dredgable, the company will probably plan an integrated operation; that is, the various components of the black sands will be separated and recovered. A monazite concentrate would be marketed to government stockpile or private consumer. The magnetite concentrate is planned to be reduced to pig iron or steel in a plant to be constructed at or near Cascade, Idaho. Similarly, the ilmenite concentrate is planned to be reduced to pig iron and a slag from which titanium dioxide pigment would be recovered. The garnet and zircon would find a market for sandblasting. This plan would obviate the failure of the operation in case the market and price declined drastically for monazite.

Detailed data of the sampling will be presented in a later report when the results are available.

The realistic view the applicant is taking to recover all constituents of the black sands demonstrates their competence.

Several minor amendments to the contract will expedite work progress.

John D. Bardill

cc: Wash. (2)
USGS (2)
JDB

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

So. 157 Howard Street
Spokane 4, Washington

July 31, 1952

Mr. G. M. Standifer, President
262 W. Santa Inez
San Mateo, California

Re: Docket DMEA-2265
Cosumnes Gold Dredging Co.
Valley Co., Idaho
Monazite, Columbium, and Tantalum
Contract No. Idm-E351

Dear Mr. Standifer:

This is in reference to a visit of Mr. Yost with Mr. Bardill of the Bureau of Mines and Mr. Hobbs of the Geological Survey regarding the progress of the exploration work as proposed in the above indicated contract.

Stage I of the contract has been completed with very encouraging results, indicating the presence of approximately 50 or 60 million cubic yards of gravel containing an estimated 1 pound of monazite per yard, 60 pounds of black sand (60 percent ilmenite and 40 percent magnetite), 5 pounds of garnet, 1 pound of zircon and 6¢ to 7¢ gold. Your plans for commercializing on all of the above products indicates that the deposit is very attractive for a mining enterprise.

Stage II of the contract calls for the drilling of 50 additional holes to confirm any encouraging results of Stage I. You state that in your estimation 25 holes will be sufficient to accomplish the desired results because of the elimination of a large tract of ground in the Stage I drilling.

This letter constitutes approval to proceed with Stage II of the contract to the extent deemed necessary to adequately prove the placer ground,--provided that nothing in this approval shall be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any items of allowable cost which are expressly designated "Allowable Maximum".

By DMEA Field Team, Region II

M. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

S. Warren Hobbs, Acting Member
(U. S. Geological Survey)

cc: DMEA (3)
USBM, Spokane (2)
USBM, Albany
Dwight Schmidt
Merrill Yost

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

July 22, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

Mr. F. E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Cosumnes Gold Dredging Company
Contr. Idm-E351, Docket DMEA-2265
Paddy Flat Placer, and
Contr. Idm-E315, Docket DMEA-2264
White Hawk Claims
(Monazite, Columbium and Tantalum)

Dear Mr. Johnson:

Enclosed are the original and ~~three~~ two copies of the subject contracts with the Cosumnes Gold Dredging Company, all signed by the operator. One copy has been retained by the operator and one for our files. We believe that the contract and subordination agreements now are in order.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

SDS
7-28-52

Enclosures

cc: USBM, Spokane
USBM, Albany

P.S. By copy of this letter, the Finance Officer's copy is being mailed directly to Albany in accordance with instructions in your letter of July 18.

FILE COPY
SURNAME:

140

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

Air Mail

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Cosumnes Gold Dredging Co.
Docket No. DMEA-2265
Contract No. Idm-E351

Dear Mr. Weissenborn:

This letter is in reference to your inquiry of July 3, 1952, addressed to Mr. Mittendorf, regarding the subject contract.

The "Owner's Consent to Lien" now attached to the contract and signed by Mr. George Denison is dated prior to the date that he acquired the property owned by Betty and Frank McElhone, and therefore is insufficient as far as concerns that particular piece of property. Consequently, another "Owner's Consent to Lien" should be signed by Mr. Denison, dated after the date this property was transferred to him and attached to the contract.

If the date of this new "Owner's Consent to Lien" is to be subsequent to the date of the Exploration Project Contract, the consent should be in the amended form attached hereto, and there should be inserted in Article 13 of the contract the following:

> "This contract is subject to, and to remain effective only upon, there being attached hereto prior to August 1, 1952, an 'Owner's Consent to Lien' duly signed by George Denison covering the property transferred to him by Betty and Frank McElhone by deed dated _____ and recorded in _____ /here insert the date and place this deed was recorded/."

If the cost of moving the equipment from Sloughhouse, California, and the beginning of operations are

provided for in the contract, they are proper charges since they occurred subsequent to the date of the contract.

Sincerely yours,

ce 7/15/52

George C. Selfridge (JHB)

ACTING Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges (JHB)

Member, Bureau of Mines

T. P. Thayer (JHB)

Member, Geological Survey

FLKnouse/AEKane/gla/em
written 7/11/52

Copy to: Adm. Reading File
Mails and Files
Operating Committee
J. J. Norton, Rm. G-232 GSA
E. J. Carlson, Rm 1347
E. W. Ellis
F. L. Knouse
E. A. Kane
J. L. Hofflund
chron.

7/8/52 - Ingle
Ha

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

So. 157 Howard Street
Spokane 4, Washington

July 3, 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
Cosumnes Gold Dredging Co.

Dear Mr. Mittendorf:

This will acknowledge receipt of your teletype of July 2 regarding the obtaining of Owner's Consent to Lien forms from the purchaser of the Betty and Frank McElhone interest in the Paddy Flat property. Mr. George Denison is the purchaser of the McElhones' interest. He has already signed an Owner's Consent to Lien. However, I have noted that this consent to lien is dated as of the 31st of May and I have assumed that the quit-claim deed from the McElhones is at some later date and therefore we would obviously require another consent to lien as the previous one would not cover anything which Mr. Denison did not own at the date of the consent. I have therefore contacted Mr. Standifer and have advised him that we will have to have another consent to lien from Mr. Denison before we can turn the contract over to him to execute. It also said that we should have a certified copy of the quit-claim deed, but because there will be some delay involved I assume from your teletype that it will not be necessary to withhold the contract until the certified copy of the quit-claim deed is obtained.

Mr. Standifer is already moving his equipment to the property from Sloughhouse, California. I presume that provided Mr. Standifer can obtain the necessary Owner's Consent to Lien from Denison, any legitimate expenditures made after the agreement date of the contract will constitute a proper charge, even though Mr. Standifer cannot sign the contract until later.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 - 1952

cc: USBM, Spokane

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

So. 157 Howard Street
Spokane 4, Washington

July 3, 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
Cosumnes Gold Dredging Co.

Dear Mr. Mittendorf:

This will acknowledge receipt of your teletype of July 2 regarding the obtaining of Owner's Consent to Lien forms from the purchaser of the Betty and Frank McElhone interest in the Paddy Flat property. Mr. George Denison is the purchaser of the McElhones' interest. He has already signed an Owner's Consent to Lien. However, I have noted that this consent to lien is dated as of the 31st of May and I have assumed that the quit-claim deed from the McElhones is at some later date and therefore we would obviously require another consent to lien as the previous one would not cover anything which Mr. Denison did not own at the date of the consent. I have therefore contacted Mr. Standifer and have advised him that we will have to have another consent to lien from Mr. Denison before we can turn the contract over to him to execute. It also said that we should have a certified copy of the quit-claim deed, but because there will be some delay involved I assume from your teletype that it will not be necessary to withhold the contract until the certified copy of the quit-claim deed is obtained.

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Sincerely yours,

JUL 7 - 1952

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM, Spokane

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

So. 157 Howard Street
Spokane 4, Washington

July 3, 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
Cosumnes Gold Dredging Co.

Dear Mr. Mittendorf:

This will acknowledge receipt of your teletype of July 2 regarding the obtaining of Owner's Consent to Lien forms from the purchaser of the Betty and Frank McElhone interest in the Paddy Flat property. Mr. George Denison is the purchaser of the McElhones' interest. He has already signed an Owner's Consent to Lien. However, I have noted that this consent to lien is dated as of the 31st of May and I have assumed that the quit-claim deed from the McElhones is at some later date and therefore we would obviously require another consent to lien as the previous one would not cover anything which Mr. Denison did not own at the date of the consent. I have therefore contacted Mr. Standifer and have advised him that we will have to have another consent to lien from Mr. Denison before we can turn the contract over to him to execute. It also said that we should have a certified copy of the quit-claim deed, but because there will be some delay involved I assume from your teletype that it will not be necessary to withhold the contract until the certified copy of the quit-claim deed is obtained.

Mr. Standifer is already moving his equipment to the property from Sloughhouse, California. I presume that provided Mr. Standifer can obtain the necessary Owner's Consent to Lien from Denison, any legitimate expenditures made after the agreement date of the contract will constitute a proper charge, even though Mr. Standifer cannot sign the contract until later.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

JUL 7 - 1952

cc: USBM, Spokane

FILE COPY
SURNAME:

F L Knouse
Butler
Hofklund

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

D.M.E.A.

F. L. Knouse
4640

1420137 Salaries and 5296
Expenses, Defense Production Activities, Interior 1952
July 1, 1952

Mr. A. E. Weissenborn, Executive Officer, Region II, DMEA Field Team
South 157 Howard Street, Spokane 8, Washington
Docket No. DMEA-2265, Cosumnes Gold Dredging Company

PURCHASER OF BETTY AND FRANK McELHONE INTEREST IN PROPERTY MUST EXECUTE OWNER'S CONSENT TO LIEN FORMS AND IT MUST BE ATTACHED TO CONTRACT PRIOR TO EXECUTION.

C. O. Mittendorf (for)
cc
7/2/52
ACTING ADMINISTRATOR

FLKnouse/jem
7/1/52

cc to: Adm. Reading File
Docket
Ellis
Knouse

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY D.M.E.A.

Originator: F. L. Knouse
Ext.: 5296 Room: 4640

1420137 Salaries and TELETYPE
Appro.: Expenses, Defense Production Activities, Interior 1952
Date: July 1, 1952
Time:
No.:
To: Mr. A. E. Weissenborn, Executive Officer, Region II, DMEA Field Team
South 157 Howard Street, Spokane 8, Washington
Subject: Docket No. DMEA-2265, Cosumnes Gold Dredging Company

PURCHASER OF BETTY AND FRANK McELHONE INTEREST IN PROPERTY MUST EXECUTE OWNER'S CONSENT TO LIEN FORMS AND IT MUST BE ATTACHED TO CONTRACT PRIOR TO EXECUTION.

C. O. Mittendorf

ACTING ADMINISTRATOR

Authorized:

Sign original message and transmit to Room 2517 in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

FILE COPY
SURNAME: 700

FLKnouse
Ellis

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

JUN 25 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA-2265 (Monazite)
Paddy Flat Placer
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

In addition to the material transmitted to you with our letter dated April 21, 1952, on the captioned case we are enclosing the following to complete your file.

1. Map showing location of drill holes and sample pits completed by the applicant prior to the proposed contract.

2. Logs of drill holes and sample data for both drill holes and samples as shown on map under Item 1.

3. Larger scale map than the one attached to the contract, of hole locations to be drilled under Stage 1 of the contract.

It is believed this material will be helpful to you during the administration period of this contract.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

6/26

Enclosures
APPROVED: J. H. Hedges (HS)
Member, Bureau of Mines

D. M. Lemmon (HS)
Member, Geological Survey

FLKnouse/jem
6/24/52
cc to: Adm. Reading File
Docket
Messrs. EJCarlson-1347
JJMorton-G-232 GSA
Ellis Knouse
Opr. Committee
Field Team, Region II

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON

June 23, 1952

Memorandum

To: Executive Officer, Region II

From: DMEA Operating Committee

It will be necessary to insert in the contracts in the space provided under Article 3 the number of days from the date of the contracts in which work shall commence.

FILE COPY
700 SURNAME:

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

JUN 23 1952

F L Knouse
Ellis

Mr. A. H. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DME-2265 (Monazite)
Paddy Flat Placer and
Docket No. DME-2264 (Monazite)
White Hawk Placer
Cosumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Weissenborn:

Enclosed are the originals and five copies of the two captioned contracts signed by the Government, with attachments.

The contract under Docket No. DME-2265 is subject to the execution of an Owner's Consent to Lien signed by (or for) Betty and Frank McMahone and attachment thereto. Then if the terms and conditions of these contracts meet with the approval of the Operator, the originals and all copies are to be signed by a company official authorized to sign the contracts. When the contracts are signed the copies marked "Operators Copy" are to be given to the Operator and the copies marked "Field Team's Copy" are to be retained by your office, and the originals and three copies are to be returned to this office.

If any part of either of these contracts do not meet with the approval of the Operator, the original and all copies are to be returned to this office with the proposed changes.

The revised applications were for a total amount of $37,3[illegible]9.11 for Docket No. DME-2265 and $27,449.29 for Docket No. DME-2264. These contracts (Docket No. DME-2265 for a total amount of $28,[illegible]25.00 and Docket No. DME-2264 for $20,004.00) show differences for the amounts applied for which are due to reductions in the quantity of equipment and supervision as approved by your office and by the Operator.

Sincerely yours,

cc 6-23

(signed) FRANK E. JOHNSON
(FEJ)
Chairman, Operating Committee
FLKnouse/jem 6/19/52
cc to: Adm. Reading File Docket
Messrs.EJCarlson-1347
JJNorton-G-232 GSA
Ellis Knouse
Opr. Committee
Field Team, Region II

Enclosures
AP Review: J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Lemmon (DML)
Member, Geological Survey

C. O. Mittendorf, Actg. Administrator
Defense Minerals Exploration Adm.
Department of the Interior

FILE COPY
SURNAME:

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

Collect

Day Letter

June 23, 1952

G. M. Standifer, President
Cosumnes Gold Dredging Company
Suite 403
465 California Street
San Francisco, California

Today Contracts DMEA-2264 Paddy Flat Placer and DMEA-2265 White Hawk Placer were mailed to DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington.

C. O. Mittendorf (fw)

C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Adm.

COMittendorf/hb

Copy to: Adm. Reading File
✓Dockets (DMEA-2264)
Mr. Ellis
Operating Committee
FEJohnson
Region II

J.N.
6-23-52

FILE COPY
SURNAME:
70[illegible]

FLKnouse
Ruby
Ellis
Lemmon
Felgenson

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

AIR MAIL

JUN 23 [illegible]

Mr. G. R. Standifer, President
Columbia Gold Dredging Company
Suit 403
465 California Street
San Francisco, California

Re: Docket No. DMEA-2/65A (Monazite)
Paddy Flat Placer
Valley County, Idaho

Dear Mr. Standifer:

Before the contract can be completed on the captioned project we will require an Owner's Consent to Lien form signed by (or for) Betty and Frank Kohlhene. This is necessary because they are two of the six owners on the contract dated November 9, 1951, to sell certain claims on which some of the proposed work is to be done. This contract was signed on their behalf by George Denison as their Attorney in Fact. However, they did not join in the Owner's Consent to Lien which was signed by the other four owners.

Six copies of Form MF-203 "Owner's Consent to Lien" are enclosed which are to be signed and attached to the contract prior to execution of it by you at the office of the Defense Minerals Exploration Administration, Region II, South 157 Howard Street, Spokane 8, Washington.

Sincerely yours,

6/23

Ernest W. Ellis, Chief
Rare and Misc. Metals Division

Enclosures

FLKnouse/Rubin/jem 6/19/52
cc to: Adm. Reading File
Docket
Messrs. E.J.Carlson-1347
J.J.Norton-G-232 GSA
Ellis Knouse
Rubin
Field Team, Region II (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR

140

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 17, 1952

Memorandum

To: Acting Administrator

Through: E. W. Ellis

From: Chief Counsel

Subject: Cosumnes Gold Dredging Company, Docket No. DMEA-2265

There is attached, in satisfactory legal form for execution, a contract covering the above described project, subject to obtaining and attaching to the contract, prior to execution, an Owner's Consent to Lien form signed by or for Betty and Frank McElhone. This is necessary because they are two of the six owners on the contract to sell certain claims, dated November 9, 1951, which contract was signed on their behalf by George Denison as their Attorney in Fact, but they did not join in the Owner's Consent to Lien form signed by the other four owners.

J. V. Hillund
Chief Counsel

Attachment

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

140

June 17, 1952

Memorandum

To: Acting Administrator

Through: E. W. Ellis

From: Chief Counsel

Subject: Cosumnes Gold Dredging Company, Docket No. DMEA-2265

There is attached, in satisfactory legal form for execution, a contract covering the above described project, subject to obtaining and attaching to the contract, prior to execution, an Owner's Consent to Lien form signed by or for Betty and Frank McElhone. This is necessary because they are two of the six owners on the contract to sell certain claims, dated November 9, 1951, which contract was signed on their behalf by George Denison as their Attorney in Fact, but they did not join in the Owner's Consent to Lien form signed by the other four owners.

J. L. Hofflund

Chief Counsel

Attachment

FILE COPY
SURNAME:

Rubin

140

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

June 17, 1952

Memorandum

To: Acting Administrator

Through: E. W. Ellis

From: Chief Counsel

Subject: Cosumnes Gold Dredging Company, Docket No. DMEA-2265

There is attached, in satisfactory legal form for execution, a contract covering the above described project, subject to obtaining and attaching to the contract, prior to execution, an Owner's Consent to Lien form signed by or for Betty and Frank McElhone. This is necessary because they are two of the six owners on the contract to sell certain claims, dated November 9, 1951, which contract was signed on their behalf by George Denison as their Attorney in Fact, but they did not join in the Owner's Consent to Lien form signed by the other four owners.

J. L. Hofflund

Chief Counsel

Attachment

HCRubin/ema
cc: Mails & Files
E. W. Ellis
J. L. Hofflund
H. C. Rubin
Chron.

COSUMNES GOLD DREDGING CO.
Suite 403- #465 XXX CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 3 1952

May 29, 1952.

Defense Minerals & Exploration Administration,

Department of Interior,

Washington, D. C.

Attention Mr. Knouse
Room #4640, New Interior Bldg.

Gentlemen:

This is to advise that for value received we hereby assign the following contracts to Cosumnes Gold Dredging Co., San Francisco, Calif.

No. 1. Agreement dated November 9th, 1951, by and between Clarence V. Loomis and Vida Loomis, lessors and G. M. Standifer and Merrill Yost, lessees, covering certain land and real property as described in said agreement, and located in Valley County, Idaho.

No. 2. Mining lease dated November 17th, 1951, by and between John Eaton and Gertrude M. Eaton, et al, lessors, and Guy M. Standifer and Merrill Yost, lessees, covering placer claims White Hawk Nos. 1, 2, 3, and 4, located in White Hawk Basin, Valley County, Idaho, as described in said lease.

No. 3. Contract made and entered into November 9th, 1951, by and between Raymond M. Carrey and Myrtle Carrey, et al, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, covering placer claims in Valley County, Idaho, as described in said contract.

The Cosumnes Gold Dredging Co. by whom we are employed are negotiating an exploration loan with your Department and expect to develop and operate these properties in accordance with the terms of the contracts.

Yours very truly,

Guy M. Standifer

Guy M. Standifer

Merrill Yost

Merrill Yost

COSUMNES GOLD DREDGING CO.
Suite 403- #465 [illegible] CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

May 29, 1952.

Defense Minerals & Exploration Administration,

Department of Interior,

Washington, D. C.

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Merrill Yost

Merrill Yost

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division Street
Spokane 2, Washington

May 18, 1953

Mr. Clarence V. Loomis
Box 63
Meadows, Idaho

Docket No. DMEA 2265 (monazite)
Contract Idm-E351
Valley County, Idaho

Dear Mr. Loomis:

This will acknowledge your letter of May 11 to Mr. Bardill of this office inquiring about the status of the Cosumnes Gold Dredging Co. work on your Paddy Flats property and the lien resulting from the DMEA contract.

The Defense Minerals Exploration Administration contract with Cosumnes Gold Dredging Co. will be terminated when the final results of the metallurgical tests have been received. It is contrary to DMEA policy in these cases to divulge the results of the contract operations, but the company can furnish you this information. I suggest that you write Mr. G. M. Standifer, president of the company, at 262 West Santa Inez, San Mateo, California, for this information and a statement of his intentions to continue or terminate the lease with you.

If the results of the DMEA project indicate that the property has merit as a dredgable deposit, the Government has six months from the termination date of the project within which to certify a discovery or development. If a certification is made, any minerals mined or produced from the land within 10 years of the date of the contract shall be subject to a percentage royalty until the total amount contributed by the Government is fully repaid, or 10 years from the date of the contract have elapsed, whichever occurs first. To secure the royalty payment, the Government holds a lien upon the land and upon any production of mineral therefrom, until the royalty claim is extinguished by lapse of time or is fully paid. Attached is a copy of Owner's Consent to Lien such as you signed, giving information as to the rights of the Government.

The final results of the work will determine whether a certification of discovery will be made upon your property.

Sincerely yours,

M. E. Volin, Member
DMEA Field Team, Region II

Enclosure
JDB/MEV/vf
cc: Wash. (2)
USGS (2)
DMEA M/D D/E JDB

Docket No 2264 + 2265

Note:

Legal questions to be clarified.

1. Assignment from Yost and Standifer to Communas Gold Dredging Co. White Hawk Placer. Docket No 2264 "property is held under lease instead of option also date of document should be Nov 17, 1951 instead of Nov 16, 1951"

✓ 2. Landlord's Subordination Agreements in the case of White Hawk Placer are made out between Standifer + Yost and the government; and in the case of Paddy Flat Placer are made out between the land owners and the government, In each case Subordination Agreement

✓ 3. Copy of power of Attorney from land owners to John Eaton.

The above information was requested from Mr. C. M. Standifer by telephone today by joint hookup between myself and Henry Rubin.

J. F. K.
5-29-52

5/20/52 gla

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

May 9, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region II

Subject: Applications of Consumnes Gold Dredging Co., Paddy Flat Placer (DMEA 2265) and White Hawk Placer (DMEA 2264), Monazite.

Enclosed is a memorandum by Mr. H. T. Reno, U. S. Bureau of Mines, which we believe answers the questions raised in Mr. Johnson's letter of April 21.

As you requested, we are returning the two maps and we are also returning the two memoranda by Mr. Edwin T. Carlson.

Mr. Johnson's letter states that no field examination was required, and none was made.

By Field Team, Region II, DMEA

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosures
cc: USBM, Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

1201 N. Division St.
Spokane 2, Wash.
May 9, 1952

MEMORANDUM

To: M. E. Volin, Member, DMEA Field Team, Region II

From: H. T. Reno, mining engineer, Bureau of Mines

Subject: Docket No. DMEA 2265 (monazite), Paddy Flat Placer
Docket No. DMEA 2264 (monazite), White Hawk Placer
Consumnes Gold Dredging Co., Valley County, Idaho
re: Operating Committee letter of April 21, 1952.

I have examined the subject application and the report recommending approval by E. J. Carlson, engineer for the Special Minerals Investigation Branch of the Bureau of Mines. The letter of April 21 from the Operating Committee states that feasibility of the proposed exploration program has been determined, that a field examination is not necessary, and requests the Field Team's comment on the project and on some questionable items in the applicant's estimate of cost.

The applicant proposes to buy a laboratory type magnetic separator for $3,000. Field operation of such equipment by untrained personnel is inadvisable and preliminary testing should be done in a commercial laboratory. Dings Magnetic Separator Company quotes $6 per hour for laboratory testing of monazite. Sterns Magnetic Manufacturing Company quotes $10 per hour with a total charge not exceeding $800 for 75 samples.

Use of a trailer-mounted compressor and manager's car is questioned. However, as these items are to be furnished by the applicant with no charge for depreciation, the operating expense should be allowed as a cost to the project.

During the time of drilling, a dump truck for hauling material to the sampling plant and a pickup for obtaining supplies and personnel transport are necessary items of equipment. Although $600 a month is considered a high rental rate for a truck, it is doubtful if one can be obtained for a short period for less.

Reviewed by
DMEA OPERATING COMMITTEE
5-19-52
(date) (NB)

The proposed cost of engineering, accounting, and supervision is high. The applicant, with justification, wishes to maintain a constant crew. A field staff consisting of 3 men at the drilling site, 1 truck driver, 2 men at the sampling plant, and 1 engineer-supervisor is considered adequate. The engineer-supervisor should be required to perform the simple project accounting. Furthermore, it appears that the engineer-supervisor also should be responsible for management.

The applicant contemplates including the expense of preparatory work in California and the expense of moving the equipment and men from California to Cascade, Idaho, in the project. This expense should be borne by the applicant. The project should be activated when work is started at the site.

The applicant proposes to furnish either a churn drill or a clam shell drill for testing the ground. He prefers to use the clam shell. If the flow of subsurface water is large and the ground is composed of sand and fine gravel, the churn drill would be satisfactory. If the ground is composed of sand, coarse gravel, and large boulders, use of the clam shell would be indicated. Judging from the applicant's description of the deposit, the clam shell will be the most satisfactory equipment. Experience on the Ruby Meadows project indicates that careful supervision and competent men are of more importance than the kind of equipment used.

H. T. Reno

cc: USGS, Spokane
4 cys--Wash.

So. 157 Howard Street
Spokane 4, Washington

COPY

May 9, 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region II

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By Field Team, Region II, DMEA

/s/ A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

/s/ M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosures

cc: USBM, Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

1201 N. Division St.
Spokane 2, Wash.
May 9, 1952

MEMORANDUM

To: M. E. Volin, Member, DMEA Field Team, Region II

From: H. T. Reno, mining engineer, Bureau of Mines

Subject: Docket No. DMEA 2265 (monazite), Paddy Flat Placer
Docket No. DMEA 2264 (monazite), White Hawk Placer
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re: Operating Committee letter of April 21, 1952.

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Reviewed by
DMEA OPERATING COMMITTEE
5-19-52
(date) (HB)

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H. T. Reno

cc: USGS, Spokane
4 cys--Wash.

FILE COPY
700 SURNAME:

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

Knouse
Files
Carlson
Norton

AIR MAIL

APR 21 1955

Mr. A. L. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA-2265 (Monazite)
Paddy Flat Placer and
Docket No. DMEA-2264 (Monazite)
White Hawk Placer
Consumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

We are referring the two captioned applications to you for your comments and recommendations, because of your experience supervising the exploration of the Ruby Meadows Mining Co. Monazite Deposit. The feasibility of the proposed exploration work has been determined by this office. Therefore, a field examination is not necessary. However, the need for the following items to do this work are questionable:

PADDY FLAT PLACER DOCKET NO. DMEA-2265

Phase I — Plant at Cascade, Idaho

Item 1 - Building ½ purchased price $1,000
" 6 - Magnetic Separator ½

Field Equipment

Item 4 - Dump Truck 1-Mo. Rent $600
" 5 - Compressor (Trailer Mounted). Furnished by Co.
" 6 - Managers Car. Furnished by C.D.G. Co.
" 8 - 20" Drill Casing 40'-½ Purchase Price $1,300

Labor and Supervision

Preliminary work at Sloughhouse, California
May 1-May 11 - time required

Manager 1/3 mo. $400/mo. - $133.33

Move to Cascade, Idaho
May 12-May 15 - time required

Manager $400/mo. $66.37

Field Equipment and Supplies

Gas and oil	1 mo.	$700
Hires and repairs		$700

Building Plant at Cascade, Idaho
Time required 12 days

Manager @ $400/mo.		$200

Drilling at Paddy Flat

Drilling 10 holes averaging 35' deep.
June 1 to July 1 - time required.

2 - Utility men 21 days @ $1.27/hr.	$426.72
4 days time and half.	121.92
1 - Plant helper 21 days @ $1.38/hr.	231.84
4 days time and half.	66.24
Manager @ $400/mo.	400.00

Phase II PADDY FLAT PLANT - Drilling 50 holes averaging 35' deep.
Aug. 1- Nov. 1, 1952 - time required

2 - Utility men $1.27/hr. 66 days.	$1,341.12
12 days time and half.	365.76
1 - Plant helper $1.38/hr.66 days.	728.64
12 days time and half.	198.72
Manager @ $400/mo. - 3 mos.	1,200.00
Accountant 3 mos. @ $300/mo.	900.00

WHITE HAWK PROJECT DOCKET NO. [illegible]-2264

Phase I Drilling 10 holes averaging 35' deep.

1.	Equipment & Supplies	$7,575.00
2.	½ Preliminary work at Slough house.	303.54
3.	½ Move to Cascade, Idaho.	369.58
4.	½ Labor cost at Cascade.	618.80

Labor and Supervision

2 - Utility men $1.27/hr. 23 days	$467.36
time and half 3 days.	91.44
1 - Plant helper @ $1.38/hr. 23 days	253.92
time and half 3 days	49.68
Manager @ $400/mo.	400.00
Board and room for 4 men 1 mo 31 days @ $8.00/day.	92.00

Phase II Drilling 18 holes.

2 - Utility men	$1.27/hr. 33 days	670.56
	time and half 6 days.	182.88
1 - Plant helper	$1.3[illegible]/hr. 33days	364.32
	time and half 3 days.	99.36
Manager 1 mos.	$400/mo.	500.00
Accountant 1½ mos.	$300/mo.	450.00

Enclosed is a copy of Forms MF-103 and MF-100 Docket No. DMEA-2265 Paddy Flat Placer with amendment thereto, and MF-103 and MF-100, Docket No. DMEA-2264 White Hawk Placer and amendment thereto. With memoranda from Mr. Edwin T. Carlson dated Jan. 7, 1952 Re; Docket No. DMEA-2265 and from Mr. Edwin T. Carlson dated Feb. 12, 1952, Re; Docket No. DMEA-2264. We enclose two maps covering the proposed location of these drilling programs. Only one copy of these maps were submitted with the application therefore, kindly return them with your report.

Your comments and recommendations covering the problem of drilling with a churn drill versus the 20" diam. hole with a clam shell excavator and the need for a magnetic separator to make the mineral separation, should accompany the report. In addition to the above we solicite your comments and recommendations on any other part of the project not covered that will aid in the processing of this application.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Inclosures

FLKnouse/jem
4/8/52

APPROVED: J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

cc to: Adm. Reading File
Docket
Messrs.E.J.Carlson, Rm. 1347
J.J.Norton, Rm. G-232 GS
Ellis Knouse
Opr. Committee, Rm. 4624
Field Team, Region II

COSUMNES GOLD DREDGING CO.
SLOUGH HOUSE
SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

March 27, 1952

Mr. Ernest Wm. Ellis, Cheif,
Rare and Misc. Metals Division
Defense Minerals Exploration Administration

Attention: Mr. Knouse

Regarding: Docket No. DMEA- 2265
(Paddy Flat Placer and Docket No.DMEA-2264 White Hawk Placer.)

Dear Mr. Ellis:

We wish to acknowledge recipt of your letter of March 13, 1952 with further instructions regarding the two placer deposits mentioned above and your general questions regarding same. The letter was delayed 11 days in reaching Mr. G. M. Standifer hence the delay.

Regarding the use of Baumhoff Marshal Dredging Co's. magnetic separator at Boise, Idaho seems to offer a considerable amount of difficulty. First it is doubtful that arrangement could be made for its use and the separator is not built to run small samples of the size we would have. Besides, the machine has been set and adjusted to do a particular job and the owners certainly would'nt permit any changes in its adjustment. However if they have a laboratory size separator, perhaps we could get to use it.

The Cosumnes Gold Dredging Co. did a great deal of prospect drilling in Idaho the past summer and the work convinced us that the churn drill is not the best tool to use for several reasons.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

COSUMNES GOLD DREDGING CO.
SLOUGH HOUSE
SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

First the churn drill liberates minerals locked in the coarse gravels giving high results. In places the pure bed rock gave results off from $\frac{1}{4}$ to $\frac{1}{2}$ Pounds monazite per Cu. Yd. How much came out of the coarse gravel no one could tell.

Secondly the jarring of the ground by the churn drill causes the sand and fine gravel to run into the drill casing due to water pressure differentials and the accuracy of the drill results are entirely left to the good or bad judgement of the drill operator.

In the case you mentioned where the dredge operation proved the accuracy of the drill result within 3% we might mention here that Cosumnes drilled ground adjacent to this operation and found it mostly sand with very fine gravel. In this location a churn drill would no doubt give pretty fair results.

The reason this Company suggests the using of a clam shell drill is that the results are dependable and as you mention in your letter it does give invaluable operating information not possible with a churn drill and if the cost is the same in both cases, we can see no reason for any objection.

This company has a churn drill and it can be made available, although we do not have the same confidence in it as we do the clam shell drill.

At the present time the Cosumnes Gold Dredging Co. is prospecting a tungsten placer at Atolia, California. The scheelite occurs in sizes of from 50 mesh to boulders of 25 to 50 pounds and larger. To anyone more or less familiar with placers of this kind would at once condemned a churn drill, due to the milling effect on the gravel which frees scheelite not recoverable by placer operation.

COSUMNES GOLD DREDGING CO.
SLOUGH HOUSE
SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

We are prospecting this deposit with the clam shell drill and we are getting information not only as to the values, but also formation as to the physical occurrence and operating information. Without this latter we could not evaluate the deposit or design our plant. The costs of drilling in this property are about 60% of churn drill costs.

The Cost of $1200.00 for the operation of the M. Model 7 Car or HD 10 for one month is the total operating cost fully operated and maintained. Another $300.00 for moving in and out.

Enclosed herewith are reports on the Paddy Flat and White Hawk Placers according to your instructions.

Yours truly,

E. Knutson

Cosumnes Gold Dredging Co.

DOCKET NO. DMEA 2265
Paddy Flat Placer
Cosumnes Gold Dredging Co.
Valley Co., Idaho

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

PHASE 1
PART 1

In order to take full advantage of the season suitable for field work in Idaho and especially at Paddy Flat, it is necessary to start drilling operations as soon as the weather permits. This is on or about June 1. Hence on May 1, 1952 we must start collecting our equipment and crew at our dredging headquarters at Slough House, California, to make some necessary repairs to the equipment and acquire such additional equipment as necessary. This preliminary phase will be finished by May 10, 1952.

Allowing three days for moving crew and equipment to Cascade, Idaho and two days to establish living quarters, we should be ready to start work on the washing plant on May 15, 1952.

Cascade, Idaho has been selected as the headquarters for the Idaho operations. Being centrally located and has certain facilities necessary to the operation.

The plant will consist of bins, trommel screen, jigs, concentrating tables etc. so arranged that the material will flow thru the plant simulating an actual dredging operation. Two products will be made, namely a jig bed concentrate, and a table concentrate. The table concentrate is the jig hutch product re-cleaned on a Wilfly Table. The washing plant will also be furnished with such equipment as sample dryer, scales, balances, sieves, pans, Geiger Counter, small microscope, containers for concentrates and various small equipment that is necessary.

In an adjacent room will be installed the laboratory size magnetic separator, together with the minor equipment necessary to package and store the various products contained in the heavy sands. At this point it might be well to mention the fact that the gravels contain the following minerals, magnetite, hematite, ilmenite, monazite, garnet, zircon, columbium, tantalum complex minerals, uranium complex minerals and gold, together with others that we have not been able to

identify. As these various products cannot be identified by chemical analysis alone in a bulk concentrate it is necessary to make the various products first by gravity separation and followed by magnetic separation. The final products can then be analyzed both physical and chemical to determine if the products meet the requirements of the markets.

At the plant in Cascade a field office and engineering office will be located.

The establishing of the washing plant, separation plant and field office will be completed on or about June 1, 1952. These will all be housed in one building 30' by 20'.

Actual drilling of the 10 holes in Paddy Flat, Phase 1, will start on or about June 1, 1952 and should be completed before July 1, 1952.

The drilling to be done with a clam shell drill (subject to your approval) and at such locations as prescribed in Mr. E. W. Ellis communication to Mr. G. M. Standifer dated Feb. 6, 1952. Both the clam shell drill and churn drill of the Cosumnes Co. will be available at Cascade, Idaho.

The clam shell drill puts down a hole of 20" inch diameter, digging one Cu. Yd. of gravel from every 12.2 feet of depth. The average hole in Paddy Flat being estimated at 35 feet would thus produce slighty under 3 Cu. Yd. This size sample will produce enough concentrates to make it possible to have quanity enough to run thru the magnetic separator and obtain samples of the fractions large enough for further study and analysis. For an example, a prospect having 1 pound monazite per Cu. Yd. should theoretically give us a finished sample of monazite weighing 3 pounds from 3 Cu. Yds. washed. If desirable the sample can be quartered to any size at the hole and the rejects left in a pile for reference, if a re-chect of any hole would be neccessary.

The sample from the test holes will be hauled from Paddy Flat to the plant at Cascade, Idaho with a 3 Cu. Yd. dump truck.

DOCKET No. 2265 (Monazite)
PHASE
PART 2

Paddy Flat Placers
Idaho

In Paddy Flat some road work will be necessary in order to put down the holes in the locations as specified. This is especially true for sections 35 and 36 ~~Inf~~ T 17 N. R 4 E, where an access road will have to be built. Minor road work will have to be done at nearly all other locations. The building of the plant at Cascade, previously described and the necessary road work in Paddy Flat seems to be all the construction work necessary for Phase 1. of Docket No. 2265.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

LIST OF EQUIPMENT:

Plant at Cascade, Idaho.

1. Buildings ½ Purchase Price	$1,000.00		
2. Screen (Furnished by C. O. D. Co.)			
3. Jigs (Furnished by C. O. D. Col)			
4. Tables (Labratory)..1 Mo. ½ Purch.	300.00		
5. Minor Equip.(Furnished by C.O.D.Co.			
6. Mag. Separator ½ Purch. Price	1,500.00		
7. Power Installation ½ Purch. Price	150.00		
8. Water Installation ½ Purch. Price-	100.00		
9. Power Consumption 1 Mo.	50.00		
10. Plant Supplies 1 Mo.	50.00		
			$3,150.00

Field Equipment:

1. Drill mounted on Truck 1 Mo. Rent	400.00		
2. Flat Bed Truck 1 Mo. Rent	200.00		
3. Pickup 1 Mo. Rent	125.00		
4. Dump Truck 1 Mo. Rent	600.00		
5. Compressor (Trailer Mounted) Furnished by Co.			
6. Managers Car Furnished by C.G.D. Co.			
7. Tractor D4 Caterpillar 1 Mo. Rent	300.00		
8. 20" Drill Casing 40' ½ Purch. Price	1,300.00		
			$2,925.00

Field Equipment Supplies:

1. Gas and Oil 1 Mo.	700.00	
2. Tires and Repairs	700.00	
3. Miscellaneous	100.00	1,500.00

TOTAL EQUIPMENT $7,575.00

6 men
1000

DOCKET NO. 2265 (Monazite)
PHASE 1 Paddy Flat Placers
Part 3 Idaho

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

LABOR AND SUPERVISION:

Preliminary work at Sloughhouse, California
May 1 to May 11, 1952

1. Driller @ $1.75 per. Hour 7 day Str. Time	$ 98.00
2. 2 day Time & half	42.00
1. Drill Helper @ 1.38 per. Hour 7 day Str. time	77.28
2 days @ time & half	33.12
Manager 1/3 Mo. @ $400.00 Per. Mo.	133.33
Engineer 1/3 Mo. @ $600.00 Per. Mo.	200.00
	$ ~~607.xxxx~~
	$ 583.73
Compensation Ins. @ 4%	23.35
	$ 507.08

omit

Charge ½ of above to Paddy Flat Phase 1 ..... $303.54

MOVE TO CASCADE, IDAHO:

May 12 to May 15

1 Driller @ 1.75 per. Hr. 3 days Str. time	$ 42.00
1 Drill Helper @ 1.38 per. Hr. 3 da. Str. time	33.12
1 Utility Man @ 1.27 Per. Hr. 3 da. Str. time	30.48
Manager 1/6 Mo. @ $400.00 per. Mo.	66.67
Engineer 1/6 Mo. @ $600.00 per. Mo.	100.00
	$272.27
Compensation Ins. @ 4%	10.89
	$283.16
Food and Lodging @ $8.00 per man per. day	120.00
Expenses 2 trucks 700 miles each @ 16¢ per mile	224.00
Expenses 1 Pickup @ 1 car 700 miles @ 8¢ per mile	112.00
	$739.16

3 da

Charge ½ of above to Paddy Flat Phase 1 ..... $369.58

BUILDING OF PLANT AT CASCADE, IDAHO:
May 15 to May 31, 1952

1 Driller @ 1.75 per. hr. 12 da. Str. time	$ 168.00
1 Drill helper @ 1.38 per. Hr. 12 da. Str. Time	132.48
Drill helper 2 days time 1/2	33.12
Driller 2 days time 1/2	42.00
2 Utility Men @ 1.27 per. hr. 12 da. Str. time	243.82
Manager ½ Mo. @ $400.00 per. Mo.	200.00
Engineer ½ Mo. @ $600.00 per. Mo.	300.00
2 Utility Men @ 2 days. time & Half	$ 60.96
	$1,180.38
Compensation Ins. @ 4%	47.22
	$1,227.60

Charge ½ of the above to Paddy Flat Phase No. 1 ..... $613.80

DOCKET DM E A NO 2265 (Monazite)
Phase 1
Part 3 Continued

Paddy Flat Placers
Idaho

Phase 1 of Drilling at Paddy Flat:

June 1 to July 1, 1952

1 Driller @ 1.75 per. hr. 21 Da. Str time	$ 294.00
4 Da. time & half	84.00
1 Drill Helper @ 1.38 per. hr. 21 Da. Str. Time	231.84
4 da. time & half	66.24
+2 Utility Men @ 1.27 per. hr. 21 da. str. time	426.72
4 da. time & half	121.92
1 Truck driver @ 1.50 per. hr. 21 da. Str. time	252.00
4 da. time & half	72.00
1 Plant operator @ 1.75 per. hr. 21 da. str. time	294.00
4 da. time & half	84.00
+1 Plant helper @ 1.38 per. hr. 21 da. str. time	231.84
4 da. time & half	66.24
1 Manager 1 Mo. @ $400.00 per. Mo	400.00
Engineer 1. Mo. @ $600.00 per Mo	600.00
	$3,224.80
Compensation Ins. @ 4%	128.99
	$3,353.79

Charge all the above to Paddy Flat Phase 1 ..... $3,353.79

SUMMARY OF COST

Equipment & Supplies	$ 7,575.00
Labor & Supervision as follows:	
Preliminary work at Slough House	303.54
Move to Cascade	369.58
Building Plant at Cascade	613.80
Phase 1 of Paddy Flat..Labor & Supervision	3,353.71
Est. Cost Docket DMEA No 2265. Ph.1	$12,215.65
+ Accountant	300.00
	$12,515.65

DOCKET NO DMEA 2265 (Monazite) Idaho
Paddy Flat Placer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

PHASE 2
Part 1

The second phase of the Paddy Flat drilling program of an additional 50 holes can follow the White Hawk Placer. Phase 1, if approved. It is estimated that three months will be needed for the additional 50 holes. By starting on August 1, 1952 the work will be completed before November 1, 1952.

As the results of Phase 1, of the Paddy Flat drilling program will largely determine the location of the additional 50 holes, we cannot at this time give their location. However, if Phase 2, of Paddy Flat is approved, we intend to proceed as in the first Phase of the program.

We will proceed with the drilling program as approved and specified. The holes will be drilled as before averaging about 3 Cu. Yd. per hole. The gravel will be trucked to the plant at Cascade, for gravity concentration and magnetic separation.

Part 2

In this phase of the work we do not anticipate any major road work or construction. Some brushing out of small timber will have to be done at times in order to move drilling equipment.

DOCKET NO. DMEA 2265 (Monazite)
Paddy Flat Placer Idaho

Phase 2
Part 3

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

Labor and Supervision:
Aug. 1, 1952 to Nov. 1, 1952:

1. Driller @$1.75/hr	66 da. str. time	$ 924.00
	12 da. Time & half	252.00
1 Drill helper @$1.38/hr	66 da. str. time	728.64
	12 da. time & half	198.72
2 Utility men @$1.27/hr	66 da. str. time	1,341.12
	12 da. time & half	365.76
1 Truck driver @$1.50/hr	66 da. str. time	792.00
	12 da. time & half	216.00
1 plant operator @$1.75/hr	66 da. str. time	924.00
	12. da. time & half	252.00
1 plant helper@ $1.38/hr	66 da. str. time	728.64
	12 da. time & half	198.72
Manager 3 Mo. @ $400.00/mo		1,200.00
Engineer 3 Mo. @ $600.00/ mo		1,800.00
Total Labor and Supervision		$9,921.60
Compensation insurance @ 4%		396.86
Labor and Supervision		$10,318.46
Rent of Field equipment 3 mo. @ $2,925.00 per month (see Docket No Dmea 2265, Phase1, part 2)		8,775.00
Accounting 3 Mo. @ $300.00/mo		900.00
Field Supplies, 3 Mo. @ $1,500.00/Mo		4,500.00
Plant Supplies 3 Mo. @ $50.00/mo		150.00
Plant power @ 3 mo @ $50.00/mo		150.00
TOTAL COST, PHASE 2 of Paddy Flat Placer		$24,793.46

+ Placer Pit

DOCKET NO. DMEA 2265 (MONAZITE)
Paddy Flat Placer
DOCKET NO DMEA 2264
White Hawk Placer
Cosumnes Gold Dredging Co.
Valley County, Idaho

Conclusion and Summary:

In the preceeding reports and estimates the entire project has been treated as four (4) distinct phases as nearly as possible, so that the cost of each could be ascertained. If the entire program of the four (4) phases is done, some savings could be made by running two projects at one time or by doubling the drilling shifts.

We decided not to purchase any additional engineering equipment but to get along with that now in posession of the Cosumnes Gold Dredging Co.

The wage scale as shown is that which prevailed in Cascade, Idaho, in 1952, and cost of supplies and rentals are from the company's experience in Idaho during last years prospecting there.

It is essential that we keep most of the prospecting crew intact. Therefore these men are used on all construction and repair work where ever possible, so that they will be continuously employed.

No allowance has been made for the transportation of D4 Cat. from California to Idaho. The Cosumnes Gold Dredging Co. will move cat on their own account.

Attached hereto is a summary of costs of the various phases of the project which we trust will be convenient for reference.

E. Knutsen

Eng. Cosumnes Gold Dredging Co
Slough House, California

SUMMARY OF COSTS:

Docket No. DMEA 2265 Paddy Flat Phase 1	Docket No. DMEA 2265 Paddy Flat Phase 2	Docket No. DMEA 2265 Paddy Flat Phase 1 and 2
Est. $12,515.65	Est. $24,793.46	Est. $37.309.11
Docket No. DMEA 2264 White Hawk Placer Phase 1	Docket No. DMEA2264 White Hawk Placer Phase 2	Docket No. DMEA 2264 White Hawk Placer Phase 1 and 2
Est. $15,050.56	Est. $12.396.73	Est. $27,447.29
Dockets No DMEA2265 Paddy Flat Phase 1 and No. DMEA 2264 White Hawk Placer	Dockets No. DMEA 2265 Paddy Flat Phase 2 and No. DMEA 2264 White Hawk Placer	Dockets No. DMEA 2265 Paddy Flat Phase 1 and 2 No. DMEA 2264 White Hawk Placer
PHASE 1	PHASE 2	PHASE 1 and 2
Est. $27,566.21	Est. $37,190.19	Est. $64,756.40

March 29, 2000

Mr. Donald W. Miller, Chief,
Fire and Elec. Safety Division
Bureau Alcohol Tobacco and Firearms

Attention Mr. Lowe

Regarding: Locust Co. Inc. [illegible]
(Tracy Hill Jewel and Costume Co. [illegible] Jewel.)

Dear Mr. Miller:

We wish to acknowledge receipt of your letter of March 24, 2000 [illegible] instructions regarding the two placer deposits [illegible] and your proposed questions regarding same. The letter was delayed 48 days in reaching [illegible] Stanfield Road the delay.

Regarding the use of Sandoff Inertial Dredging [illegible] equipment [illegible] Price, [illegible] seems to offer a considerable amount of [illegible]. [illegible] it is doubtful that arrangements could be made for its use and the engineer is not willing to run small samples of the size on small jobs. Moreover, the equipment has been not subjected to on a particular job and the owners [illegible] and engineer is its adjustment. However if they have a laboratory and engineer, perhaps we could get to see it.

The Sunshine Fish Dredging Co. has a great deal of prospect [illegible] in Idaho the past winter and the most [illegible] to test the claims [illegible] and the [illegible] to use the [illegible] procedure.

Here the diamond drill laboratory recently located in the course provide placer deposit results. In places the pure but rock gave results of from [illegible] to [illegible] carats per cu. yd. [illegible] also out of the coarse gravel as the drill hole.

Recently the jarring of the ground by the diamond drill caused the sand and fine gravel to run into the drill casing due to extra pressure differentials and the accuracy of the drill results are entirely left to the good or bad judgment of the drill operator.

In the case you mentioned where the drilling operations pierced the accuracy of the drill results which, in other words here that because drilling proceed adjacent to the operations and hence it easily pass with very fine gravel. In this instance a diamond drill would not show very bad results.

The reason this happens suggests the using of a diamond drill is that the results are inconsistent and as you mention in your letter it does give invaluable operating information but possible with a diamond drill and if the rock is the same in both cases, so one has no reason for any objection.

This company has a diamond drill and it can be more profitable, although we do not have the same confidence in it as we do in the diamond drill.

At the present time the Bonanza Gold Dredging Co. is prospecting a tungsten placer at Mono, California. The scheelite occurs in place of from 10 mesh to boulders of 40 to 50 pounds and larger. It appears more or less feasible with placers of this kind which is most evidenced a diamond drill, due to the sliding effect on the gravel which frees scheelite not recoverable by placer operation.

In our prospecting this coupled with the diamond drill and we are getting information not only as to the values, but also information as to the physical occurrence and operating information. Without this latter we could not evaluate the deposit or design our plant. The costs of drilling in this property are about half of other drill costs.

The cost of $180.00 for the operation of the W. Model 7 for an 8D hr for one month is the total operating cost fully operated and maintained. Another $200.00 for carbide in that cost.

Enclosed herewith are reports on the Peady Dist and Bette Rock Placers according to your instructions.

Yours truly,

E. Knutsen

Cosmos Gold Dredging Co.

DOCKET NO. [illegible] 2265
Paddy Flat Placer
Cosumnes Gold Dredging Co.
Valley Co., Idaho

PHASE 1
PART 1

In order to take full advantage of the season suitable for field work in Idaho and especially at Paddy Flat, it is necessary to start drilling operations as soon as the weather permits. This is on or about June 1. Hence on May 1, 1952 we must start collecting our equipment and crew at our dredging headquarters at Slough House, California, to make some necessary repairs to the equipment and acquire such additional equipment as necessary. This preliminary phase will be finished by May 10, 1952.

Allowing three days for moving crew and equipment to Cascade, Idaho and two days to establish living quarters, we should be ready to start work on the washing plant on May 15, 1952.

Cascade, Idaho has been selected as the headquarters for the Idaho operations. Being centrally located and has certain facilities necessary to the operation.

The plant will consist of bins, trommel screen, jigs, concentrating tables etc. so arranged that the material will flow thru the plant simulating an actual dredging operation. Two products will be made, namely a jig bed concentrate, and a table concentrate. The table concentrate is the jig hutch product re-cleaned on a Wilfly Table. The washing plant will also be furnished with such equipment as sample dryer, scales, balances, sieves, pans, Geiger Counter, small microscope, containers for concentrates and various small equipment that is necessary.

In an adjacent room will be installed the laboratory size magnetic separator, together with the minor equipment necessary to package and store the various products contained in the heavy sands. At this point it might be well to mention the fact that the gravels contain the following minerals, magnetite, hematite, ilmenite, monazite, garnet, zircon, columbium, tantalum complex minerals, uranium complex minerals and gold, together with others that we have not been able to

identify. As these various products cannot be identified by chemical analysis alone in a bulk concentrate it is necessary to make the various products first by gravity separation and followed by magnetic separation. The final products can then be analyzed both physical and chemical to determine if the products meet the requirements of the markets.

At the plant in Cascade a field office and engineering office will be located.

The establishing of the washing plant, separation plant and field office will be completed on or about June 1, 1952. These will all be housed in one building 30' by 20'.

Actual drilling of the 10 holes in Paddy Flat, Phase 1, will start on or about June 1, 1952 and should be completed before July 1, 1952.

The drilling to be done with a clam shell drill (subject to your approval) and at such locations as prescribed in Mr. R. W. Ellis communication to Mr. G. M. Standifer dated Feb. 6, 1952. Both the clam shell drill and churn drill of the Cosumnes Co. will be available at Cascade, Idaho.

The clam shell drill puts down a hole of 20" inch diameter, digging one Cu. Yd. of gravel from every 12.2 feet of depth. The average hole in Paddy Flat being estimated at 35 feet would thus produce slighty under 3 Cu. Yd. This size sample will produce enough concentrates to make it possible to have quanity enough to run thru the magnetic separator and obtain samples of the fractions large enough for further study and analysis. For an example, a prospect having 1 pound monazite per Cu. Yd. should theoretically give us a finished sample of monazite weighing 3 pounds from 3 Cu. Yds. washed. If desirable the sample can be quartered to any size at the hole and the rejects left in a pile for reference, if a re-check of any hole would be neccessary.

The sample from the test holes will be hauled from Paddy Flat to the plant at Cascade, Idaho with a 3 Cu. Yd. dump truck.

DOCKET NO. 2265 (Monazite)
PHASE 1
PART 2

Paddy Flat Placers
Idaho

In Paddy Flat some road work will be necessary in order to put down the holes in the locations as specified. This is especially true for sections 35 and 36 ~~Rx~~ T 17 N. R 4 E, where an access road will have to be built. Minor road work will have to be done at nearly all other locations. The building of the plant at Cascade, previously described and the necessary road work in Paddy Flat seems to be all the construction work necessary for Phase 1. of Docket No. 2265.

LIST OF EQUIPMENT:

Plant at Cascade, Idaho.

1.	Buildings ½ Purchase Price	$1,000.00	
2.	Screen (Furnished by C. O. D. Co.)		
3.	Jigs (Furnished by C. O. D. Co.)		
4.	Tables (Labratory)..1 Mo. ½ Purch.	300.00	
5.	Minor Equip.(Furnished by C.O.D.Co.		
6.	Mag. Separator ½ Purch. Price	1,500.00	
7.	Power Installation ½ Purch Price	150.00	
8.	Water Installation ½ Purch. Price	100.00	
9.	Power Consumption 1 Mo.	50.00	
10.	Plant Supplies 1 Mo.	50.00	
			$3,150.00

Field Equipment:

1.	Drill mounted on Truck 1 Mo. Rent	400.00	
2.	Flat Bed Truck 1 Mo. Rent	200.00	
3.	Pickup 1 Mo. Rent	125.00	
4.	Dump Truck 1 Mo. Rent	600.00	
5.	Compressor (Trailer Mounted)Furnished by Co.		
6.	Managers Car Furnished by C.C.D. Co.		
7.	Tractor D4 Caterpillar 1 Mo. Rent	300.00	
8.	20" Drill Casing 40' ½ Purch. Price	1,300.00	
			$2,925.00

Field Equipment Supplies:

1.	Gas and Oil 1 Mo.	700.00	
2.	Tires and Repairs	700.00	
3.	Miscellaneous	100.00	1,500.00

TOTAL EQUIPMENT $7,575.00

DOCKET NO. 2265 (Monazite)
PHASE 1 Paddy Flat Placers
Part 3 Idaho

LABOR AND SUPERVISION:

Preliminary work at Sloughhouse, California
May 1 to May 11, 1952

1. Driller @ $1.75 per. Hour 7 day Str. Time	$ 98.00
2. 2 day Time & half	42.00
1. Drill Helper @1.38 per. Hour 8 day Str. time	77.28
2 days @ time & half	33.12
Manager 1/3 Mo. @ $400.00 Per. Mo	133.33
Engineer 1/3 Mo. @$600.00 Per. Mo	200.00
	$ ~~xxxxx~~
	$ 583.73
Compensation Ins. @ 4%	23.35
	$ 507.08

omit 3

Charge ½ of above to Paddy Flat Phase 1 ..... $303.54

MOVE TO CASCADE, IDAHO:

May 12 to May 15

1 Driller @ 1.75 per. Hr. 3 days Str. time	$ 42.00
1 Drill Helper @ 1.38 per. Hr. 3 da. Str. time	33.12
1 Utility Man @ 1.27 Per. Hr. 3 da. Str. time	30.48
Manager 1/6 Mo. @ $400.00 per. Mo	66.67
Engineer 1/6 Mo. @ $600.00 per. Mo	100.00
	$272.27
Compensation Ins. @ 4%	10.89
	$283.16
Food and Lodging @ $8.00 per man per. day	120.00
Expenses 2 trucks 700 miles each @ 16¢ per mile	224.00
Expenses 1 Pickup & 1 car 700 miles @ 8¢ per mile	112.00
	$739.16

omit 3 days

?

Charge ½ of above to Paddy Flat Phase 1 ..... $369.58

BUILDING OF PLANT AT CASCADE, IDAHO:
May 15 to May 31, 1952

1 Driller @ 1.75 per. hr. 12 da. Str. time	$ 168.00
1 Drill helper @ 1.38 per. Hr. 12 da. Str. Time	132.48
Drill helper 2 days time 1/2	33.12
Driller 2 days time 1/2	42.00
2 Utility Men @ 1.27 per. hr. 12 da. Str. Time	243.82
Manager ½ Mo. @ $400.00 per. Mo	200.00
Engineer ½ Mo. @ $600.00 per. Mo	300.00
2 Utility Men @ 2 days. time & Half	$ 60.96
	$1,180.38
Compensation Ins. @ 4%	47.22
	$1,227.60

Charge ½ of the above to Paddy Flat Phase No. 1 ..... $613.80

DOCKET DMEA NO 2265 (Monazite)
Phase 1
Part 3 Continued

Paddy Flat Placers
Idaho

Phase 1 of Drilling at Paddy Flat:

June 1 to July 1, 1952

1 Driller @ 1.75 per. Hr. 21 Da. Str time	$ 294.00
4 Da. time & half	84.00
1 Drill Helper @ 1.38 per. Hr. 21 Da. Str. Time	231.84
4 da. time & half	66.24
2 Utility Men @ 1.27 per. hr. 21 da. str. time	426.72
4 da. time & half	121.92
1 Truck driver @ 1.50 per. Hr. 21 da. Str. time	252.00
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1 Plant operator @ 1.75 per. hr. 21 da. str. time	294.00
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4 da. time & half	66.24
Manager 1 Mo. @ $400.00 per. Mo	400.00
Engineer 1. Mo. @ $600.00 per Mo	600.00
	$3,224.80
Compensation Ins. @ 4%	128.99
	$3,353.79

Charge all the above to Paddy Flat Phase 1 ..... $3,353.79

SUMMARY OF COST

Equipment & Supplies	$ 7,575.00	
Labor & Supervision as follows:		
Preliminary Work at Slough House		303.54
Move to Cascade		369.58
Building Plant at Cascade		613.80
Phase 1 of Paddy Flat..Labor & Supervision		3,353.71
Est. Cost Docket DMEA No 2265	$12,215.65	
+ Accountant		300.00
		12,515.65

DOCKET NO DMEA 2265 (Monazite)
Paddy Flat Placer Idaho

PHASE 2
Part 1

The second phase of the Paddy Flat drilling program of an additional 50 holes can follow the White Hawk Placer, Phase 1, if approved. It is estimated that three months will be needed for the additional 50 holes. By starting on August 1, 1952 the work will be completed before November 1, 1952.

As the results of Phase 1, of the Paddy Flat drilling program will largely determine the location of the additional 50 holes, we cannot at this time give their location. However, if Phase 2, of Paddy Flat is approved, we intend to proceed as in the first Phase of the program.

We will proceed with the drilling program as approved and specified. The holes will be drilled as before averaging about 3 Cu. Yd. per hole. The gravel will be trucked to the plant at Cascade, for gravity concentration and magnetic separation.

Part 2

In this phase of the work we do not anticipate any major road work or construction. Some brushing out of small timber will have to be done at times in order to move drilling equipment.

DOCKET NO. DMEA 2265 (Monazite)
Paddy Flat Placer Idaho

Phase 2
Part 3

Labor and Supervision:
Aug. 1, 1952 to Nov. 1, 1952:

1. Driller @$1.75/hr	66 da. str. time	$ 924.00
	12 da. Time & half	252.00
1 Drill helper @$1.38/hr	66 da. str. time	728.64
	12 da. time & half	198.72
2 Utility men @$1.27/hr	66 da. str. time	1,341.14
	12 da. time & half	365.46
1 Truck driver @$1.50/hr	66 da. str. time	792.00
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Compensation insurance @ 4%		396.86
Labor and Supervision		$10,318.46
Rent of Field equipment 3 mo. @ $2,925.00 per month (see Docket No Dmea 2265, Phase1, part 2)		8,775.00
Accounting 3 Mo. @ $300.00/mo		900.00
Field Supplies, 3 Mo. @ $1,500.00/Mo		4,500.00
Plant Supplies 3 Mo. @ $50.00/mo		150.00
Plant power @ 3 mo @ $50.00/mo		150.00

TOTAL COST, PHASE 2 of Paddy Flat Placer $24,793.46

BLCKMT No. DMM 2265 (MCMAMIL)
Reddy Flat Placer
BLCKMT No. DMM 2264
White Rock Placer
Cosumnes Gold Dredging Co.
Valley County, Idaho

Conclusion and Summary:

In the preceeding reports and estimates the entire project has been treated as four (4) distinct phases as nearly as possible, so that the cost of each could be ascertained. If the entire program of the four (4) phases is done, some savings could be made by running two projects at one time or by doubling the drilling shifts.

We decided not to purchase any additional engineering equipment but to get along with that now in possession of the Cosumnes Gold Dredging Co.

The wage scale as shown is that which prevailed in Cascade, Idaho, in 1952, and cost of supplies and rentals are from the company's experience in Idaho during last years prospecting there.

It is essential that we keep most of the prospecting crew intact. Therefore these men are used on all construction and repair work where ever possible, so that they will be continuously employed.

No allowance has been made for the transportation of D4 Cat. from California to Idaho. The Cosumnes Gold Dredging Co. will move cat on their own account.

Attached hereto is a summary of costs of the various phases of the project which we trust will be convenient for reference.

E. Knutsen
Eng. Cosumnes Gold Dredging Co
Slough House, California

SUMMARY OF CLAIMS:

Docket No. DMLA 2265
Paddy Flat
Phase 1

Est. $12,515.65

Docket No. DMLA 2265
Paddy Flat
Phase 2

Est. $24,793.46

Docket No. DMLA 2265
Paddy Flat
Phase 1 and 2

Est. $37.309.11

Docket No. DMLA 2264
White Hawk Placer
Phase 1

Est. $15,050.56

Docket No. DMLA2264
White Hawk Placer
Phase 2

Est. $12.396.73

Docket No. DMLA 2264
White Hawk Placer
Phase 1 and 2

Est. $27,447.29

Dockets
No DMLA2265
Paddy Flat
Phase 1 and
No. DMLA 2264
White Hawk Placer

PHASE 1

Est. $27,566.21

Dockets
No. DMLA 2265
Paddy Flat
Phase 2 and
No. DMLA 2264
White Hawk Placer

PHASE 2

Est. $37,190.19

Dockets
No. DMLA 2265
Paddy Flat
Phase 1 and 2
No. DMLA 2264
White Hawk Placer

PHASE 1 and 2

Est. $64,756.40

March 27, 1952

Mr. Ernest M. Ellis, Chief,
Rare and Misc. Metals Division
Defense Minerals Exploration Administration

Attention: Mr. Knouse

Regarding: Docket No. DMEA- 2265
(Paddy Flat Placer and Docket No. DMEA-2264 White Rock Placer.)

Dear Mr. Ellis:

We wish to acknowledge receipt of your letter of March 18, 1952 with further instructions regarding the two placer deposits mentioned above and your general questions regarding same. The letter was delayed 11 days in reaching Mr. G. L. Standifer hence the delay.

Regarding the use of Baumhoff Marshal Dredging Co's. magnetic separator at Boise, Idaho seems to offer a considerable amount of difficulty. First it is doubtful that arrangement could be made for its use and the separator is not built to run small samples of the size we would have. Besides, the machine has been set and adjusted to do a particular job and the owners certainly would'nt permit any changes in its adjustment. However if they have a laboratory size separator, perhaps we could get to use it.

The Cosmmes Gold Dredging Co. did a great deal of prospect drilling in Idaho the past summer and the work convinced us that the churn drill is not the best tool to use for several reasons.

First the churn drill liberates minerals locked in the coarse gravels giving high results. In places the pure bed rock gave results off from ¼ to ½ pounds monazite per Cu. Yd. How much came out of the coarse gravel no one could tell.

Secondly the jarring of the ground by the churn drill causes the sand and fine gravel to run into the drill owing due to water pressure differentials and the accuracy of the drill results are entirely left to the good or bad judgement of the drill operator.

In the case you mentioned where the dredge operation proved the accuracy of the drill result within 3% we might mention here that Cummings drilled ground adjacent to this operation and found it mostly sand with very fine gravel. In this location a churn drill would no doubt give pretty fair results.

The reason this Company suggests the using of a clam shell drill is that the results are dependable and as you mention in your letter it does give invaluable operating information not possible with a churn drill and if the cost is the same in both cases, we can see no reason for any objection.

This company has a churn drill and it can be made available, although we do not have the same confidence in it as we do the clam shell drill.

At the present time the Cummings Gold Dredging Co. is prospecting a tungsten placer at Atolia, California. The scheelite occurs in sizes of from 50 mesh to boulders of 25 to 30 pounds and larger. To anyone more or less familiar with placers of this kind would at once condemned a churn drill, due to the milling effect on the gravel which frees scheelite not recoverable by placer operation.

We are prospecting this deposit with the clam shell drill and we are getting information not only as to the values, but also formation as to the physical occurrence and operating information. Without this latter we could not evaluate the deposit or design our plant. The costs of drilling in this property are about 60% of churn drill costs.

The Cost of $1200.00 for the operation of the M. Model 7 Car or BB 10 for one month is the total operating cost fully operated and maintained. Another $300.00 for moving in and out.

Enclosed herewith are reports on the Paddy Flat and White Hawk Placers according to your instructions.

Yours truly,

E. Knutsen

Commonwealth Gold Dredging Co.

[illegible] Co. [illegible] 2296
[illegible] Miner
[illegible] Mining Co.
Valley Co., Idaho

[illegible] 2
[illegible] 3

In order to take full advantage of the season available for local work in Idaho and especially at Long Lake, it is necessary to start drilling operations as soon as the weather permits. This is in of about June 1. Based on July 1, work to start after collecting and equipment has been at our disposal. Negotiations at Long Lake, Wisconsin, to make such necessary repairs to the equipment and acquire such additional equipment as necessary. This preliminary phase will be finished by July 15, 2000.

Already three days for moving, erection and equipment to operate, hence one has to establish living quarters, so should be ready to start work on the drilling plant on July 15, 2000.

Osceola, Idaho has been selected as the headquarters for the Idaho operations. Being centrally located and has certain facilities necessary to the operation.

The plant will consist of two, inclined screens, jigs, concentrating tables etc. so arranged that the material will flow thru the plant automatically as noted during operation. The products will be sold, namely a jig, low concentrate, and a table concentrate. The tailings discharged in the jig into general re-handling and a tailing table. The mining plant will also be furnished with such equipment as single layer, cables, hoisters, sheave, pulleys, belt conveyor, small microscope, balances for concentrates and various small equipment this is necessary.

In an adjacent room will be installed the laboratory also a geologic operator, together with the minor equipment necessary to prepare and study the various products obtained in the mining work. In this point it might be well to mention the fact that the gravels contain the following minerals, magnetite, hematite, ilmenite, monazite, garnet, zircon, columbite, various complex minerals, certain complex rare-earth and gold, the former which is now not used due to

identity. If these various products cannot be identified by chemical analysis alone in a cell observatory it is necessary to use the various products first by gravity separation and followed by magnetic separation. The final products can then be analyzed with physical and chemical to determine if the products meet the requirements of the market.

If the plant is success a field office and engineering office will be located.

The installation of the testing plant, separation plant and field office could be completed on or about June 1, 1948. These will all be housed in one building 40' by 80'.

Actual drilling of the 16 holes in Ready Lake, Phase 1, will start on or about June 1, 1948 and should be completed before July 1, 1948.

The drilling to be done also a dam shell drill (subject to your approval) and at the location as presented in Mr. A. W. Mills communication to Mr. C. T. Ramsdell dated Feb. 6, 1948. Both the dam shell drill and diamond drill of the Diamond Co. will be available at Kaposia, Idaho.

The dam shell drill will have been a hole of 24" inch diameter, digging one cu. yd. of gravel in a every 1.2 feet of depth. The average hole in Ready Lake being estimated at 35 feet would thus produce dirty gravel 8 cu. yd. This case sample will produce enough concentrates to make it possible to have quantity enough to run thru the magnetic separator and obtain samples of the fractions large enough for further study and analysis. For an example, a prospect having 1 pound monazite per cu. yd. would theoretically give us a finished sample of monazite weighing 8 pounds from 8 cu. yd. of material. If desirable the sample can be enriched to any size of the hole and the rejects left in a pile for reference, if a re-test of any hole would be necessary.

The sample from the test holes will be hauled from Ready Lake to the plant at Kaposia, there with a 5 cu. yd. dump truck.

DOCKET NO. 2255 (Monazite)
PHASE 1
SHEET 2

Paddy Flat Placers
Idaho

In Paddy Flat some road work will be necessary in order to put down the holes in the locations as specified. This is especially true for sections 35 and 36 that T 17 N. R 4 E, where an access road will have to be built. Minor road work will have to be done at nearly all other locations. The building of the plant at Cascade, previously described and the necessary road work in Paddy Flat seems to be all the construction work necessary for Phase 1. of Docket No. 2255.

LIST OF EQUIPMENT:

Plant at Cascade, Idaho.

1. Building @ Purchase Price	$1,000.00	
2. Screen (Furnished by C. C. D. Co.)		
3. Jigs (Furnished by C. C. D. Co.)		
4. Tools (Laboratory)..1 No. @ Purch.	300.00	
5. Minor Equip. (Furnished by C.C.D.Co.		
6. Eng. Separator @ Purch. Price	1,800.00	
7. Power Installation @ Purch Price	150.00	
8. Water Installation @ Purch. Price	100.00	
9. Power Consumption 1 Mo.	50.00	
10. Plant Supplies 1 Mo.	50.00	
		$3,150.00

Field Equipment:

1. Drill mounted on Truck 1 Mo. Rent	600.00	
2. Flat Bed Truck 1 Mo. Rent	200.00	
3. Pickup 1 Mo. Rent	125.00	
4. Dump Truck 1 Mo. Rent	600.00	
5. Compressor (Trailer Mounted) Furnished by Co.		
6. Managers Car Furnished by C.C.D. Co.		
7. Tractor D4 Caterpillar 1 Mo. Rent	300.00	
8. 20" Drill Casing 40' @ Purch. Price	1,200.00	
		$2,925.00

Field Equipment Supplies:

1. Gas and Oil 1 Mo.	700.00	
2. Tires and Repairs	700.00	
3. Miscellaneous	100.00	1,500.00

TOTAL EQUIPMENT $7,575.00

(Monazite)
Paddy Flat Placers
Idaho

[illegible]:

Preliminary work at Houghtaling, California
May 2 to May 22, 1952

1. Driller @ $3.75 per. hour 7 day str. time	$ 96.00
2. 2 day time & half	42.00
1. Drill Helper @ 1.50 per. hour 7 day str. time	77.28
2 days time & half	33.12
Ranger 1/6 no. @ $800.00 per. mo	133.33
Engineer 1/6 no. @ $600.00 per. mo	100.00
	$ [illegible]
	$ 583.73
Compensation Ins. @ 4%	23.35
	$ 507.08

Charge ½ of above to Paddy Flat Phase 1 ..... $253.54

[illegible], Idaho:

May 12 to May 25

1 Driller @ 1.75 per. hr. 8 days str. time	$ 42.00
1 Drill Helper @ 1.50 per. hr. 8 day str. time	33.12
1 Utility Man @ 1.27 per. hr. 8 day str. time	30.48
Ranger 1/6 no. @ $400.00 per. mo	66.67
Engineer 1/6 no. @ $600.00 per. mo	100.00
	$272.27
Compensation Ins. @ 4%	10.89
	$283.16
Food and Lodging @ $5.00 per man per. day	120.00
Expenses 2 trucks 748 miles each @ 15¢ per mile	224.00
Expenses 1 Pickup & 1 car 748 miles @ 8¢ per mile	112.00
	$739.16

Charge ½ of above to Paddy Flat Phase 1 ..... $369.58

[illegible] Mark [illegible], Idaho:

May 15 to May 21, 1952

1 Driller @ 1.75 per. hr. 12 day str. time	$ 168.00
1 Drill Helper @ 1.50 per. hr. 12 day str. time	133.48
Drill Helper 2 days time 1/2	32.12
Driller 2 days time 1/2	42.00
3 Utility Men @ 1.27 per. hr. 12 day str. time	243.84
Ranger @ no. @ $400.00 per. mo	200.00
Engineer @ no. @ $600.00 per. mo	300.00
2 Utility Men @ 2 days time & half	80.96
	$1,180.36
Compensation Ins. @ 4%	47.22
	$1,227.58

Charge ½ of the above to Paddy Flat Phase No. 1 ..... $613.60

[illegible] (Monazite)
Phase 1
Part 2 Beginning Paddy Flat Placers
Idaho

Phase 1 of [illegible] Paddy Flat:

June 1 to July 1, 1942

1 Driller @ 1.75 per. hr. 21 de. str time	$ 294.00
4 ov. time & half	84.00
1 Drill Helper @ 1.58 per. hr. 21 de. str. time	331.94
4 ov. time & half	66.24
3 Utility Men @ 1.27 per. hr. 21 de. str. time	426.72
4 ov. time & half	121.92
1 Truck driver @ 1.50 per. hr. 21 de. str. time	252.00
4 ov. time & half	72.00
1 Plant operator @ 1.75 per. hr. 21 de. str. time	294.00
4 ov. time & half	84.00
1 Plant Helper @ 1.58 per. hr. 21 de. str. time	331.84
4 ov. time & half	66.24
Manager 1 mo. @ $400.00 per. mo	400.00
Engineer 1 mo. @ $600.00 per mo	600.00
	$3,824.00
Compensation Ins. 7%	267.79
	$3,553.79

Charge all the above to Paddy Flat Phase 1 ..... $3,553.79

[illegible]

Equipment & Supplies	$ 7,575.00	
Labor & Exportation as follows:		
Preliminary work at Slough House		362.34
Move to Concrete		383.55
Building Plant at Placers		613.60
Phase 1 of Paddy Flat..Labor & supervision		3,553.71
Est. Cost except [illegible] 10 2265	$12,215.65	
+ Accountant	300.00	
	$12,515.65	

[illegible] (Monazite)
Buddy Flat Placer Idaho

Part 2
Part 1

The second phase of the Buddy Flat drilling program is contingent on moneys coming from the Shake Rock Placer, Phase 2, if approved. It is anticipated that three months will be needed for the additional 50 holes. By starting on August 2, 1958 the work will be completed before November 1, 1958.

As the results of Phase 1, of the Buddy Flat drilling program will largely determine the location of the additional 50 holes, we cannot at this time give their location. However, if Phase 2, of Buddy Flat is approved, we intend to proceed as in the first Phase of the program.

We will proceed with the drilling program as approved and specified. The holes will be drilled as before averaging about 2 Cu. Yd. per hole. The gravel will be trucked to the plant at Cascade, for gravity concentration and magnetic separation.

Part 2

In this phase of the work we do not anticipate any major road work or construction. Some brushing out of small timber will have to be done in order to move drilling equipment.

Phase 2

[illegible] 2205 (Monazite)
Teddy Flat Placer Idaho

Part 3

Labor and Supervision:
Aug. 3, [illegible] to Nov. 3, [illegible]:

1. Driller @ 1.75/hr	60 ea. str. time	[illegible]
	12 ea. time & half	[illegible]
1 [illegible] @ 1.50/hr	60 ea. str. time	[illegible]
	12 ea. time & half	[illegible]
8 [illegible] @ 1.25/hr	60 ea. str. time	1,[illegible]
	12 ea. time & half	[illegible]
1 truck driver @ 1.00/hr	60 ea. str. time	[illegible]
	12 ea. time & half	[illegible]
1 plant operator @ 1.75/hr	60 ea. str. time	[illegible]
	12 ea. time & half	[illegible]
1 plant helper @ 1.00/hr	60 ea. str. time	[illegible]
	12 ea. time & half	[illegible]
Engineer 1 mo. @ $400.00/mo		1,[illegible]
Engineer 2 mo. @ $[illegible]/mo		1,[illegible]
Total Labor and Supervision		[illegible]
Compensation insurance @ 4%		[illegible]
Labor and Supervision		[illegible]
Rent of Plant equipment 3 mo. @ $2,[illegible] per month (see Docket No [illegible], Page 1, part 3)		6,775.00
Accounting 3 mo. @ $200.00/mo		600.00
Field supplies 3 mo. @ $1,500.00/mo		4,500.00
Plant supplies 3 mo. @ $50.00/mo		150.00
Plant power 3 mo. @ $50.00/mo		150.00
Total Cost, [illegible] 2 of Teddy Flat Placer		$26,715.46

DOCKET NO. DMMA 2265 (MONAZITE)
Paddy Flat Placer
DOCKET NO DMMA 2264
White Hawk Placer
Cosumnes Gold Dredging Co.
Valley County, Idaho

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

Conclusion and Summary:

In the preceeding reports and estimates the entire project has been treated as four (4) distinct phases as nearly as possible, so that the cost of each could be ascertained. If the entire program of the four (4) phases is done, some savings could be made by running two projects at one time or by doubling the drilling shifts.

We decided not to purchase any additional engineering equipment but to get along with that now in posession of the Cosumnes Gold Dredging Co.

The wage scale as shown is that which prevailed in Cascade, Idaho, in 1952, and cost of supplies and rentals are from the company's experience in Idaho during last years prospecting there.

It is essential that we keep most of the prospecting crew intact. Therefore these men are used on all construction and repair work where ever possible, so that they will be continuously employed.

No allowance has been made for the transportation of D4 Cat. from California to Idaho. The Cosumnes Gold Dredging Co. will move cat on their own account.

Attached hereto is a summary of costs of the various phases of the project which we trust will be convenient for reference.

E. Knutsen
Eng. Cosumnes Gold Dredging Co
Slough House, California

[illegible]:

Docket No. [illegible] 2265
Teddy Flat
Phase 1

Net. $12,515.65

Docket No. [illegible] 2265
Teddy Flat
Phase 2

Net. $24,793.46

Docket No. [illegible] 2265
Teddy Flat
Phase 1 and 2

Net. $37,309.11

Docket No. [illegible] 2264
White Hawk Placer
Phase 1

Net. $15,031.56

Docket No. [illegible]2264
White Hawk Placer
Phase 2

Net. $12,396.73

Docket No. [illegible] 2264
White Hawk Placer
Phase 1 and 2

Net. $27,447.29

Dockets
No [illegible]2265
Teddy Flat
Phase 1 and
No. [illegible] 2264
White Hawk Placer

[illegible] 1

Net. $27,566.21

Dockets
No. [illegible] 2265
Teddy Flat
Phase 2 and
No. [illegible] 2264
White Hawk Placer

[illegible] 2

Net. $37,150.12

Dockets
No. [illegible] 2265
Teddy Flat
Phase 1 and 2
No. [illegible] 2264
White Hawk Placer

[illegible] 1 and 2

Net. $66,796.40

700 FILE COPY
SURNAME:

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

MAR 13 1952

IN REPLY REFER TO:

Mr. G. [illegible] Stannifer, President
Columbus Gold Dredging Company
Suite 103
465 California Street
San Francisco, California

Re: Docket No. DMA-2265 (Monazite)
Paddy Flats Placer
Docket No. [illegible]-2264
White Hawk Placer
Columbus Gold Dredging Company
Valley County, Idaho

Dear Mr. Stannifer:

We wish to acknowledge receipt of your letter dated March 6, 1952, with revised application covering the two captioned cases.

There appears to have been a misunderstanding regarding the information required to process your two applications as the data submitted combines the cost of the two projects, whereas we requested separate data for each project.

In order for us to process these applications, we will require separate data for each project Docket No. DMA-2265 (Paddy Flats Placer) and Docket No. DMA-2264 (White Hawk Placer) as follows:

1. A detailed description of the work you propose to do; broken down as Phase No. 1 and Phase No. 2 (in each case).

2. A detailed description of any facilities, roads, buildings, etc., required to complete the separate phases of each project. Supply also a list of the equipment units required to do each phase of the work, with the estimated period of time required by each unit to complete the work. Include for each phase of the work an estimate of the supplies required, rate for each equipment units to be rented, price of units to be purchased and fair market value of units to be furnished.

We understand the preliminary drilling for each project is to consist of 10 churn drill holes averaging about 35 feet in depth, with Phase No. 2 of the Paddy Flats project to be for (50) fifty additional holes averaging 35 feet in depth (if approved by the Government) and Phase No. 2 for the White Hawk Project to be for (18) eighteen additional holes averaging 35 feet in depth (if approved by the Government).

3. A detailed estimate of the labor and supervision required to complete each phase of the two projects, and include the time required, rate, wages and salaries for each workman with cost of insurance, overtime, food and shelter.

Will you require an engineer and a General Manager to direct each of these exploration projects?

We understand the Boumhoff Marshall Dredging Co. of Boise are operating a magnetic separator below capacity and if arrangements could be made with them to make the mineral separation from your drill hole samples, a magnetic separator would not be required for this work.

Dredging recovery of the monazite from a placer deposit near the captioned projects, which was explored only by churn drilling, has been within 3% of the estimate. If a churn drilling exploration program can prove a deposit within these limits it is believed data obtained by sinking test pits would serve only to produce operating data and should not be included in the Government part of these projects for exploration unless more information is submitted that will justify this part of the proposed work.

What is included in the rental rate of $1,200/mo. for the T.M. Model 7 cat tractor w/angle dozer?

We regret there was a misunderstanding regarding the data required to process these applications, however, on the receipt of the above information we will be able to continue processing these applications.

Sincerely yours,

Signed E.W. 3-13-52

Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division
Defense Minerals Exploration
Administration

FLKnouse/jem
3/12/52
cc to: Adm. Reading File
Docket
Messrs. Carlson, E.J. Rm. 1347
Norton, J.J. Rm. G-232 GS
Ellis
Knouse
Field Team, Region II (2)

DMA

COSUMNES GOLD DREDGING CO.
SLOUGH HOUSE
SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

March 4, 1952.

Re: Docket No DMEA-2265 (Monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer-Idaho.

Paddy Flat Claims Continued. All recorded at Cascade, Valley Co. Idaho.

Ruby Claim	160 A	Book	6	Page	11	Date Recorded		Oct. 30,'51	Time	9.16 AM
Sapphire Claim	160 A	"	6	"	10	"	"	Oct. 30,'51	"	9.15 AM
Ilmenite Claim	160 A	"	6	"	15	"	"	Nov. 5, '51	"	3.30 PM
Zircon Claim	160 A	"	6	"	16	"	"	" " "	"	3.31 Pm

These Claims are held by the Cosumnes Gold Dredging Co. The Ruby and Sapphire claims are under option from Clarence V Loomis as per agreement Made the 9th day of Nov. 1951 and adjoin the Patented ground held under the same option from Clarence V. Loomis and Wife and of the same date.

The Zircon and Ilmenite also are held by the Cosumnes Gold Dredging Co. by option from Carrey and Denison ~~taxoption~~ subsequent to original option of Nov. 9, 1951 and signed by them.

In reference to your letter of Feb. 6, 1952 data No.1 this comprises all the ground in the Paddy Flat area proper. There is also the ground on Kennally Fork which is considered the Paddy Flat area which is listed on a seperate sheet. All claims are in Valley County Idaho, Twp. 17 N R4 E & R5E.

Merrell Yost

DMA

COSUMNES GOLD DREDGING CO.

SLOUGH HOUSE

SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

March 4, 1952.

Re: Docket No. EMEA-2265
Cosumnes Gold Dredging Co.,
Paddy Flat Placer-Idaho.

Paddy Flat Claims. All recorded at Cascade, Valley Co. Idaho.

Beaver Dam Group 160A	Book	5	Page	535	Date Recorded	Oct. 22, '51			Time	2.05 PM
Swamp Group 160 A	"	5	"	536	"	"	"	"	"	2.05 PM
Mink Group 160 A	"	5	"	533	"	"	"	"	"	2.03 PM
Owl Group 160 A	"	5	"	537	"	"	"	"	"	2.07 PM
Full Moon 160 A	"	5	"	531	"	"	"	"	"	2.01 PM
I Found It 180 A	"	5	"	538	"	"	"	"	"	2.08 PM
Half Moon No. 5 40 A	"	5	"	441	"	"	Aug. 28, 51		"	3.49 PM
Jeep Claim No. 1 180 A	"	5	"	532	"	"	Oct.22,'51		"	2.02 PM
Elk Group 160 A	"	5	"	534	"	"	Oct.28,'51		"	4.02 PM
Half Moon No. 8 215 A	"	5	"	122	"	"	Aug. 28,'51		"	3.52 PM
Half Moon No. 4(Amended)		5	"	530	"	"	Oct. 22,'51		"	2.00 PM
Ranger Group 160 A		5	"	539	"	"	Oct. 24,'51		"	2.03 PM

These claims are all held by the Cosumnes Gold Dredging Co. The Half Moon No. 4. was amanded to Legal subdivision. The Half Moon No. 5 has since been taken from Denison and Carrey and is included in the Paddy Flat Group owned by them and on the same basis as the other claims. now held under option. The Same applies to the Ranger Group. The position of the Ranger Claim Group is by legal subdivision but the Half Moon No.5 is not clear as to just the location so I have left it out until it can be tied into a section corner after the snow has melted. These claims are all in TWP 17 N: R 4 E and Twp. 17 N and R 5 E Boise B&M Valley County Idaho.

Merrill Yost

DMA.

COSUMNES GOLD DREDGING CO.

SLOUGH HOUSE

SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

March 4, 1952.

Re: Docket No. DMEA - 2265 (Monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer-Idaho.

Patented Land Paddy Flat. Recorded at Cascade, Valley Co. Idaho.

The Southeast Quarter (SE¼) of the Northeast Quarter (NE¼) of Section Twenty-Eight (28), the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼) and the Southwest Quarter (SW¼) of Section Twenty-Seven(27), the Northwest Quarter (NW¼), the West Half (W½) of the Northeast Quarter (NE¼) and the Northeast Quarter (NE¼) of the Northeast Quarter (NE¼) of Section Thirty Four (34) and the West Half (W½) of the Northwest Quarter (NW¼) of Section Thirty-Five (35) all in Twp. Seventeen (17) North, Range Four (4), E.B.M. referred to herein as "patented lands";

The Ruby Placer Mining Claim containing one-hundred sixty (160) acres, more particularly described in the location notice thereof, which said location notice is recorded in Book 6, at Page 11 records of Valley County Idaho and the

Sapphire Placer Mining Claim containing One Hundred sixty acfes More particularly described in the notice there of which said location notice is recorded in book 6 page 10 records of Valley County Idaho referred to here in as Mining ~~Claims~~ Claims.

The Southeast quarter (SE¼) of the Northeast Quafter (NE¼) of Section Twenty Eight (28), the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼) and the West Half (W½) of the Southwest Quarter (SW¼) of Section Twenty-Seven (27), all in Twp. Seventeen (17) North, Range Four (4) E.B.M. in Valley County, State of Idaho

This is patented land held by the Cosumnes Gold Dredging Co. in Paddy Flat proper. The two mining claims are also included in the agreement of Nov. 9, 1951 by Clarence V. Loomis and his wife. There is 600 Acres.

Merrill Yost

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

DMA

COSUMNES GOLD DREDGING CO.

SLOUGH HOUSE

SACRAMENTO COUNTY, CALIF.

G. M. STANDIFER, PRES. M. YOST, GEN. MGR.

Mar. 4, 1952.

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Co.,
Paddy Flat Placer-Idaho.

Paddy Flat Claims on Kennally Fork. All Recorded at Valley Co. Cascade, Idaho.

Big Pocket	Book 5	Page 396	date Recorded	Aug. 10, '51			time	11.20 AM
Little Pocket	" 5	" 397	"	"	"	10 '51	"	11.21 Am
Side Pocket No. 1-5	"	450	"	"	Sept. 1, 1951		"	9.15 AM
Side Pocket No. 2 -5	"	451	"	"	"	"	"	9.16 AM

These Claims are held by option by the Cosumnes Gold Dredging Co. and are included in the agreement of Clarence V. Loomis and Wife deted Nov. 9, 1951 in favor of the Cosumnes Gold Dredging Co.

These claims are all in Twp. 17 N and R 5 E. Boise B & M Valley County Idaho.

Merrill Yost

FILE COPY
SURNAME:

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

FEB 28 1952

AIR MAIL

Knouse
Ellis

Mr. G. M. Standifer, President
Consummes Gold Dredging Co.
Suite 403 - 465 California Street
San Francisco, California

Re: Docket No. DMEA-2265 (Homesite)
Consummes Gold Dredging Co.
Paddy Flat Placer
Valley County, Idaho

Dear Mr. Standifer:

We are in receipt of your letter dated February 23 with attached lease assignments.

In our letter to you of February 6 we requested certain detailed information required before the captioned application can be processed. This information was not included in your letter of February 23 and until it is received we will not be able to continue processing the application.

The schedule of estimated cost for the revised application should be separated to cover the two phases of the drilling program. In your letter of February 23 you state the supervising engineer on this project will also direct the exploration work on the White Hawk Basin deposit (Docket No. DMEA-2264). Therefore, the cost for this engineer's services should be prorated to each project.

In your telephone conversation with Mr. Knouse of this office on February 23 it was understood that you would submit information as was requested in our letter of February 6, covering Docket No. DMEA-2264, White Hawk Basin Placer.

Upon receipt of this information we will be able to process these applications.

Sincerely yours,

Signed D.N. 2-28-52

Kruesse Wm. Ellis, Chief
Rare and Misc. Metals Division
Defense Minerals Exploration
Administration

FLKnouse/gla 2-27-52
cc to: Adm. Reading File
Dockets DMEA-2264 and DMEA-2265
Messrs. E.J.Carlson, Rm. 1347
E.J.Norton, Rm. G-232 GS
Ellis Knouse
Field Team, Region II (2)

February 12, 1952

Memorandum

To: F. L. Knouse, Defense Mineral Exploration Administration

From: E. J. Carlson, S. M. I. B., U. S. Bureau of Mines

Subject: Application D.M.E.A. Docket No. 2264 of Cosumnes Gold Dredging Company for exploration of White Hawk Basin in Valley County, Idaho.

The Special Minerals Investigation Branch has field checked samples from this area and appreciable amounts of monazite, with small amounts of columbium-tantalum-uranium minerals, are noticeable in the black sand concentrates. None of our field engineers have visited the area; but one of our sample foreman visited the basin some years ago and reported fair monazite with 20 million yards, or more, of gravels.

It is recommended:

1. That a loan be granted to drill 10 exploratory holes.

2. That if the analyses of these holes prove promising to the Cosumnes Gold Dredging Company and the DMEA field engineer, the entire program should be approved.

EDWIN J. CARLSON

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

EJCarlson:db

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FEB 6 1952

No basis for me to judge whether to endorse Norton (see memo)

r. G. . tandifer, resident
os mes Gold redging Company
oom 403
45 California Street
an Francisco, California

Re: Docket No. -265 (Quartzite)
Commes Gold Dredging Company
Paddy First Placer-Idaho

Dear r. tandifer:

e wish to refer you to h above referenced application that is being processed by this office.

Upon further st dy of the application we are unable to give favorable recommendation to the extent of your proposed drilling program to explore the Paddy First placer deposit. A limited drilling program would be considered by this office if it were confined to the younger gravels along the creeks; the drilling to be done in two phases, with Phase No. 1 to consist of 10 holes, and if the drilling findings are obtained and with the approval of the Government, a part or all of Phase No. 2 may be done which would not exceed 40 drill holes.

The drill holes in the first phase of the program are to be located in the creek gravels as follows: T17S, R4E, one hole each in sections 2 and 15; T17S, R4E, one hole in section 34, and one hole each in sections 31, 32, 16, 17 and 21, and in T18S, R4E, section 3, one hole. Hole locations in Phase No. 2 to be approved by the Government and to be determined from the results obtained in Phase No. 1.

Exploration work is to be done on patented land controlled by the applicant therefore, the drilling program proposed to be on public land is to be deleted from the proposal unless it is on land under control of your company.

In addition to the drilling modification in your application, we will require more information before we can proceed with the processing of your application. The data we will require is as follows:

1. A list of the holdings to be explored under this application, it is first to include the names of the mining claims on which work is to be done, where the claims are

recorded, book number, page and entry date recorded. This list should include any mining claims adjoining the ones where exploration work is proposed to be done if the said property is controlled by your company. Also a description of property other than mining claims on which exploration work is to be done, and a description of any adjoining property controlled by your company.

2. Please show on a claim and property map your engineer's suggested location of the proposed drill holes for Phase No. 1, this map to be tied to the township and section lines and should cover all claims or property on which the work in Phase No. 1 & 2 is to be done as well as adjoining property which is controlled by your company.

3. A letter from the buyer or buyers of the uranet or zircon that you propose to produce, setting forth the price, specifications, and the delivery point of the product.

If this modification of your application meets with your approval, we will, upon receipt of the above information, continue with the processing of this application.

Sincerely yours,

Ernest A. Ellis, Acting Chief
Iron and Misc. Metals Division
Defense Minerals Exploration
Administration

FLKnouse/jem
2/1/52
cc to: Adm. Reading File
Docket
Messrs. Carlson, E.J. Rm. 1347
Norton, J.J. Rm. U-22 G.S.
Koontz
Ellis
Knouse
Field Team, Reg. II (2)

IN REPLY REFER TO:

G-MD-JJN

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

February 5, 1952

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: J. J. Norton, U. S. Geological Survey

Subject: Letter to Cosumnes Gold Dredging Company re Application DMEA-2265.

We have no data on the monazite placer that the Cosumnes Gold Dredging Company proposes to explore, and consequently I defer to what evidently are Bureau of Mines opinions in the attached letter written to the company for further information.

J. J. Norton

J. J. Norton

Files

IN REPLY REFER TO:
G-MD-JJN

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

February 5, 1952

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: J. J. Norton, U. S. Geological Survey

Subject: Letter to Cosumnes Gold Dredging Company re Application DMEA-2265.

We have no data on the monazite placer that the Cosumnes Gold Dredging Company proposes to explore, and consequently I defer to what evidently are Bureau of Mines opinions in the attached letter written to the company for further information.

J. J. Norton

JJNorton:hhp
G-2/5/52
cc: Director's Reading file, 4212
Branch Reading file, 4212
DMEA
JJNorton, G-228, GSA Bldg., USGS
extra

Docket #2265

Sacramento, Calif.,
Jan. 31, 1952.

Description of Zircon and Ilmenite Claims.

Located the 26th day of October 1951. "Zircon"

Located by;

R. M. Carrey
Myrtle Carrey
Geo. Denison
Helen Denison

Eivind Knutesen
Fern Knutesen
Merrill Yost
Erma Yost.

160 acres. The S. E. ¼ of Section 34 T17N R4E Boise B&M. Valley County, Idaho.

The name of this group of claims is the Zircon.

Corner No. 1 upon which this notice is posted is situated at the ¼ Section corner between Sections 34&35 T17N R4E Boise B & M

To the east is located the Ilmenite group of claims and to the north the Half Moon No.4 and part of the Loomis Homestead.

Located the 26th day of October 1951. "Ilmenite"

Located by;

R. M. Carrey
Myrtle Carrey
Geo. Denison
Helen Denison

Eivind Knutesen
Fern Knutesen
Merrill Yost
Erma Yost.

160 acres. The S W ¼ of Section 35, T17N R4E, Bosie B & M. Valley County, Idaho.

The name of this group of claims is the Ilmenite.

Corner No. 1 upon which this notice is posted is situated at the ¼ section corner common to Sections 34 and 35, T17N R4E Bosie B & M.

To the west is the Zircon Group .

Merrill Yost

Docket #2165

Sacramento, Calif.,
Jan. 31, 1952.

Description of Zircon and Ilmenite Claims.

Located the 26th day of October 1951. "Zircon"

Located by;

R. M. Carrey	Eivind Knutesen
Myrtle Carrey	Fern Knutesen
Geo. Denison	Merrill Yost
Helen Denison	Erma Yost.

160 acres. The S. E. ¼ of Section 34 T17N R4E Boise B&M. Valley County, Idaho.

The name of this group of claims is the Zircon.

Corner No. 1 upon which this notice is posted is situated at the ¼ Section corner between Sections 34&35 T17N R4E Boise B & M

To the east is located the Ilmenite group of claims and to the north the Half Moon No.4 and part of the Loomis Homestead.

Located the 26th day of October 1951. "Ilmenite"

Located by;

R. M. Carrey	Eivind Knutesen
Myrtle Carrey	Fern Knutesen
Geo. Denison	Merrill Yost
Helen Denison	Erma Yost.

160 acres. The S W ¼ of Section 35, T17N R4E, Bosie B & M. Valley County, Idaho.

The name of this group of claims is the Ilmenite.

Corner No. 1 upon which this notice is posted is situated at the ¼ section corner common to Sections 34 and 35, T17N R4E Bosie B & M.

To the west is the Zircon Group .

Respectfully yours

FRANK D. RYAN
HAROLD L. RYAN

Ryan & Ryan

ATTORNEYS AND COUNSELORS AT LAW
SUITE NINE SOMMER BLDG.
WEISER, IDAHO

BOX 587
PHONE 251

January 29th, 1952

Docket #2265

Airmail
Special Delivery

Mr. Merrill Yost
3000 V. Street
Apartment 15
Sacramento, California

Dear Mr. Yost:

Enclosed herewith find the complete descriptions as taken from the original location notices, that are included in the lease by Carrey and others to yourself and Mr. Standifer, under date of the 9th day of November, 1951.

Mr. Carrey tells me that there is one claim that is not included in your lease that should have been in there, but at the time we made up the lease they did not tell me anything about it and did not have the location notice here, as they said that you or your engineers, I think he said Knudsen, had it. They are, however, perfectly willing to include this claim known as the "Ranger" in the lease. This could be done by a Supplemental Lease, referring to the other lease and saying that it is included in this lease the same as if written out in full therein, and that all the terms and conditions of the lease of the 9th day of November, 1951, shall apply to the "Ranger" claim. This can be attended to at any time you wish, if you will forward me the original location notice.

Very sincerely,

RYAN & RYAN

Frank D. Ryan
Frank D. Ryan srb.

FDR srb

enc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
MT. WEATHER, BLUEMONT, VA.

January 7, 1952

Mr. Stanley A. Fietler
Defense Minerals Exploration Admin.
U. S. Department of Interior
Washington 25, D. C.

Subject: Docket No. D.M.E.A. 2265
Paddy Flat Mining District
Valley County, Idaho

Dear Mr. Fietler:

These last days I have examined the above mentioned docket and maps. Further, I had a brief preliminary report of part of the area sent to me from our field office. This latter was made by one of our engineers in July, 1951.

My recommondations are: Sufficient aid should be given the Cosumnes Gold Dredge to indicate that commercial minerals exist in minable quantities. (Should this be indicated, then additional aid may be given for more extensive exploration.) Such initial aid should be expended in drilling about 10 holes in the present streams basins which may be considered as amenable for dredging. The total expected footage would be 300 feet and the entire cost of drilling, sample concentration and analyses not to exceed $5,000.00.

Reasons for granting initial aid:

1. Brief examinations by SMIB engineers indicate from 0.1 to 1.5 pounds of monazite in the gravels. In addition, small amounts of gold were found in many samples, though no estimates of gold content were made.

2. Previous hand and hydraulic work indicate that gold did exist in at least parts of the deposit.

3. The area map, showing locations of the gravels, and the information submitted by engineer, Knutsen, agree in general with our information. This, considering the fact that we have spent only 2 days making a rough survey and sampling on parts of the area.

Reasons for not granting more than the recommended aid:

1. The request is more of the nature of a development loan rather than an exploration loan, because:

   a. Extensive surveying is not necessary for exploration of dredgeable gravels.

b. The amount of equipment, and the labor and staff employees, are far in excess of what may be considered necessary for exploration.

c. The proposed 130 holes are too many for exploration, and they cover, in part, ground which cannot be considered minable.

2. The estimated yardage of 150,000,000 appears to be very high. The S.M.I.B. engineers estimate 8,500,000 in two of the larger parts of the deposit that could be dredged. Possibly, the dredgeable ground would total 25,000,000 yards.

3. The S.M.I.B. has no knowledge of any markets available to the southern Idaho area for either zircon or garnet. Hence, the listed values for those minerals should be eliminated.

4. Discrepancies in drill holes and values:

a. Hole NGF 2 Y, "Typical hole of Rapid Creek", cannot be found on the maps enclosed; yet it was the richest hole drilled.

b. Sample Z-1-Y, which was analyzed by the S.M.I.B. laboratory indicate 0.5 pounds instead of 1.0 pounds of monazite per cubic yard of gravels.

c. Hole RC-2-Y is located on the map, but no description or analyses of the hole is given.

d. The docket mentions "a high concentration of monazite" where Powelson Creek and Kennally Fork join, and that samples of the concentrates were sent to Dr. Merritt. The S.M.I.B. laboratory analyzed these concentrates which indicated: 4.7; 4.2; and 2.4 percent monazite. This, if multiplied by the pounds of black sand would only give 0.47; 0.45; and 0.26 pounds of monazite per cubic yard----this can hardly be considered a high concentration.

5. Considering that only gold and monazite have present commercial value, and that the following holes are representative of certain dredgeable amount of gravels, the indicated tabulation should be more indicative of the work done to date:

Hole	Total Value per Cubic Yard
NFG-1-Y	9.0¢
RC-2-Y	(not given)
RC-3-Y	5.5¢
KF-1-Y	8.0¢
KF-2-Y	7.8¢
KF-3-Y	4.9¢

My final conclusions are that the gravels have not been shown to indicate sufficient values to warrant an extensive exploration program. The sampling of shallow pits, when they admit surface concentration, and the sampling of old hydraulic faces cannot be considered as representative samples.

On Map DMA No. 2, I have marked what I consider 10 logically placed holes which should prove whether more exploration may be warranted in the future. These holes are colored .

Very truly yours,

Edwin J. Carlson

Edwin J. Carlson
Engineer, Special Minerals Investigation Branch

Encl. Docket No. D.M.E.A. 2265
Maps

RECEIVED
APR 23 1952
U. S. G. S.
SPOKANE, WASH.

COPY

January 7, 1952

Mr. Stanley A. Feitler
Defense Minerals Exploration Admin.
U. S. Department of Interior
Washington 25, D.C.

Subject: Docket No. DMEA-2265
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Very truly yours,

/s/ Edwin J. Carlson
Edwin J. Carlson
Engineer, Special Minerals Investigation Branch

Encl. Docket No. D.M.E.A. 2265
Maps

Subject: DMEA-2265
Re: Exploration Loan
Ruby Group & Sapphire Group

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
465 California Street
Room 403 San Francisco, California

My dear Mr. Standifer:

This will acknowledge receipt of your application dated November 12, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2265 and referred to the Rare & Light Metals Branch.

Kindly refer to DMEA-2265 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams, Chief
Reports & Records Unit

7862

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

Cosumnes

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-22165
Metal or Mineral
Date Received 11-30-51
Amount $ 19,088.00
Participation (Government %)

Name and address of applicant

Cosumnes Gold Dredging Co.
465 Calif St Room 403
San Francisco
Calif

Date Nov. 12, 1951

If you have already filed MF-100, give date filed Nov. 12, 1951, type of assistance requested Exploration Development Loan

DMA Docket Number (if available) Monazite, etc Columbium

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. Nov 30 10 56 AM '51

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find? Monazite, Columbium, Fluorite, Zirconium etc

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project? 60% of Cost

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO-5)? Yes

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Lowmineral Gold Dredging Co. By [signature]

(Name of company) (Signature of authorized official)

Nov. 12, 1951 President

(Date) (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

Cascade, Idaho,
Nov. 6, 1951.

REPLIES: FORM ME-103

TO;

Defense Minerals Administration,
Department of Interior,
Washington, D. C.

1. (a) The property is located in Valley County, Idaho and is known as the Paddy Flat Mining District. This district constitutes an area of Alluvial gravels located in the drainage areas of Paddy Creek, Camp Creek, Rapid Creek, Kennally Creek and the North Fork of Gold Fork.

This area covers parts of four townships, namely, T 16 N - R 4 E, T 16 N - R 5 E, T 17 N - R 4 E and T 17 N - R 5 E, Boise Basin Meridian.

The Paddy Flat Mining District was extensively worked for its placer gold before the turn of the Century, and numerous Hydraulic pits are in evidence, together with miles of miners ditches, the largest of which is approximately 5 miles long. At present no operating properties exist.

Nov Liveable quarters exist in the district with the exception of the very commodious camp established by the Forest Service, which was little used during the summer of 1951.

(b) Copies of option agreements attached hereto.

(c) The legal description of the area upon which the exploration is to be conducted is as follows;

In T 1 7 N - R 4 E Sec. 13, 14, 15, 21, 22,23,24, 25,26,27,28,33 34,35 and 36. In T 16 N - R 4 E Secs. 2, 3, 10,15 and 22. In T17 N - R 5 E Secs 29,30,31 and 32. In T 16 N -R 5 E Sec. 6. All Boise B M.

Note 1. The area mentioned above includes the areas of which we hold option agreements together with such areas of the public domain which has not as yet been located but may later prove valuable.

Note 2. This is covered in 1. (a)

Cascade, Idaho,
Nov. 6, 1951.

REPLIES: FORM MF-103

2. (a) W e expect to find the following metals and minerals;

1. Magnetite
2. Ilmenite, (Titanium)
3. Garnet
4. Monazite
5. Zircon
6. Columbium, Tantalum Complex Minerals.
7. Uranium Complex Minerals.
8. Gold

(b) Question does not apply.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM-MF-103

3. (a) We propose to do this exploratory work by means of Churn Drills. We also propose to check the Churn Drill results by shafts, dug either by hand or mechanical means.

We propose to wash the gravels and concentrate the heavy sands in a pilot plant, simulating actual dredgeing recovery. This plant will consist of screens, jigs and concentrating tables.

We propose to seperate the heavy sands into the various products by means of a labratory size magnetic seperator. T hese samples will represent the final product of the dredging operations. From these samples will be determined the market value of the various products and the evaluation of the property.

The area will be surveyed and maps made as follows:

1. A regional map showing the main physical features and ownership lines.

2. Prospecting maps of a scale sufficient to show main physical features, location of drill holes, shafts and surface cuts for the purpose of calculating yardage, values and dredging section.

3. Complete topographical maps of the proven areas suitable for dredging operations.

A final report will be made of the prospecting of the Paddy Flat Mining District.

The total estimated cost of the project is $58,906.25.

We propose to start preparations on March 1, 1952 and the field work to commence May 15, 1952. The project to be completed Oct. 1, 1952.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103.

4. See accompanying property maps of Paddy Flat Mining District.

---

5. None.

---

6. Refer to question No. 3.

---

7. Rented.

(a) One 3 Cu. Yd. Dump Truck,
$600.00 per Mo. 4 Months ---------- $ 2,400.00 — $2,400.00

(b)

One twin cell 12" placer Jig ----------	450.00	
One Vibrating Screen ----------	400.00	
One Wilfley Concentrating table 3½X7 ---	600.00	
40 Ft. 20" casing for shaft digging Mach.	2,600.00	
One Labratory Dings Magnetis Seperator -	3,000.00	
One engineers Plane Table ----------	550.00	
One engineers Level ----------	430.00	
One Drafting machine ----------	100.00	
Total ----------	$10,530.00	----$10530.00

(c) Furnished by Standifer, Yost & Cosumnes Gold Dredging Company.

One 5" Placer drill with 1½ ton Dodge truck mounting @400.00 per. Mo. 5 Mo. --- $2,000.00

One Clamshell shaft sinking Machine mounted on 2 ton Dodge truck@$400 Per. 5 Mo.- 2,000.00

One 1950 GMC ½ ton Pick-up @ $125.00 Per. Mo. 5 Months ---------- 625.00

One D4 Caterpillar Tractor and Dozer blade @ $300.00 Per. Mo. 5 Months. ---------- 1,500.00

Total ----------$6,125.00 -----$6,125.00

Total -----$19,055.00

Miscellaneous equipment furnished, Cutting torches Arc sets, hand tools, one Mine and Smelter Plader Washer capacity 1 Cu. Yd. per Hr. One Wilfley table No. 13. Miscellaneous labratory equipment such as sieves, sample splitters Geiger Counter, Ultra Violet Lamp and various smaller items. Office equipment, two Monroe Calculators, two typewriters, one check protector, one transit, one planimeter, large drafting table and drawing instruments.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

8. Labor and staff schedule:

Labor	Per Da.
1 Drill Boss @ $2.20 Per Hr.	$ 17.60
2 Drillers @ $1.75 Per Hr.	28.00
2 Driller's Helpers @$ 1.38 Per Hr.	22.08
2 Utility Men @ $ 1.27 Per Hr.	20.32
1 Washing plant operator @ $1.75 Per.	14.00
1 Washing plant helper @$1.38 Per Hr.	11.04
1 Truck Driver @ $1.50 Per Hr.	12.00
1 Instrument Man @ $ 2.20 Per Hr.	17.60
1 Rod Man @ 1.38 Per Hr.	11.04
Total Per Da.	$153.68

Total Per Mo. @ 6 days per Week ---------- $ 4303.04

Staff	
1. Chief Engineer Per. Mo.	$ 600.00
1. Accountant and Bookkeeper	300.00
1 General Manager	400.00
Total Per Mo.	$1,300.00

Total Per Month ---------- $1,300.00

Compensation Ins., Old Age, Unemployment Ins.
Total Per Month ---------- $ 392.21

Total Per Month Labor, Staff, Ins. ---$ 5,995.25

Full Crew for 4 Months ---------- $ 23,981.00
Half Crew for 2 Months ---------- 5,995.25
$ 29,976.25

Total costs of Labor, Staff and Insurance for entire Project- $29,976.25

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

9. Building Materials for housing sand plant and Lab. ----- $ 2,000.00
Gas & Oil, per Mo. $1,000.00 5. Mo. ---------- 5,000.00
Machinery repairs and replacements $500.00 Per Mo.5 Mo.- 2,500.00
Power water and Utilities per Mo. $75.00 5 Mo. -------- 375.00
Total 5 Mo. Operation ---------- $ 9,875.00

---

10. (a) We are prepared to invest $_____

(b) This amount is sufficient to pay our amount of the project according to the regulations on Government participation (Sec.9 of MO-5

---

11. This being an extensive Placer deposit in a new field and the difficulty of evaluating the products which are rare and new to dredge operators makes it quite difficult to give a clear answer to each question. However, our engineer in charge, Mr. Knutesen will make a report of the work done so far and the potential possabilities which may clear up any answers that we have not clearly answered.

Merill Foot-Mngr.

Cascade, Idaho.
Nov. 6, 1951.

Mr. G. M. Standifer, President,
Cosumnes Gold Dredging Co.,
1000 Balif. St.,
San Francisco, Calif.

Dear Mr. Standifer,

The weather does not permit any further field work in the Paddy Flat area this year so we are forced to conclude our preliminary investigation and the following is a brief report of our findings.

During the latter part of August of this year our manager Mr. Merrill Yost visited the North Fork of Gold fork near Cascade Idaho and noticed that the gravels along this stream had a very good showing of Monazite. He decided to drill a test hole and this was put down on Sept. 2, 1951 about ½ Mi. below the junction of Kennally Fork and Gold Fork. The depth of the gravel was 34 Ft. A spectographic analysis on a panned concentrate revealed the presence of Uranium, thorium and Columbium besides the rare earths.

On September 5, 1951 another hole was put down 21 Ft. on Rapid Creek a tributary of Gold fork, less than ¼ Mi. south of the Ranger Station on Paddy Flat. The Concentrates from this hole amounted to 23.1 Lbs per Cu. Yd. A field estimate showed 2 Lbs. Magnetite, 10 Lbs. Ilmenite, 2 Lbs. Garnet, 1½ Lbs, Zircon and ½ Lb. Monazite. The concentrates showed radio activity beyond that of the amount of Monazite present. An Assay of these concentrates was 0.23 Oz. gold per ton, or 9.3¢ per Cu. Yd.

At this point Mr. Yost decided that the showings warranted a further investigation and entered into a tentative agreement with several prospectors in the district holding extensive placer locations and one who owned a tract of 600 acres of patented farm land. The agreements were lease options and purchase options subject to the results of placer testing. Formal agreements with these parties are now being drawn and will accompany FORM MF-103.

Then followed two holes on Powelson Creek and one on Kennally Fork near

their junction where a high concentration of Monazite had been found by surface panning. The concentrates from these holes averaged 10.7 Lbs. concentrates per Cu. Yd. Samples of the concentrates from these three holes have been sent to Dr. P. L. Merritt of the A.E.C. for analysis. The numbers of these samples are KF-1-Y, KF-2-Y and KF-3-Y. The gold content as determined by amalgamation was 1 ¢ per Cu. Yd.

Due to lack of roads to the south of the junction of Powelson Creek and Kennally Creek we were unable to reach the extensive bench gravels with the drill. A surface sample from the area showed a high percent of concentrates and approximately 28 ¢ per Cu. Yd. in gold. A high percentage of Monazite was also present.

From Powelson Creek the drill was moved to the Loomis Homestead and a 19 foot hole put down on Camp Creek. This hole showed a fair amount of Zircon some Monazite and a small amount of Gold.

After this hole was completed the weather forced us to take the drill to Cascade and the road to Paddy Flat became almost impassable.

Since then several bank cut samples were taken in various places in the Paddy Flat Area. All the concentrates from these samples showed radio activity in various degrees and the gold content by amalgamation ranged from 1¢ per Cu. Yd. to 22¢ per Cu. Yd.

In our work in the Paddy Flat District it soon became apparent that the gravels are much more extensive than was first believed. There exists a large area of Older high bench gravels that are cut by numerous Hydraulic puts. Miles of ditches are in evidence that had been used in these early mining operations. The streams of the district have cut into these high gravel beds and in some places through them laying down a new and late deposit of gravel. We are of the opinion that both the older and the late gravels should be prospected as they both contain radio active minerals and gold.

To complete the prospecting of this extensive area will take from four to six months at an estimated cost of about $60,000.00. It is my opinion that a large area of dredgeable gravel can be developed.

The gravels of the Paddy Flat District are of such Physical character that the cost of dredging should compare very favorably with the dredging operations on the Yuba and American Rivers in California. The gravel is clean and well washed , up to 10 and 12" in diameter with a minimum of clay and practically no overburden. The bedrock is a soft decomposed granite. Some of the dredging ground is meadow land and the rest is covered with a thick growth of Lodge Pole Pine. This scrub timber can easily be cleared with tractors. It is our opinion that the 12 Cu. Ft. dredge at the Slough House, California, owned by the Cosummes Gold Dredging Company can very readily be adapted to dig this ground and should under these conditions easily have a capacity of 10,000 Cu. Yds. per 24 hours.

The valuable products in the heavy sands are, Monazite, Columbium and Uranium, Zircon and Garnet. Ilmenite is a potential source of revenue. The presence of gold in the gravels will add considerable to their value.

S incerely yours,

Eivind Knutsen

Eivind Knutsen, Engineer C.G.D. Co.
Cascade,
Idaho

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. D.M.E.A.-2265

Date received 11-20-51

Cosumnes Gold Dredging Co
465 Calif St - Room 403
San Francisco Calif

Name and address of applicant

Date 11/12-51

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (a) What are the chief mine, mill, or smelter products?
   (b) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (a) Linear feet of shafts.
   (b) Linear feet of drifts and crosscuts.
   (c) Linear feet of tunnels or adits.
   (d) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (a) Distance and direction from nearest town and shipping point.
   (b) Mining district.
   (c) Township, Section, Range.
   (d) County, State.
4. (a) State whether or not property is now in operation, and if in operation, by whom operated.
   (b) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 15

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who manage the project.
7. History:
   (a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (b) State briefly the known history and production of adjoining and neighboring properties.
   (c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address	Official Title (If officer is also director indicate by "D")	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year	Estimated Net Worth Outside of Interest in Applicant	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common	Preferred	Amount	Net Cash Surrender Value After Loans
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Am Standard 8.7	Pres. (D)	3000		50,000			
H Rose Alexander 76 Mexico City				3000			
Am Gas Corp Co.		3000		6000			
Schroeder Rc 8.7				5000			
Bee Estate 8.7 % Walter Rc				5000			
Others				26000			
	Total		x x x x x	100,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$100,000	$100,000	$1.00	100,000	
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	None				
2. Quantity of product processed (specify unit of measure and type of process)		303,000	per year		None
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than [illegible]er:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	10,000,000			16 per cwt	14.62 per cwt

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Commonwealth Mining Co.
(Name of company)

By [illegible]
(Signature of authorized official)

01/22-51
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

DMA

Cascade, Idaho.
Nov. 6, 1951.

DEFENSE MINERALS ADMINISTRATION
FORM MF-100

1. Minerals produced;
   (a) Monazite, Zircon and Columbium-Uranium Concentrates.
   (b) By products are Ilmenite, Garnet and Gold.

2. Type of Mining, Placer.
   (a) Not applicable.
   (b) Not applicable.
   (c) Not applicable.
   (d) Not applicable.

3. (a) The Paddy Flat Mining District is 10 miles East of Donnelly the nearest snipping point.
   (b) The district is known as the Paddy Flat Mining district.
   (c) The Placer area is located in Twp. 17 N R 4 E Secs. 13, 14, 15, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36. In Twp. 16 N R 4E Secs. 2, 3, 10, 15 and 22. Twp. 17 N R5 E Secs. 29 30, 31 and 32. In Twp. 16 N R 5 E, Sec. 6 all Boise Base Meridian.
   (d) Located in Valley County, Idaho.

4. (a)No operations in this district.
   (b) Lessee

5. No production. Production to commence about Oct. 1953.

6. (a) The Cosumnes Gold Dredging Company has been in operation since 1936 to the present time. Mr. G. M. Standifer, President of the Company organized this company and has operated it since that time as well as four companies were later formed and operated by him. These companies were both of the bucket line and dragline dredge type.

7. Not applicable as the gravels of the Paddy Flat area were mined for gold only in the early days.

8. Filled in by Mr. Standifer.

9. Filled in by Mr. Standifer.

10. Not applicable.

Cascade, Idaho.
Nov. 6, 1951.

11. Not Applicable.

12. (a) Not Applicable.
(b) Not Applicable.
(c) Placer.

1. Potential yardage 150 Million Cu. Yds. that will probably produce ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium-Tantalum Concentrates, small amount of Uranium concentrates and gold 10¢ to 15¢ , all based on Cu. Yds.

2. Map attached with drill logs.

3. Medium coarse gravel with cobbles up to 12" in diameter. The gravel is compact, not considered tight and not cemented or frozen. Some of the area is covered with a thick growth of scrub timber that can easily be cleared with tractors.

4. Bedrock is a soft decomposed granite.

5. There is very little overburden. Probably one or two feet which contains Monazite in the concentrates. It is a loose sandy loam.

6. Ore or Mineral reserves.

(a) Estimated Cu. Yds. ----------150,000,000

(b) Estimate ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium - tantalum concentrates, small amount of Uranium concentrates, and gold 10¢ to 15¢ per Cu. Yd.

(c) Gross value per Cu. Yd. unknown.

(d) Recoverable value per Cu. Yd. ----------26.0¢

(e) Net operating cost per Cu. Yd. ------- 9.52¢
Taxes, Ins. Etc. ---------- 2.50¢
Royalty of 10% gross ---------- 2.60¢
Total gross operatin cost- 14.62¢

13. Distance to shipping point 10 miles over graded dirt road.

14. Unlimited.

15. 1200 Connected H.P. 6 mills per KW. Hr.

16. Does not apply.

17. No equipment on the property and no buildings. Available for this operation;

One 12 Cu. Ft. Gold Dredge equipped with jigs and all necessary operting equipment.

18. Yes. See summary of project and operations attachec.

P1 of A

Cascade, Idaho.
Nov. 6, 1951.

U.SDepartment of the Interior,
Defense Minerals Administration.
Washington, D. C.

18. The answers to the questions in form MF-100 do not give the correct impression of the tru conditions existing at Paddy Flat. The Cosumnes Gold Dredging Company entered this area primarily looking for Monazite, as very promising surface indications had been found by prospectors. By drilling a few holes in the area it was found that the average Monazite content from the surface to the bedrock was less than that found near the surface. However, further investigation showed radio activity over and beyond that caused by the amount of Monazite present. Spectographic analysis show the presence of Columbium and Uranium. Assaying for gold and silver reveal the presence of these in amounts of from 1¢ per Cu. Yd. to 36¢ per Cu. Yd. Furthermore, considerable amounts of Magnetite, Ilmenite, Zircon and Garnet occur in the gravels. One sample showing as much as 136 Lbs. of heavy sands per Cu. Yd. of gravel.

The original prospecting for Monazite had been confined to the lat gravels along the present stream beds and a much larger area of older, high bench gravels had been entirely ignored. These older gravels have also showed up to contain a high percent of heavy sands with considerable radio activity. Consequently the area covered by gravels containing these heavy sands amount to many square miles.

As the Cosumnes Gold Dredging Company has all ready spent a good deal of time and money prospecting for Monazite in Idaho and has come to the conclusion that properties that can be worked for Monazite alone are very few in this state. However, if the various valuable by products can be recovered and seperated into marketable concentrates, some of the Idah Placers containing these various minerals would become of great commercial value. The Pdaddy Flat District is such a deposit.

From our preliminary drilling and sampling, both by drills and cut samples of exposed faces, we have come to the conclusion from the field estimates as follows:

The gravel is typical of the placer operations in California that have in the past been carried on very successfully on ground that yielded 10¢ per Cu. Yd. or less. The average depth of the ground will be about 30 Ft. with a soft decomposed granite bedrock. There are no large boulders and the gravel would be classed as medium coarse. It is considered easy digging and clean, meaning that there is no clay to interfere or undue slimes or light sands. The oversize that will be screened out will range up to and sometimes exceed 40% which makes the first step in concentration and a very important one, as it eliminates a large percentage of the material that does not have to be handled by the jigs which is a more delicate operation than the screening and the screening is the cheapest form of concentration.

Next the jig product will be pumped to a stationary shore plant , the amount rangeing from 1% to 5% of the total yardage handled. This product will then be re-concentrated and the worthless gangue discarded. The product will then be dried and seperated by means of a magnetic seperator that will progressively seperate the Magnetite, Ilmenite, Garnet and Monazite, the balance going off in the tailings. These tailings will then be re-concentrated and the heavy non magnetics such as Zircon, Columbite, Uranium and gold recovered.

All costs, operating figures and yardages given in form MF-100 are based on actual dredging operations carried on by us in California on similar deposits. We have worked out the costs of the separation plant as close as possible; however there is not a duplicate operation from which we could obtain such costs.

The Values stated in form MF.-100 are taken from the field estimates and are based on figures obtained by us from various sources. Monazite ¢ 15.0¢ Lb.

Cascade, Idaho.
Nov. 6, 1951.

Zircon @ 3.0¢ per Lb., Garnet @ 4.0¢ per Lb. and gold at $35.00 per Oz. We have not estimated any values for Ilmenite, Columbium or Uranium as the Ilmenite market market will have to be investigated and the Uranium and Columbium content is now being determined.

Lately it has been called to our attention that Ilmenite may become of as much value per Cu. Yd. as the Monazite content due to the development of new processes in the manufacture of Titanium.

In view of the above, the Cosumnes Gold Dredging Company has applied for a government loan (From MF-103) to thoroughly prospect the Paddy Flat Area, and to accurately determine the value of the various products. We believe that such an investigation will prove the value of the Paddy Flat Area.

Sincerely yours,

Eivind Knutsen

Eivind Knutesen, Engineer, C.G.D.Co.

Merrill Yost

Merrill Yost, General Manager.
Cascade,
Idaho.

PF-3-Y

Pit Sample Not to Bedrock. 7 Ft. Vertical Depth.

.29 Cu. Yds. Total Concentrates per Cu. Yd. 136.0 Lbs.

Monazite @ 15.0¢ Lb.	3/4 Lb.	11.5 ¢
Zircon @ 3.0 ¢ Lb.	2. Lbs.	6.0 ¢
Garnet @ 4.0 ¢ Lb.	4 Lbs	16.0 ¢
Ilmenite Not quoted	30 Lbs	.0 ¢
Gold @ $35.00 Oz		2.5 ¢
	Total estimated value.	36.0 ¢

This hole is typical of Paddy Flat cree. The concentrates were extremely heavy. The gravel a good clean coarse quartzite. This hole is not to bedrock. Probably 15 or 20 Ft. to Bedrock.

In the above estimates Ilmenite was not taken into consideration as there is no quotation at present in Idaho. However there is considerable interest by Companies interested in the Manufacture of Titanium.

Also there is no estimates on Columbium and Uranium. The Spectograph shows a small amount of both. With the meager equipment we at present have it would be impossible for us to make an estimate. We have sent samples to have determinations on both.

The most Radio active prospect is in Sec. 36 which we call No. 36 was a pan sample of a hydraulic face. The radio active particles were large, up to ¼ In in diameter. Also considerable monazite and zircon. There was an unusually large amount of concentrates; This showed 28.1¢ in gold. This was not sampled as we were building a road to the ground and a small snow flurry made it impractical to complete the road this year.

Merrill Yost

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
NOV 30 57 AM 11

RC-3-Y

Depth 19 Ft. Drill hole Concentrates per Cu . Yd. 12.2 Lbs.

Monazite ------@ 15.0 ¢ Lb. ---------- ¼ Lb. ---------- 3.5 ¢

Zircon ------@ 3.0 ¢ Lb. ----------1 Lb. ---------- 3.0 ¢

Garnet ------ @ 4.0 ¢ Lb. ----------1½ Lb. ---------- 6.0 ¢

Ilmenite No quotation ----------~~3 Lbs.~~---------- .0 ¢

Gold @ $35.00 per Oz. ---------- 2.0 ¢

Total estimated Value ---------- 14.0 ¢

This hole is on the divide between Rapid creek and Camp creek. It was not in the true wash of either and showed a considerable amount sulphides. There was very little gravel. Mostly sand and grit as it had very little washing action from either stream and consequently the values much lower. 5" drill 6½" drive shoe.

NGF-2-Y

Depth 21 Ft. Drill Hole Concentrates per Cu. Yd. 23.1 Lbs.

Monazite @15.0 ¢ per Lb. ---------1 Lb. ---------- 15.0¢

Zircon @ 3.0 ¢ per Lb. ---------2⅓ Lbs ---------- 7.5 ¢

Garnet @ 4.0 ¢ per Lb. ---------~~4 ⅓~~ Lbs 4 ---------- ~~6.0~~ ¢ 16.1

Ilmenite No quotation ----------6 Lbs. ---------- .0 ¢

Gold @ $35. 00 Oz. ---------- 18.6 ¢

Toatl Value Estimate ---------- 37.1

Typical hole of Rapid Creek. 5" Drill 6½ Drive shoe.

PFS-2-Y

Cut sample of Hydraulic face to bedrock. Vert Depth 22 Ft.

Cioncentrates per Cu. Yd. 27.7 Lbs. .574 Cu. Yds in Sample.

Monazite @ 15.0 Lb. ----------¼ Lb. ---------- 3.5

Zircon @ 3.0 ¢ perLb. ---------- ½ Lb. ----------1.5

Garnet @ 4.0 ¢ per Lb. ------- 1 Lb. ----------4.0

Ilmenite No quotation ----- 4 Lbs ---------- .0

Gold @ $ 35.00 per Oz. ----------2.5

To tal estimated Value 11.5 ¢

M. Yost

This hydraulic face is on the ridge between camp creek and Paddy creek. this face showed small gravel and considerable sandy clay stains . Poor Values

R C -4- Y NGR-2-Y

Bank sample not to bedrock

Vertical Depth 13 ft. channel sample 12" x 8"

.46 cu. yds in sample.

Total concentrates 76.7 Lbs. cons. cu yd.

Monazite @ 15.0¢ per Lb. -- 3/4 Lb Cu. Yd. ----------	11.0 ¢
Zircon @ 3.0¢ per Lb. -- 2 Lbs. Cu. Yd. ----------	6.0¢
Garnet @ 4.0¢ per Lb. -- 2 Lbs. Cu. Yd. ----------	8.0 ¢
Ilmenite (No quotation) ---------10 lbs.----------	.0 ¢
Gold ¢ $35.00 Oz. ----------	3.0 ¢
Total estimated value ----------	28.00¢

This was a bank cut and not to bedrock. The gravel was easily washed and concentrated readily. Bedrock is probably 20 or 25 Ft. deeper.

Merritt Goff

Z-1-Y

Cut sample of Hydraulic Face to Bedrock.

Vert. Depth ------ 29 Ft. Channel sample 12"X8"

.975 Cu. Yds. in Sample. Total concentrates per Cu. Yd. 17.9 Lbs.

Monazite ¢ 15.0 ¢ per Lb. ----------1 Lb. Cu. Yd. ----------	15.0 ¢
Zircon @ 3.0 ¢ per Lb. ----------1½ Lbs. Cu. Yd. ----------	4.5 ¢
Garnet @ 4.0¢ per Lb. ----------2 Lbs. Cu. Yd. ----------	8.0 ¢
Ilmenite (No quotation) ----------7 Lbs. Cu. Yd. ----------	.0 ¢
Gold @ $35.00 Per Oz. ----------	4.0 ¢
Total estimated Value Cu. Yd. ----------	31.5 ¢

This hole is on the high bench. The gravel was easily dug and sets on a soft decomposed granite. This is an easily washed gravel and the concentrates separated very easily. No clay.

Merritt Goff

RFN-1-Y

Pit Sampple Surface, Not to Bedrock. Vert depth 4 Ft.

Channel sample 12"X8"

.213 Cu. Yds. in sample. Total Concentrates 46.3 Lbs per Cu. Yd.

Monazite @ 15.0¢ Lb.	1 Lb.	15.0 ¢
Zircon @ 3.0 ¢	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢	3 Lbs	12.0 ¢
Ilmenite (not quoted)	11 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	34.0 ¢

This hole not to bedrock. Clean washed quartz gravel with heavy concentrates. Easily washed and separated.

M. Yost

Drill Hole No. NGF-1-Y

Depth ----------32 Ft. Tot Concentrates Cu. Yd. 15.25 Lbs.

Monazite @ 15.0 ¢ per Lb.	1/3 Lb.	5.0 ¢
Zircon @ 3.0 ¢ per Lb.	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢ per Lb.	2. Lbs.	8.0 ¢
Ilmenite -----No quotation	4 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Toatl estimated Value	20.0 ¢

This hole had clean, easily washed gravel and the concentrates seperated very readily. Drill is 5" with 6½" drill shoe.

M. Yost

G.M.S.

[illegible] Spectrographic Analysis

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Molybdenum	Calcium	Aluminum	Titanium	[illegible]
Vanadium	Magnesium	Manganese	Silicon	
Copper	Zirconium			
Nickel	Chromium			
Cobalt				

The Cream Sample, Very Complex. Sample shows small amount of Radioactivity. Spectrographic sensitivity not sufficient to detect small percentage of Uranium or Thorium present.

Small percentage of Columbium may be present.

Copy

Form MF-100
(May 1951)

U.S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA 2265

Date received 11-30-51

Cosumnes Gold Dredging Co
465 Calif St. Room 403
San Francisco Calif

Name and address of applicant

Date Nov. 12, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

DEFENSE MINERALS ADMINISTRATION
NOV 30 1951
WASHINGTON, D.C.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (a) What are the chief mine, mill, or smelter products?
   (b) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (a) Linear feet of shafts.
   (b) Linear feet of drifts and crosscuts.
   (c) Linear feet of tunnels or adits.
   (d) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (a) Distance and direction from nearest town and shipping point.
   (b) Mining district.
   (c) Township, Section, Range.
   (d) County, State.
4. (a) State whether or not property is now in operation, and if in operation, by whom operated.
   (b) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 15

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who manage the project.
7. History:
   (a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (b) State briefly the known history and production of adjoining and neighboring properties.
   (c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Wm Stanhope 1000 Calif St S.F. Cal	President (D)	3000.00		50,000			
H. Rose - Ave Jerez #76 Mexico City				13000			
M Goot Care Co.		3000.00		15000			
Schwabacher & Co S.F.				5000			
Bee State & Water Co				5000			
Others				12000			
	Total		x x x x x	100,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$100,000	$100000	$1.00	100 000	
Preferred stock	$ X	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Gas		Approx 3000000	per year	
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					None

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
see engineers report	See report				
Measured (proved)					
Indicated (probable)	150,000,000			26 pelleys	14.62 pelleys

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Commonwealth Dredging Co
(Name of company)

By [signature]
(Signature of authorized official)

Nov 12, 1951
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

DMA

Cascade, Idaho.
Nov. 6, 1951.

DEFENSE MINERALS ADMINISTRATION
FORM MF-100

1. Minerals produced;
   (a) Monazite, Zircon and Columbium-Uranium Concentrates.
   (b) By products are Ilmenite, Garnet and Gold.

2. Type of Mining, Placer.
   (a) Not applicable.
   (b) Not applicable.
   (c) Not applicable.
   (d) Not applicable.

3.
   (a) The Paddy Flat Mining District is 10 miles East of Donnelly the nearest shipping point.
   (b) The district is known as the Paddy Flat Mining district.
   (c) The Placer area is located in Twp. 17 N R 4 E Secs. 13, 14, 15, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36. In Twp. 16 N R 4E Secs. 2, 3, 10, 15 and 22. Twp. 17 N R5 E Secs. 29 30, 31 and 32. In Twp. 16 N R 5 E, Sec. 6 all Boise Base Meridian.
   (d) Located in Valley County, Idaho.

4. (a)No operations in this district.
   (b) Lease

5. No production. Production to commence about Oct. 1953.

6. (a) The Cosumnes Gold Dredging Company has been in operation since 1936 to the present time. Mr. G. M. Standifer, President of the Company organized this company and has operated it since that time as well as four companies were later formed and operated by him. These companies were both of the bucket line and dragline dredge type.

7. Not applicable as the gravels of the Paddy Flat area were mined for gold only in the early days.

8. Filled in by Mr. Standifer.

9. Filled in by Mr. Standifer.

10. Not applicable.

Cascade, Idaho.
Nov. 6, 1951.

11. Not Applicable.

12. (a) Not Applicable.
(b) Not Applicable.
(c) Placer.

1. Potential yardage 150 Million Cu. Yds. that will probably produce ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium-Tantalum Concentrates, small amount of Uranium concentrates and gold 10¢ to 15¢ , all based on Cu. Yds.

2. Map attached with drill logs.

3. Medium coarse gravel with cobbles up to 12" in diameter. The gravel is compact, not considered tight and not cemented or frozen. Some of the area is covered with a thick growth of scrub timber that can easily be cleared with tractors.

4. Bedrock is a soft decomposed granite.

5. There is very little overburden. Probably one or two feet which contains Monazite in the concentrates. It is a loose sandy loam.

6. Ore or Mineral reserves.

(a) Estimated Cu. Yds. ----------150,000,000

(b) Estimate ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium - tantalum concentrates, small amount of Uranium concentrates, and gold 10¢ to 15¢ per Cu. Yd.

(c) Gross value per Cu. Yd. unknown.

(d) Recoverable value per Cu. Yd. ----------26.0¢

(e) Net operating cost per Cu. Yd. -------- 9.52¢
Taxes, Ins. Etc. ---------- 2.50¢
Royalty of 10% gross ---------- 2.60¢
Total gross operatin cost- 14.62¢

13. Distance to shipping point 10 miles over graded dirt road.

14. Unlimited.

15. 1200 Connected H.P. 6 mills per KW. Hr.

16. Does not apply.

17. No equipment on the property and no buildings. Available for this operation;

One 12 Cu. Ft. Gold Dredge equipped with jigs and all necessary operting equipment.

18. Yes. See summary of project and operations attached.

D141 A

Cascade, Idaho.
Nov. 6, 1951.

U.S Department of the Interior,
Defense Minerals Administration,
Washington, D. C.

18. The answers to the questions in form MP-100 do not give the correct impression of the tru conditions existing at Paddy Flat. The Cosumnes Gold Dredging Company entered this area primarily looking for Monazite, as very promising surface indications had been found by prospectors. By drilling a few holes in the area it was found that the average Monazite content from the surface to the bedrock was less than that found near the surface. However, further investigation showed radio activity over and beyond that caused by the amount of Monazite present. Spectographic analysis show the presence of Columbium and Uranium. Assaying for gold and silver reveal the presence of these in amounts of from 1¢ per Cu. Yd. to 36¢ per Cu. Yd. Furthermore, considerable amounts of Magnetite, Ilmenite, Zircon and Garnet occur in the gravels. One sample showing as much as 136 Lbs. of heavy sands per Cu. Yd. of gravel.

The original prospecting for Monazite had been confined to the lat gravels along the present stream beds and a much larger area of older, high bench gravels had been entirely ignored. These older gravels have also showed up to contain a high percent of heavy sands with considerable radio activity. Consequently the area covered by gravels containing these heavy sands amount to many square miles.

As the Cosumnes Gold Dredging Company has all ready spent a good deal of time and money prospecting for Monazite in Idaho and has come to the conclusion that properties that can be worked for Monazite alone are very few in this state. However, if the various valuable by products can be recovered and seperated into marketable concentrates, some of the Idah Placers containing these various minerals would become of great commercial value. The Pdaddy Flat District is such a deposit.

From our preliminary drilling and sampling, both by drills and cut samples of exposed faces, we have come to the conclusion from the field estimates as follows:

The gravel is typical of the placer operations in California that have in the past been carried on very successfully on ground that yielded 10¢ per Cu. Yd. or less. The average depth of the ground will be about 30 Ft. with a soft decomposed granite bedrock. There are no large boulders and the gravel would be classed as medium coarse. It is considered easy digging and clean, meaning that there is no clay to interfere or undue slimes or light sands. The oversize that will be screened out will range up to and sometimes exceed 40% which makes the first step in concentration and a very important one, as it eliminates a large percentage of the material that does not have to be handled by the jigs which is a more delicate operation than the screening and the screening is the cheapest form of concentration.

Next the jig product will be pumped to a stationary shore plant , the amount rangeing from 1% to 5% of the total yardage handled. This product will then be re-concentrated and the worthless gabgue discarded. The product will then be dried and seperated by means of a magnetic seperator that will progressively seperate the Magnetite, Ilmenite, Garnet and Monazite, the balance going off in the tailings. These tailings will then be re-concentrated and the heavy non magnetics such as Zircon, Columbite, Uranium and gold recovered.

All costs, operating figures and yardages given in form MF-100 are based on actual dredging operations carried on by us in California on similar deposits. We have worked out the costs of the separation plant as close as possible; however there is not a duplicate operation from which we could obtain such costs.

The Values stated in form MF.-100 are taken from the field estimates and are based on figures obtained by us from various sources. Monazite ¢ 15.0¢ Lb.

Cascade, Idaho.
Nov. 6, 1951.

Zircon @ 3.0¢ per Lb., Garnet @ 4.0¢ per Lb. and gold at $35.00 per Oz. We have not estimated any values for Ilmenite, Columbium or Uranium as the Ilmenite market market will have to be investigated and the Uranium and Columbium content is now being determined.

Lately it has been called to our attention that Ilmenite may become of as much value per Cu. Yd. as the Monazite content due to the development of new processes in the manufacture of Titanium.

In view of the above, the Cosumnes Gold Dredging Company has applied for a government loan (From MF-103) to thoroughly prospect the Paddy Flat Area, and to accurately determine the value of the various products. We believe that such an investigation will prove the value of the Paddy Flat Area.

Sincerely yours,

Eivind Knutsen

Eivind Knutsen, Engineer, C.G.D.Co.

Merrill Yost

Merrill Yost, General Manager.
Cascade,
Idaho.

RECEIVED
APR 23 1952
U. S. G. S.
SPOKANE, WASH.

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

Mittendorf file

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA 2265
Metal or Mineral Monazite - Columbite, etc
Date Received 11-30-51
Amount $ ~~49,055~~ 58,906.25
Participation (Government %)

Name and address of applicant

Cosumnes Gold Dredging Co.
465 Calif St. Room 403
San Francisco
Calif

Date Nov. 12, 1951

If you have already filed MF-100, give date filed Nov. 12, 1951, type of assistance requested Exploration ~~Purchases~~ & loan,

DMA Docket Number (if available) Monazite etc Columbium

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. Nov 30 10 56 AM '51

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find? Monazite, Columbium, Ilmenite Zirconium etc

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

16—64067-2

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project? 60% of Cost

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)? Yes

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Commonwealth Refining Co. By [signature]

(Name of company) (Signature of authorized official)

Nov. 12 1957 President

(Date) (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

Cascade, Idaho,
Nov. 6, 1951.

REPLIES; FORM MR-103

TO;
Defense Minerals Administration,
Department of Interior,
Washington, D. C.

1. (a) The property is located in Valley County, Idaho and is known as the Paddy Flat Mining District. This district constitutes an area of Alluvial gravels located in the drainage areas of Paddy Creek, Camp Creek, Rapid Creek, Kennally Creek and the North Fork of Gold Fork.

This area covers parts of four townships namely T 16 N - R 4 E, T 16 N - R 5 E, T 17 N - R 4 E and T 17 N - R 5 E, Boise Basin Meridian.

The Paddy Flat Mining District was extensively worked for its placer gold before the turn of the Century, and numerous Hydraulic pits are in evidence, together with miles of miners ditches, the largest of which is approximately 5 miles long. At present no operating properties exist.

No liveable quarters exist in the district with the exception of the very commodious camp established by the Forest Service, which was little used during the summer of 1951.

(b) Copies of option agreements attached hereto.

(c) The legal description of the area upon which the exploration is to be conducted is as follows;

In T 17 N - R 4 E Sec. 13, 14, 15, 21, 22,23,24, 25,26,27,28,33 34,35 and 36. In T 16 N - R 4 E Secs. 2, 3, 10,15 and 22. In T17 N - R 5 E Secs 29,30,31 and 32. In T 16 N -R 5 E Sec. 6. All Boise B M.

Note 1. The area mentioned above includes the areas of which we hold option agreements together with such areas of the public domain which has not as yet been located but may later prove valuable.

Note 2. This is covered in 1. (a)

Cascade, Idaho,
Nov. 6, 1951.

REPLIES: FORM ME-103

2. (a) W e expect to find the following metals and minerals;

1. Magnetite
2. Ilmenite, (Titanium)
3. Garnet
4. Monazite
5. Zircon
6. Columbium, Tantalum Complex Minerals.
7. Uranium Complex Minerals.
8. Gold

(b) Question does not apply.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM-MF-103

3. (a) We propose to do this exploratory work by means of Churn Drills. We also propose to check the Churn Drill results by shafts, dug either by hand or mechanical means.

We propose to wash the gravels and concentrate the heavy sands in a pilot plant, simulating actual dredgeing recovery. This plant will consist of screens, jigs and concentrating tables.

We propose to seperate the heavy sands into the various products by means of a labratory size magnetic seperator. T hese samples will represent the final product of the dredging operations. From these samples will be determined the market value of the various products and the evaluation of the property.

The area will be surveyed and maps made as follows:

1. A regional map showing the main physical features and ownership lines.

2. Prospecting maps of a scale sufficient to show main physical features, location of drill holes, shafts and surface cuts for the purpose of calculating yardage, values and dredging section.

3. Complete topographical maps of the proven areas suitable for dredging operations.

A final report will be made of the prospecting of the Paddy Flat Mining District.

The total estimated cost of the project is $58,906.25.

We propose to start preparations on March 1, 1952 and the field work to commence May 15, 1952. The project to be completed Oct. 1, 1952.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103.

4. See accompanying property maps of Paddy Flat Mining District.

---

5. None.

---

6. Refer to question No. 3.

---

7. Rented.

(a) One 3 Cu. Yd. Dump Truck,
$600.00 per Mo. 4 Months ---------- $ 2,400.00 -- $2,400.00

(b)

One twin cell 12" placer Jig ----------	450.00	
One Vibrating Screen ----------	400.00	
One Wilfley Concentrating table 3½X7 ---	600.00	
40 Ft. 20" casing for shaft digging Mach.	2,600.00	
One Labratory Dings Magnetis Seperator -	3,000.00	
One engineers Plane Table ----------	550.00	
One engineers Level ----------	430.00	
One Drafting machine ----------	100.00	
Total ----------	$10,530.00	----$10530.00

(c) Furnished by Standifer, Yost & Cosumnes Gold Dredging Company.

One 5" Placer drill with 1½ ton Dodge truck mounting @400.00 per. Mo. 5 Mo. ---	$2,000.00	
One Clamshell shaft sinking Machine mounted on 2 ton Dodge truck @$400 Per. 5 Mo.-	2,000.00	
One 1950 GMC ½ ton Pick-up @ $125.00 Per. Mo. 5 Months ----------	625.00	
One D4 Caterpillar Tractor and Dozer blade @ $300.00 Per. Mo. 5 Months. ----------	1,500.00	
Total ----------	$6,125.00	-----$6,125.00
	Total -----	$19,055.00

Miscellaneous equipment furnished, Cutting torches Arc sets, hand tools, one Mine and Smelter Plader Washer capacity 1 Cu. Yd. per Hr. One Wilfley table No. 13. Miscellaneous labratory equipment such as sieves, sample splitters Geiger Counter, Ultra Violet Lamp and various smaller items. Office equipment, two Monroe Calculators, two typewriters, one check protector, one transit, one planimeter, large drafting table and drawing instruments.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

5. Labor and staff schedule:

Labor	Per Da.
1 Drill Boss @ $2.20 Per Hr.	$ 17.60
2 Drillers @ $1.75 Per Hr.	28.00
2 Driller's Helpers @ $ 1.38 Per Hr.	22.08
2 Utility Men @ $ 1.27 Per Hr.	20.32
1 Washing plant operator @ $1.75 Per.	14.00
1 Washing plant helper @ 1.38 Per Hr.	11.04
1 Truck Driver @ $1.50 Per Hr.	12.00
1 Instrument Man @ $ 2.20 Per Hr.	17.60
1 Rod Man @ 1.38 Per Hr.	11.04
Total Per Da.	$153.68

Total Per Mo. @ 6 days per Week ——— $ 4303.04

Staff	
1. Chief Engineer Per. Mo.	$ 600.00
1. Accountant and Bookkeeper	300.00
1 General Manager	400.00
Total Per Mo.	$1,300.00

Total Per Month ——— $1,300.00

Compensation Ins., Old Age, Unemployment Ins.
Total Per Month ——— $ 392.21

Total Per Month Labor, Staff, Ins. ——— $ 5,995.25

Full Crew for 4 Months ——— $ 23,981.00
Half Crew for 2 Months ——— 5,995.25
$29,976.25

Total costs of Labor, Staff and Insurance for entire Project- $29,976.25

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

9. Building Materials for housing sand plant and Lab. ——— $ 2,000.00
Gas & Oil, per Mo. $1,000.00 5. Mo. ——————— 5,000.00
Machinery repairs and replacements $500.00 Per Mo.5 Mo.- 2,500.00
Power water and Utilities per Mo. $75.00 5 Mo. ——— 375.00
Total 5 Mo. Operation ——————— $ 9,875.00

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10. (a) We are prepared to invest $_____

(b) This amount is sufficient to pay our amount of the project according to the regulations on Government participation (Sec.9 of MO-5

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11. This being an extensive Placer deposit in a new field and the difficulty of evaluating the products which are rare and new to dredge operators makes it quite difficult to give a clear answer to each question. However, our engineer in charge, Mr. Knutesen will make a report of the work done so far and the potential possabilities which may clear up any answers that we have not clearly answered.

Merrill Yost Mugr

Cascade, Idaho.
Nov. 6, 1951.

Mr. G. M. Standifer, President,
Cosumnes Gold Dredging Co.,
1000 Calif. St.,
San Francisco, Calif.

Dear Mr. Standifer,

The weather does not permit any further field work in the Paddy Flat area this year so we are forced to conclude our preliminary investigation and the following is a brief report of our findings.

During the latter part of August of this year our manager Mr. Merrill Yost visited the North Fork of Gold fork near Cascade Idaho and noticed that the gravels along this stream had a very good showing of Monazite. He decided to drill a test hole and this was put down on Sept. 2, 1951 about ½ Mi. below the junction of Kennally Fork and Gold Fork. The depth of the gravel was 3¼ Ft. A spectographic analysis on a panned concentrate revealed the presence of Uranium, thorium and Columbium besides the rare earths.

On September 5, 1951 another hole was put down 21 Ft. on Rapid Creek a tributary of Gold fork, less than ½ Mi. south of the Ranger Station on Paddy Flat. The Concentrates from this hole amounted to 23.1 Lbs per Cu. Yd. A field estimate showed 2 Lbs. Magnetite, 10 Lbs. Ilmenite, 2 Lbs. Garnet, 1½ Lbs. Zircon and ½ Lb. Monazite. The concentrates showed radio activity beyond that of the amount of Monazite present. An Assay of these concentrates was 0.23 Oz. gold per ton, or 9.3¢ per Cu. Yd.

At this point Mr. Yost decided that the showings warranted a further investigation and entered into a tentative agreement with several prospectors in the district holding extensive placer locations and one who owned a tract of 600 acres of patented farm land. The agreements were lease options and purchase options subject to the results of placer testing. Formal agreements with these parties are now being drawn and will accompany FORM MF-103.

Then followed two holes on Powelson Creek and one on Kennally Fork near

their junction where a high concentration of Monazite had been found by surface panning. The concentrates from these holes averaged 10.7 Lbs. concentrates per Cu. Yd. Samples of the concentrates from these three holes have been sent to Dr. F. L. Merritt of the A.E.C. for analysis. The numbers of these samples are KF-1-Y, KF-2-Y and KF-3-Y. The gold content as determined by amalgamation was 1 ¢ per Cu. Yd.

Due to lack of roads to the south of the junction of Fewelson Creek and Kennally Creek we were unable to reach the extensive bench gravels with the drill. A surface sample from the area showed a high percent of concentrates and approximately 25 ¢ per Cu. Yd. in gold. A high percentage of Monazite was also present.

From Fewelson Creek the drill was moved to the Loomis Homestead and a 19 foot hole put down on Camp Creek. This hole showed a fair amount of Zircon some Monazite and a small amount of Gold.

After this hole was completed the weather forced us to take the drill to Cascade and the road to Paddy Flat became almost impassable.

Since then several bank cut samples were taken in various places in the Paddy Flat Area. All the concentrates from these samples showed radio activity in various degrees and the gold content by amalgamation ranged from 1¢ per Cu. Yd. to 22¢ per Cu. Yd.

In our work in the Paddy Flat District it soon became apparent that the gravels are much more extensive than was first believed. There exists a large area of Older high bench gravels that are cut by numerous Hydraulic puts. Miles of ditches are in evidence that had been used in these early mining operations. The streams of the district have cut into these high gravel beds and in some places through them laying down a new and late deposit of gravel. We are of the opinion that both the elder and the late gravels should be prospected as they both contain radio active minerals and gold.

To complete the prospecting of this extensive area will take from four to six months at an estimated cost of about $60,000.00. It is my opinion that a large area of dredgeable gravel can be developed.

The gravels of the Paddy Flat District are of such Physical character that the cost of dredging should compare very favorably with the dredging operations on the Yuba and American Rivers in California. The gravel is clean and well washed, up to 10 and 12" in diameter with a minimum of clay and practically no overburden. The bedrock is a soft decomposed granite. Some of the dredging ground is meadow land and the rest is covered with a thick growth of Lodge Pole Pine. This scrub timber can easily be cleared with tractors. It is our opinion that the 12 Cu. Ft. dredge at the Slough House, California, owned by the Cosumnes Gold Dredging Company can very readily be adapted to dig this ground and should under these conditions easily have a capacity of 10,000 Cu. Yds. per 24 hours.

The valuable products in the heavy sands are, Monazite, Columbium and Uranium, Zircon and Garnet. Ilmenite is a potential source of revenue. The presence of gold in the gravels will add considerable to their value.

Sincerely yours,

Eivind Knutsen

Eivind Knutsen, Engineer C.G.D. Co.
Cascade,
Idaho

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA 2265

Date received 11-30-51

Name and address of applicant

Cosumnes Gold
Dredging Co
465 California St Room 403
San Francisco Calif

Date Nov 12, 1951

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. NOV 13 10 56 AM '51

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 15

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
W. Stanley - 1000 Calif St							
S. F. Cal	President (D)	$3000.00		50,000			
H. Rose - Avenida Juarez #76							
Mexico City Mex				13,000			
Mr. Gold Ore Company		$3000.00		15,000			
J. Schwabacher Co. S.F. Cal				5,000			
Bee estate c/o Wotter Co. S.F. Cal				5,000			
				12,000			
	Total		x x x x x	100,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$100,000	$100,000	$1.00	100,000	
Preferred stock	$ X	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Gold	Approx	300,000	per year	
2. Quantity of product processed (specify unit of measure and type of process)					None
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. See Engineers report

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

16—63792-1

(*b*) If deposit is other than [illegible]er:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
See engineers report	Cu 1/2%				
Measured (proved)					
Indicated (probable)	10,000,000			16 per cent	14.62 per cent

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Bonner Gold Dredging Co
(Name of company)

By [illegible]
(Signature of authorized official)

Nov. 12, 1951
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

DMR

Cascade, Idaho.
Nov. 6, 1951.

DEFENSE MINERALS ADMINISTRATION
FORM MF-100

1. Minerals produced;
   (a) Monazite, Zircon and Columbium-Uranium Concentrates.
   (b) By products are Ilmenite, Garnet and Gold.

2. Type of Mining, Placer.
   (a) Not applicable.
   (b) Not applicable.
   (c) Not applicable.
   (d) Not applicable.

3. (a) The Paddy Flat Mining District is 10 miles East of Donnelly the nearest shipping point.
   (b) The district is known as the Paddy Flat Mining district.
   (c) The Placer area is located in Twp. 17 N R 4 E Secs. 13, 14, 15, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36. In Twp. 16 N R 4E Secs. 2, 3, 10, 15 and 22. Twp. 17 N R5 E Secs. 29 30, 31 and 32. In Twp. 16 N R 5 E, Sec. 6 all Boise Base Meridian.
   (d) Located in Valley County, Idaho.

4. (a) No operations in this district.
   (b) Lessee

5. No production. Production to commence about Oct. 1953.

6. (a) The Cosumnes Gold Dredging Company has been in operation since 1936 to the present time. Mr. G. H. Standifer, President of the Company organized this company and has operated it since that time as well as four companies were later formed and operated by him. These companies were both of the bucket line and dragline dredge type.

7. Not applicable as the gravels of the Paddy Flat area were mined for gold only in the early days.

8. Filled in by Mr. Standifer.

9. Filled in by Mr. Standifer.

10. Not applicable.

Cascade, Idaho.
Nov. 6, 1951.

11. Not Applicable.

12. (a) Not Applicable.
(b) Not Applicable.
(c) Placer.

1. Potential yardage 150 Million Cu. Yds. that will probably produce ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium-Tantalum Concentrates, small amount of Uranium concentrates and gold 10¢ to 15¢ , all based on Cu. Yds.

2. Map attached with drill logs.

3. Medium coarse gravel with cobbles up to 12" in diameter. The gravel is compact, not considered tight and not cemented or frozen. Some of the area is covered with a thick growth of scrub timber that can easily be cleared with tractors.

4. Bedrock is a soft decomposed granite.

5. There is very little overburden. Probably one or two feet which contains Monazite in the concentrates. It is a loose sandy loam.

6. Ore or Mineral reserves.

(a) Estimated Cu. Yds. ----------150,000,000

(b) Estimate ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium - tantalum concentrates, small amount of Uranium concentrates, and gold 10¢ to 15¢ per Cu. Yd.

(c) Gross value per Cu. Yd. unknown.

(d) Recoverable value per Cu. Yd. ----------26.0¢

(e) Net operating cost per Cu. Yd. ------- 9.52¢
Taxes, Ins. Etc. ---------- 2.50¢
Royalty of 10% gross ---------- 2.60¢
Total gross operatin cost- 14.62¢

13. Distance to shipping point 10 miles over graded dirt road.

14. Unlimited.

15. 1200 Connected H.P. 6 mills per Kw. Hr.

16. Does not apply.

17. No equipment on the property and no buildings. Available for this operation; One 12 Cu. Ft. Gold Dredge equipped with jigs and all necessary operting equipment.

18. Yes. See summary of project and operations attached.

DMA

Cascade, Idaho.
Nov. 6, 1951.

U.S Department of the Interior,
Defense Minerals Administration.
Washington, D. C.

18. The answers to the questions in form MF-100 do not give the correct impression of the tru conditions existing at Paddy Flat. The Cosumnes Gold Dredging Company entered this area primarily looking for Monazite, as very promising surface indications had been found by prospectors. By drilling a few holes in the area it was found that the average Monazite content from the surface to the bedrock was less than that found near the surface. However, further investigation showed radio activity over and beyond that caused by the amount of Monazite present. Spectographic analysis show the presence of Columbium and Uranium. Assaying for gold and silver reveal the presence of these in amounts of from 1¢ per Cu. Yd. to 36¢ per Cu. Yd. Furthermore, considerable amounts of Magnetite, Ilmenite, Zircon and Garnet occur in the gravels. One sample showing as much as 135 Lbs. of heavy sands per Cu. Yd. of gravel.

The original prospecting for Monazite had been confined to the lat gravels along the present stream beds and a much larger area of older, high bench gravels had been entirely ignored. These older gravels have also showed up to contain a high percent of heavy sands with considerable radio activity. Consequently the area covered by gravels containing these heavy sands amount to many square miles.

As the Cosumnes Gold Dredging Company has all ready spent a good deal of time and money prospecting for Monazite in Idaho and has come to the conclusion that properties that can be worked for Monazite alone are very few in this state. However, if the various valuable by products can be recovered and seperated into marketable concentrates, some of the Idah Placers containing these various minerals would become of great commercial value. The Pdaddy Flat District is such a deposit.

From our preliminary drilling and sampling, both by drills and cut samples of exposed faces, we have come to the conclusion from the field estimates as follows:

The gravel is typical of the placer operations in California that have in the past been carried on very successfully on ground that yielded 10¢ per Cu. Yd. or less. The average depth of the ground will be about 30 Ft. with a soft decomposed granite bedrock. There are no large boulders and the gravel would be classed as medium coarse. It is considered easy digging and clean, meaning that there is no clay to interfere or undue slimes or light sands. The oversize that will be screened out will range up to and sometimes exceed 40% which makes the first step in concentration and a very important one, as it eliminates a large percentage of the material that does not have to be handled by the jigs which is a more delicate operation than the screening and the screening is the cheapest form of concentration.

Next the jig product will be pumped to a stationary shore plant, the amount rangeing from 1% to 5% of the total yardage handled. This product will then be re-concentrated and the worthless gangue discarded. The product will then be dried and seperated by means of a magnetic seperator that will progressively seperate the Magnetite, Ilmenite, Garnet and Monazite, the balance going off in the tailings. These tailings will then be re-concentrated and the heavy non magnetics such as Zircon, Columbite, Uranium and gold recovered.

All costs, operating figures and yardages given in form MF-100 are based on actual dredging operations carried on by us in California on similar deposits. We have worked out the costs of the separation plant as close as possible; however there is not a duplicate operation from which we could obtain such costs.

The Values stated in form MF.-100 are taken from the field estimates and are based on figures obtained by us from various resources. Monazite ¢ 15.0¢ Lb.

Cascade, Idaho.
Nov. 6, 1951.

Zircon @ 3.0¢ per Lb., Garnet @ 4.0¢ per Lb. and gold at $35.00 per Oz. We have not estimated any values for Ilmenite, Columbium or Uranium as the Ilmenite market market will have to be investigated and the Uranium and Columbium content is now being determined.

Lately it has been called to our attention that Ilmenite may become of as much value per Cu. Yd. as the monazite content due to the development of new processes in the manufacture of Titanium.

In view of the above, the Cosmmes Gold Dredging Company has applied for a government loan (Form MF-103) to thoroughly prospect the Paddy Flat Area, and to accurately determine the value of the various products. We believe that such an investigation will prove the value of the Paddy Flat Area.

Sincerely yours,

Eivind Knutsen

Eivind Knutsen, Engineer, C.G.D.Co.

Merrill Yost

Merrill Yost, General Manager.
Cascade,
Idaho.

PT-3-Y

Pit Sample Not to Bedrock. 7 Ft. Vertical Depth.

.29 Cu. Yds. Total Concentrates per Cu. Yd. 136.0 Lbs.

Monazite @ 15.0¢ Lb.	3/4 Lb.	11.5 ¢
Zircon @ 3.0 ¢ Lb.	2. Lbs.	6.0 ¢
Garnet @ 4.0 ¢ Lb.	4 Lbs	16.0 ¢
Ilmenite Not quoted	30 Lbs	.0 ¢
Gold @ $35.00 Oz		2.5 ¢
	Total estimated value.	36.0 ¢

This hole is typical of Paddy Flat ores. The concentrates were extremely heavy. The gravel a good clean coarse quartzite. This hole is not to bedrock. Probably 15 or 20 Ft. to Bedrock.

In the above estimates Ilmenite was not taken into consideration as there is no quotationat present in Idaho. However there is considerable interest by Companies interested in the Manufacture of Titanium.

Also there is no estimates on Columbium and Uranium. The Spectograph shows a small amount of both. With the meager equipment we at present have it would be impossible for us to make an estimate. We have sent samples to have determinations on both.

The most Radio active prospect is in Sec. 36 which we call No. 36 was a pan sample of a hydraulic face. The radio active particles were large, up to ¼ In in diameter. Also considerable monazite and zircon. There was an unusually large amount of concentrates; This showed 28.1¢ in gold. This was not sampled as we were building a road to the ground and a small snow flurry made it impractical to complete the road this year.

Merrill Frost

R C -4- Y NGR-2-Y

Bank sample not to bedrock

Vertical Depth 13 ft. channel sample 12" x 8"

.46 cu. yds in sample.

Total concentrates 76.7 Lbs. conc. cu yd.

Monazite @ 15.0¢ per Lb. -- 3/4 Lb Cu. Yd.		11.0 ¢
Zircon @ 3.0¢ per Lb. -- 2 Lbs. Cu. Yd.		6.0¢
Garnet @ 4.0¢ per Lb. -- 2 Lbs. Cu. Yd.		8.0 ¢
Ilmenite (No quotation)	10 lbs	.0 ¢
Gold @ $35.00 Oz.		3.0 ¢
Total estimated value		28.00¢

This was a bank cut and not to bedrock. The gravel was easily washed and concentrated readily. Bedrock is probably 20 or 25 Ft. deeper.

Merrill Goof

Z-1-Y

Cut sample of Hydraulic Face to Bedrock.

Vert. Depth ------ 29 Ft. Channel sample 12"X8"

.975 Cu. Yds. in Sample, Total concentrates per Cu. Yd. 17.9 Lbs.

Monazite @ 15.0 ¢ per Lb.	1 Lb. Cu. Yd.	15.0 ¢
Zircon @ 3.0 ¢ per Lb.	1½ Lbs. Cu. Yd.	4.5 ¢
Garnet @ 4.0¢ per Lb.	2 Lbs. Cu. Yd.	8.0 ¢
Ilmenite (No quotation)	7 Lbs. Cu. Yd.	.0 ¢
Gold @ $35.00 Per Oz.		4.0 ¢
Total estimated Value Cu. Yd.		31.5 ¢

This hole is on the high bench. The gravel was easily dug and sets on a soft decomposed granite. This is an easily washed gravel and the concentrates separated very easily. No clay.

Merrill Goof

RFN-1-Y

Pit Sampple Surface, Not to Bedrock. Vert depth 4 Ft.

Channel sample 12"X8"

.213 Cu. Yds. in sample. Total Concentrates 46.3 Lbs per Cu. Yd.

Monazite @ 15.0¢ Lb.	1 Lb.	15.0 ¢
Zircon @ 3.0 ¢	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢	3 Lbs	12.0 ¢
Ilmenite (not quoted)	11 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	34.0 ¢

This hole not to bedrock. Clean washed quartz gravel with heavy concentrates. Easily washed and separated.

M. Yost

Drill Hole No. NGF-1-Y

Depth ----------32 Ft. Tot Concentrates Cu. Yd. 15.25 Lbs.

Monazite @ 15.0 ¢ per Lb.	1/3 Lb.	5.0 ¢
Zircon @ 3.0 ¢ per Lb.	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢ per Lb.	2. Lbs.	8.0 ¢
Ilmenite -----No quotation	4 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Teatl estimated Value	20.0 ¢

This hole had clean, easily washed gravel and the concentrates seperated very readily. Drill is 5" with 6½" drill shoe.

M. Yost

RC-3-Y

Depth 19 Ft. Drill hole Concentrates per Cu . Yd. 12.2 Lbs.

Monazite ------@ 15.0 ¢ Lb. ---------- ¼ Lb. ---------- 3.5 ¢

Zircon ------@ 3.0 ¢ Lb. ----------1 Lb. ---------- 3.0 ¢

Garnet ------ @ 4.0 ¢ Lb. ----------1½ Lb. ---------- 6.0 ¢

Ilmenite No quotation ----------~~3 Lbs.~~---------- .0 ¢

Gold @ $35.00 per Oz. ---------- 2.0 ¢

Total estimated Value ---------- 14.0 ¢

This hole is on the divide between Rapid creek and Camp creek. It was not in the true wash of either and showed a considerable amount sulphides. There was very little gravel. Mostly sand and grit as it had very little washing action from either stream and consequently the values much lower. 5" drill 6½ " drive shoe.

NGF-2-Y

Depth 21 Ft. Drill Hole Concentrates per Cu. Yd. 23.1 Lbs.

Monazite @15.0 ¢ per Lb. ---------1 Lb. ---------- 15.0¢

Zircon @ 3.0 ¢ per Lb. ---------2½ Lbs ---------- 7.5 ¢

Garnet @ 4.0 ¢ per Lb. ---------4 Lbs ---------- ~~6.0¢~~ 16.0

Ilmenite No quotation ----------6 Lbs. ---------- .0 ¢

Gold @ $35. 00 Oz. ---------- 18.6 ¢

Total Value Estimate ---------- 57.1

Typical hole of Rapid Creek. 5" Drill 6½ Drive shoe.

PFS-2-Y

Cut sample of Hydraulic face to bedrock. Vert Depth 22 Ft.

Cioncentrates per Cu. Yd. 27.7 Lbs. .574 Cu. Yds in Sample.

Monazite @ 15.0 Lb. ----------¼ Lb. ---------- 3.5

Zircon @ 3.0 ¢ perLb. --------- ½ Lb. ----------1.5

Garnet @ 4.0 ¢ per Lb. ------- 1 Lb. ----------4.0

Ilmenite No quotation ----- 4 Lbs ---------- .0

Gold @ $ 35.00 per Oz. ----------2.5

To tal estimated Value 11.5 ¢

M. Yost

This hydraulic face is on the ridge between camp creek and Paddy creek. this face showed small gravel and considerable sandy clay stakes . Poor Valu...

Exp A. 3

Abbot A. Hanks, Labratories
San Francisco
Calif.

Qualitive Spectographic Analysis

Less than .03%	.03% to .30%	.30 to 3%	3% to 30%	30% to 100%
Sodium Molybdenum Vanadium Copper Nickel Cobalt.	Calcium Magnesium Zirconium Chromium	Aluminum Manganese	Titanium Silicon	Iron

---

120 Gram Sample. Very Complex
Sample shows small amount of Radio Activity - spectographic sensitivity not sufficient to detect small percentage of Uranium or thorium present.
Small percentage of Colombium may be present.

Copy

M. Yost

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. D.M.E.A. 2265
Metal or Mineral
Date Received 4-30-51
Amount $ 19,055.00 58,906.25
Participation (Government %)

Name and address of applicant

Commercial Gold Dredging Co
465 Calif St Room 403
San Francisco
Calif

Date Nov 12-1951

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
Nov 30 10 57 AM 1951

If you have already filed MF-100, give date filed _____, type of assistance requested Exploration loan,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Carmen Gold Mining Co
(Name of company)

By [illegible]
(Signature of authorized official)

11/02-51
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

DMA
2

Cascade, Idaho,
Nov. 6, 1951.

REPLIES: FORM MR-103

TO;
Defense Minerals Administration,
Department of Interior,
Washington, D. C.

1. (a) The property is located in Valley County, Idaho and is known as the Paddy Flat Mining District. This district constitutes an area of Alluvial gravels located in the drainage areas of Paddy Creek, Camp Creek, Rapid Creek, Kennally Creek and the North Fork of Gold Fork.

This area covers parts of four townships namely T 16 N - R 4 E, T 16 N - R 5 E, T 17 N - R 4 E and T 17 N - R 5 E, Boise Basin Meridian.

The Paddy Flat Mining District was extensively worked for its placer gold before the turn of the Century, and numerous Hydraulic pits are in evidence, together with miles of miners ditches, the largest of which is approximately 5 miles long. At present no operating properties exist.

No Liveable quarters exist in the district with the exception of the very commodious camp established by the Forest Service, which was little used during the summer of 1951.

(b) Copies of option agreements attached hereto.

(c) The legal description of the area upon which the exploration is to be conducted is as follows;

In T 1 7 N - R 4 E Sec. 13, 14, 15, 21, 22,23,24, 25,26,27,28,33 34,35 and 36. In T 16 N - R 4 E Secs. 2, 3, 10,15 and 22. In T17 N - R 5 E Secs 29,30,31 and 32. In T 16 N -R 5 E Sec. 6. All Boise B M.

Note 1. The area mentioned above includes the areas of which we hold option agreements together with such areas of the public domain which has not as yet been located but may later prove valuable.

Note 2. This is covered in 1. (a)

Cascade, Idaho,
Nov. 6, 1951.

REPLIES: FORM MF-103

2. (a) W e expect to find the following metals and minerals;

1. Magnetite
2. Ilmenite, (Titanium)
3. Garnet
4. Monazite
5. Zircon
6. Columbium, Tantalum Complex Minerals.
7. Uranium Complex Minerals.
8. Gold

(b) Question does not apply.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM-MF-103

3. (a) We propose to do this exploratory work by means of Churn Drills. We also propose to check the Churn Drill results by shafts, dug either by hand or mechanical means.

We propose to wash the gravels and concentrate the heavy sands in a pilot plant, simulating actual dredgeing recovery. This plant will consist of screens, jigs and concentrating tables.

We propose to seperate the heavy sands into the various products by means of a labratory size magnetic seperator. T hese samples will represent the final product of the dredging operations. From these samples will be determined the market value of the various products and the evaluation of the property.

The area will be surveyed and maps made as follows:

1. A regional map showing the main physical features and ownership lines.

2. Prospecting maps of a scale sufficient to show main physical features, location of drill holes, shafts and surface cuts for the purpose of calculating yardage, values and dredging section.

3. Complete topographical maps of the proven areas suitable for dredging operations.

A final report will be made of the prospecting of the Paddy Flat Mining District.

The total estimated cost of the project is $58,906.25.

We propose to start preparations on March 1, 1952 and the field work to commence May 15, 1952. The project to be completed Oct. 1, 1952.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103.

4. See accompanying property maps of Paddy Flat Mining District.

---

5. None.

---

6. Refer to question No. 3.

---

7. Rented.

New 2 Ton Ford $3200. Del. D.C. w. Dump

(a) One 3 Cu. Yd. Dump Truck,
Purchased $600.00 per Mo. 4 Months ---------- $ 2,400.00 — $2,400.00

(b) One twin cell 12" placer Jig ----------	450.00	—	
One Vibrating Screen ----------	400.00	400	
One Wilfley Concentrating table 3½X7 ---	600.00	—	600
40 Ft. 20" casing for shaft digging Mach.	2,600.00	?	
One Labratory Dings Magnetis Seperator -	3,000.00	100	
One engineers Plane Table ----------	550.00	550	
One engineers Level ----------	430.00	—	
One Drafting machine ----------	100.00	100	2200
Total ----------	$10,530.00	-----	$10530.00

(c) Furnished by Standifer, Yost & Cosumnes Gold Dredging Company.

One 5" Placer drill with 1½ ton Dodge truck mounting @400.00 per. Mo. 5 Mo. ---	$2,000.00	500
One Clamshell shaft sinking Machine mounted on 2 ton Dodge truck @$400 Per. 5 Mo.-	2,000.00	500
One 1950 GMC ½ ton Pick-up @ $125.00 Per. Mo. 5 Months ----------	625.00	250
One D4 Caterpillar Tractor and Dozer blade @ $300.00 Per. Mo. 5 Months. ----------	1,500.00	600
Total ----------	$6,125.00	----- $6,125.00
	Total	----- $19,055.00

Miscellaneous equipment furnished, Cutting torches Arc sets, hand tools, one Mine and Smelter Plader Washer capacity 1 Cu. Yd. per Hr. One Wilfley table No. 13. Miscellaneous labratory equipment such as sieves, sample splitters Geiger Counter, Ultra Violet Lamp and various smaller items. Office equipment, two Monroe Calculators, two typewriters, one check protector, one transit, one planimeter, large drafting table and drawing instruments.

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

8. Labor and staff schedule:

Labor	Per Da.
1 Drill Boss @ $2.20 Per Hr.	$ 17.60
2 Drillers @ $1.75 Per Hr.	28.00
2 Driller's Helpers @$ 1.38 Per Hr.	22.08
2 Utility Men @ $ 1.27 Per Hr.	20.32
1 Washing plant operator @ $1.75 Per.	14.00
1 Washing plant helper @$1.38 Per Hr.	11.04
1 Truck Driver @ $1.50 Per Hr.	12.00
1 Instrument Man @ $ 2.20 Per Hr.	17.60
1 Rod Man @ 1.38 Per Hr.	11.04
Total Per Da.	$153.68

Total Per Mo. @ 6 days per Week ---------- $ 4303.04

Staff	
1. Chief Engineer Per. Mo.	$ 600.00
1. Accountant and Bookkeeper	300.00
1 General Manager	400.00
Total Per Mo.	$1,300.00

600.00

Total Per Month ---------- $1,300.00

Compensation Ins., Old Age, Unemployment Ins.
Total Per Month ---------- $ 392.21

Total Per Month Labor, Staff, Ins. ---$ 5,995.25

Full Crew for 4 Months ---------- $ 23,981.00
Half Crew for 2 Months ---------- 5,995.25
$ 29,976.25

Total costs of Labor, Staff and Insurance for entire Project- $29,976.25

Cascade, Idaho.
Nov. 6, 1951.

REPLIES: FORM MF-103

9. Building Materials for housing sand plant and Lab. ----- $ 2,000.00
Gas & Oil, per Mo. $1,000.00 5. Mo. ---------- 5,000.00
Machinery repairs and replacements $500.00 Per Mo.5 Mo.- 2,500.00
Power water and Utilities per Mo. $75.00 5 Mo. -------- 375.00
Total 5 Mo. Operation ---------- $ 9,875.00

---

10. (a) We are prepared to invest $_____

(b) This amount is sufficient to pay our amount of the project according to the regulations on Government participation (Sec.9 of MO-5

---

11. This being an extensive Placer deposit in a new field and the difficulty of evaluating the products which are rare and new to dredge operators makes it quite difficult to give a clear answer to each question. However, our engineer in charge, Mr. Knutesen will make a report of the work done so far and the potential possabilities which may clear up any answers that we have not clearly answered.

Merrill Goff Mgr

Cascade, Idaho.
Nov. 6, 1951.

Mr. G. M. Standifer, President,
Commonwealth Gold Dredging Co.,
1000 Calif. St.,
San Francisco, Calif.

Dear Mr. Standifer,

The weather does not permit any further field work in the Paddy Flat area this year so we are forced to conclude our preliminary investigation and the following is a brief report of our findings.

During the latter part of August of this year our manager Mr. Merrill Yost visited the North Fork of Gold fork near Cascade Idaho and noticed that the gravels along this stream had a very good showing of Monazite. He decided to drill a test hole and this was put down on Sept. 2, 1951 about ½ Mi. below the junction of Kennally Fork and Gold Fork. The depth of the gravel was 34 Ft. A spectographic analysis on a panned concentrate revealed the presence of Uranium, thorium and Columbium besides the rare earths.

On September 5, 1951 another hole was put down 21 Ft. on Rapid Creek a tributary of Gold fork, less than ¼ Mi. south of the Ranger Station on Paddy Flat. The Concentrates from this hole amounted to 23.1 Lbs per Cu. Yd. A field estimate showed 2 Lbs. Magnetite, 10 Lbs. Ilmenite, 2 Lbs. Garnet, 1½ Lbs. Zircon and ½ Lb. Monazite. The concentrates showed radio activity beyond that of the amount of Monazite present. An Assay of these concentrates was 0.23 Oz. gold per ton, or 9.3¢ per Cu. Yd.

At this point Mr. Yost decided that the showings warranted a further investigation and entered into a tentative agreement with several prospectors in the district holding extensive placer locations and one who owned a tract of 600 acres of patented farm land. The agreements were lease options and purchase options subject to the results of placer testing. Formal agreements with these parties are now being drawn and will accompany FORM MF-103.

Then followed two holes on Powelson Creek and one on Kennally Fork near

their junction where a high concentration of Monazite had been found by surface panning. The concentrates from these holes averaged 10.7 Lbs. concentrates per Cu. Yd. Samples of the concentrates from these three holes have been sent to Dr. W. L. Merritt of the A.E.C. for analysis. The numbers of these samples are KY-1-Y, KY-2-Y and KY-3-Y. The gold content as determined by amalgamation was 1 ¢ per Cu. Yd.

.47 .48 .20 ← lbs/c.y.

Due to lack of roads to the south of the junction of Powelson Creek and Kennally Creek we were unable to reach the extensive bench gravels with the drill. A surface sample from the area showed a high percent of concentrates and approximately 25 ¢ per Cu. Yd. in gold. A high percentage of Monazite was also present.

From Powelson Creek the drill was moved to the Loomis Homestead and a 19 foot hole put down on Camp Creek. This hole showed a fair amount of Zircon some Monazite and a small amount of Gold.

After this hole was completed the weather forced us to take the drill to Cascade and the road to Paddy Flat became almost impassable.

Since then several bank cut samples were taken in various places in the Paddy Flat Area. All the concentrates from these samples showed radio activity in various degrees and the gold content by amalgamation ranged from 1¢ per Cu. Yd. to 22¢ per Cu. Yd.

In our work in the Paddy Flat District it soon became apparent that the gravels are much more extensive than was first believed. There exists a large area of Older high bench gravels that are cut by numerous Hydraulic puts. Miles of ditches are in evidence that had been used in these early mining operations. The streams of the district have cut into these high gravel beds and in some places through them laying down a new and late deposit of gravel. We are of the opinion that both the older and the late gravels should be prospected as they both contain radio active minerals and gold.

To complete the prospecting of this extensive area will take from four to six months at an estimated cost of about $60,000.00. It is my opinion that a large area of dredgeable gravel can be developed.

The gravels of the Paddy Flat District are of such Physical character that the cost of dredging should compare very favorably with the dredging operations on the Yuba and American Rivers in California. The gravel is clean and well washed , up to 10 and 12" in diameter with a minimum of clay and practically no overburden. The bedrock is a soft decomposed granite. Some of the dredging ground is meadow land and the rest is covered with a thick growth of Lodge Pole Pine. This scrub timber can easily be cleared with tractors. It is our opinion that the 12 Cu. Ft. dredge at the Slough House, California, owned by the Cosumnes Gold Dredging Company can very readily be adapted to dig this ground and should under these conditions easily have a capacity of 10,000 Cu. Yds. per 24 hours.

The valuable products in the heavy sands are, Monazite, Columbium and Uranium, Zircon and Garnet. Ilmenite is a potential source of revenue. The presence of gold in the gravels will add considerable to their value.

Sincerely yours,

Eivind Knutesen

Eivind Knutesen, Engineer C.G.D. Co.
Cascade,
Idaho

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. D.M.E.A. 2265

Date received 11-30-51

Cosumnes Gold Dredging Co.
465 Calif St. Room 403
San Francisco Calif

Name and address of applicant

Date Nov. 2, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

DEFENSE MINERALS ADMINISTRATION WASHINGTON NOV 30 1951

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (a) What are the chief mine, mill, or smelter products?
   (b) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (a) Linear feet of shafts.
   (b) Linear feet of drifts and crosscuts.
   (c) Linear feet of tunnels or adits.
   (d) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (a) Distance and direction from nearest town and shipping point.
   (b) Mining district.
   (c) Township, Section, Range.
   (d) County, State.
4. (a) State whether or not property is now in operation, and if in operation, by whom operated.
   (b) Are you operating this property as:
   - ☐ Owner.
   - ☑ Lessee.
   - ☐ Contractor.
5. Number of years in production 15

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who manage the project.
7. History:
   (a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (b) State briefly the known history and production of adjoining and neighboring properties.
   (c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address	Official Title (If officer is also director indicate by "D")	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year	Estimated Net Worth Outside of Interest in Applicant	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common	Preferred	Amount	Net Cash Surrender Value After Loans
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
100 Calif St							
J. M. Standerfer S. F. Calif	Pres. (D)	$3000.00		50,000			
1 Rose Ave Mary 76							
Mexico City Mex				13,000			
M. Mort. Care Co.		3000.00		15,000			
Sellevaeker VC S.F.				5,000			
Bee estate Potter Co S.F.				5,000			
Other				12,000			
	Total		x x x x x	100,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$100,000	$100,000	$1.00	100,000	
Preferred stock	$ X	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Gold	approx			
2. Quantity of product processed (specify unit of measure and type of process)		$300,000	per year		None
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
See engineers report	See report				
Measured (proved)				$6 per cu yd	$
Indicated (probable)	10,000,000				14.62 per cu yd

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Columbia Gold Dredging Co
(Name of company)

By J M Standish
(Signature of authorized official)

Nov. 12, 1951
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

PNA

Cascade, Idaho.
Nov. 6, 1951.

DEFENSE MINERALS ADMINISTRATION
FORM MF-100

1. Minerals produced;
   (a) Monazite, Zircon and Columbium-Uranium Concentrates.
   (b) By products are Ilmenite, Garnet and Gold.

2. Type of Mining, Placer.
   (a) Not applicable.
   (b) Not applicable.
   (c) Not applicable.
   (d) Not applicable.

3.
   (a) The Paddy Flat Mining District is 10 miles East of Donnelly the nearest shipping point.
   (b) The district is known as the Paddy Flat Mining district.
   (c) The Placer area is located in Twp. 17 N R 4 E Secs. 13, 14, 15, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36. In Twp. 16 N R 4E Secs. 2, 3, 10, 15 and 22. Twp. 17 N R5 E Secs. 29 30, 31 and 32. In Twp. 16 N R 5 E, Sec. 6 all Boise Base Meridian.
   (d) Located in Valley County, Idaho.

4. (a)No operations in this district.
   (b) Lessee

5. No production. Production to commence about Oct. 1953.

6. (a) The Cosumnes Gold Dredging Company has been in operation since 1936 to the present time. Mr. G. M. Standifer, President of the Company organized this company and has operated it since that time as well as four companies were later formed and operated by him. These companies were both of the bucket line and dragline dredge type.

7. Not applicable as the gravels of the Paddy Flat area were mined for gold only in the early days.

8. Filled in by Mr. Standifer.

9. Filled in by Mr. Standifer.

10. Not applicable.

Cascade, Idaho.
Nov. 6, 1951.

11. Not Apolicable.

12. (a) Not Applicable.
(b) Not Applicable.
(c) Placer.

1. Potential yardage 150 Million Cu. Yds. that will probably produce ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium-Tantalum Concentrates, small amount of Uranium concentrates and gold 10¢ to 15¢ , all based on Cu. Yds.

2. Map attached with drill logs.

3. Medium coarse gravel with cobbles up to 12" in diameter. The gravel is compact, not considered tight and not cemented or frozen. Some of the area is covered with a thick growth of scrub timber that can easily be cleared with tractors.

4. Bedrock is a soft decomposed granite.

5. There is very little overburden. Probably one or two feet which contains Monazite in the concentrates. It is a loose sandy loam.

6. Ore or Mineral reserves.

(a) Estimated Cu. Yds. ----------150,000,000

(b) Estimate ½ Lb. Monazite, 1½ Lbs. Zircon, 2 Lbs. Garnet, 7 Lbs. Ilmenite, small amount of Columbium - tantalum concentrates, small amount of Uranium concentrates, and gold 10¢ to 15¢ per Cu. Yd.

(c) Gross value per Cu. Yd. unknown.

(d) Recoverable value per Cu. Yd. ----------26.0¢

(e) Net operating cost per Cu. Yd. ------- 9.52¢
Taxes, Ins. Etc. ---------- 2.50¢
Royalty of 10% gross ---------- 2.60¢
Total gross operatin cost- 14.62¢

13. Distance to shipping point 10 miles over graded dirt road.

14. Unlimited.

15. 1200 Connected H.P. 6 mills per KW. Hr.

16. Does not apply.

17. No equipment on the property and no buildings. Available for this operation;

One 12 Cu. Ft. Gold Dredge equipped with jigs and all necessary operting equipment.

18. Yes. See summary of project and operations attachec.

DMA

Cascade, Idaho.
Nov. 6, 1951.

U.S.Department of the Interior,
Defense Minerals Administration,
Washington, D. C.

18. The answers to the questions in form MF-100 do not give the correct impression of the tru conditions existing at Paddy Flat. The Cosummes Gold Dredging Company entered this area primarily looking for Monazite, as very promising surface indications had been found by prospectors. By drilling a few holes in the area it was found that the average Monazite content from the surface to the bedrock was less than that found near the surface. However, further investigation showed radio activity over and beyond that caused by the amount of Monazite present. Spectographic analysis show the presence of Columbium and Uranium. Assaying for gold and silver reveal the presence of these in amounts of from 1¢ per Cu. Yd. to 36¢ per Cu. Yd. Furthermore, considerable amounts of Magnetite, Ilmenite, Zircon and Garnet occur in the gravels. One sample showing as much as 136 Lbs. of heavy sands per Cu. Yd. of gravel.

The original prospecting for Monazite had been confined to the lat gravels along the present stream beds and a much larger area of older, high bench gravels had been entirely ignored. These older gravels have also showed up to contain a high percent of heavy sands with considerable radio activity. Consequently the area covered by gravels containing these heavy sands amount to many square miles.

As the Cosummes Gold Dredging Company has all ready spent a good deal of time and money prospecting for Monazite in Idaho and has come to the conclusion that properties that can be worked for Monazite alone are very few in this state. However, if the various valuable by products can be recovered and seperated into marketable concentrates, some of the Idah Placers containing these various minerals would become of great commercial value. The Paddy Flat District is such a deposit.

From our preliminary drilling and sampling, both by drills and cut samples of exposed faces, we have come to the conclusion from the field estimates as follows:

The gravel is typical of the placer operations in California that have in the past been carried on very successfully on ground that yielded 10¢ per Cu. Yd. or less. The average depth of the ground will be about 30 Ft. with a soft decomposed granite bedrock. There are no large boulders and the gravel would be classed as medium coarse. It is considered easy digging and clean, meaning that there is no clay to interfere or undue slimes or light sands. The oversize that will be screened out will range up to and sometimes exceed 40% which makes the first step in concentration and a very important one, as it eliminates a large percentage of the material that does not have to be handled by the jigs which is a more delicate operation than the screening and the screening is the cheapest form of concentration.

Next the jig product will be pumped to a stationary shore plant , the amount rangeing from 1% to 5% of the total yardage handled. This product will then be re-concentrated and the worthless gahgue discarded. The product will then be dried and seperated by means of a magnetic seperator that will progressively seperate the Magnetite, Ilmenite, Garnet and Monazite, the balance going off in the tailings. These tailings will then be re-concentrated and the heavy non magnetics such as Zircon, Columbite, Uranium and gold recovered.

All costs, operating figures and yardages given in form MF-100 are based on actual dredging operations carried on by us in California on similar deposits. We have worked out the costs of the separation plant as close as possible; however there is not a duplicate operation from which we could obtain such costs.

The Values stated in form MF.-100 are taken from the field estimates and are based on figures obtained by us from various sources. Monazite ¢ 15.0¢ Lb.

Cascade, Idaho.
Nov. 6, 1951.

Zircon @ 3.0¢ per Lb., Garnet @ 4.0¢ per Lb. and gold at $35.00 per Oz. We have not estimated any values for Ilmenite, Columbium or Uranium as the Ilmenite market market will have to be investigated and the Uranium and Columbium content is now being determined.

Lately it has been called to our attention that Ilmenite may become of as much value per Cu. Yd. as the Monazite content due to the development of new processes in the manufacture of Titanium.

In view of the above, the Cosumnes Gold Dredging Company has applied for a government loan (From MF-103) to thoroughly prospect the Paddy Flat Area, and to accurately determine the value of the various products. We Believe that such an investigation will prove the value of the Paddy Flat Area.

Sincerely yours,

Eivind Knutsen

Eivind Knutsen, Engineer, C.G.D.Co.

Merrill Yost

Merrill Yost, General Manager.
Cascade,
Idaho.

PF-3-Y

Pit Sample Not to Bedrock. 7 Ft. Vertical Depth. (less than 1% of Black sand)

.29 Cu. Yds. Total Concentrates per Cu. Yd. 136.0 Lbs.

Monazite @ 15.0¢ Lb.	3/4 Lb.	11.5 ¢
Zircon @ 3.0 ¢ Lb.	2. Lbs.	6.0 ¢
Garnet @ 4.0 ¢ Lb.	4 Lbs	16.0 ¢
Ilmenite Not quoted	30 Lbs	.0 ¢
Gold @ $35.00 Oz		2.5 ¢
	Total estimated value.	36.0 ¢

This hole is typical of Paddy Flat ores. The concentrates were extremely heavy. The gravel a good clean coarse quartzite. This hole is not to bedrock. Probably 15 or 20 Ft. to Bedrock.

In the above estimates Ilmenite was not taken into consideration as there is no quotationat present in Idaho. However there is considerable interest by Companies interested in the Manufacture of Tidanium.

Also there is no estimates on Columbium and Uranium. The Spectograph shows a small amount of both. With the meager equipment we at present have it would be impossible for us to make an estimate. We have sent samples to have determinations on both.

The most Radio active prospect is in Sec. 36 which we call No. 36 was a pan sample of a hydraulic face. The radio active particles were large, up to ½ In in diameter. Also considerable monazite and zircon. There was an unusually large amount of concentrates; This showed 25.1¢ in gold. This was not sampled as we were building a road to the ground and a small snow flurry made it impractical to complete the road this year.

Merrill Yoof

RC-3-Y

Depth 19 Ft. Drill hole Concentrates per Cu . Yd. 12.2 Lbs.

Monazite ------@ 15.0 ¢ Lb. ---------- ¼ Lb. ---------- 3.5 ¢

Zircon ------@ 3.0 ¢ Lb. ----------1 Lb. ---------- 3.0 ¢

Garnet ------ @ 4.0 ¢ Lb. ----------1½ Lb. ---------- 6.0 ¢

Ilmenite No quotation ----------~~3 Lbs~~ ---------- .0 ¢

Gold @ $35.00 per Oz. ---------- 2.0 ¢

Total estimated Value ---------- 14.0 ¢

This hole is on the divide between Rapid creek and Camp creek. It was not in the true wash of either and showed a considerable amount sulphides. There was very little gravel. Mostly sand and grit as it had very little washing action from either stream and consequently the values much lower. 5" drill 6½ " drive shoe.

NGP-2-Y Not on Map

Depth 21 Ft. Drill Hole Concentrates per Cu. Yd. 23.1 Lbs.

Monazite @15.0 ¢ per Lb. ---------1 Lb. ---------- 15.0¢

Zircon @ 3.0 ¢ per Lb. ---------2½ Lbs ---------- 7.5 ¢

Garnet @ 4.0 ¢ per Lb. ---------~~4 Lbs~~ ---------- ~~[illegible]~~ 16.0

Ilmenite No quotation ----------6 Lbs. ---------- .0 ¢

Gold @ $35. 00 Oz. ---------- ~~18.6~~ ¢

Total Value Estimate ---------- 52.1

Typical hole of Rapid Creek. 5" Drill 6½ Drive shoe.

PTS-2-Y

Cut sample of Hydraulic face to bedrock. Vert Depth 22 Ft.

Ciomcentrates per Cu. Yd. 27.7 Lbs. .574 Cu. Yds in Sample.

Monazite @ 15.0 Lb. ----------¼ Lb. ---------- 3.5

Zircon @ 3.0 ¢ perLb. ---------½ Lb. ----------1.5

Garnet @ 4.0 ¢ per Lb. ------- 1 Lb. ----------4.0

Ilmenite No quotation ------ 4 Lbs ---------- .0

Gold @ $ 35.00 per Oz. ---------- 2.5

To tal estimated Value 11.5 ¢

M. Yost

This hydraulic face is on the ridge between camp creek and Paddy creek. this face showed small gravel and considerable sandy clay stages , Lower Valu..

R 0 -4- Y ~~NORCROY~~

Bank sample not to bedrock

Vertical Depth 13 ft. channel sample 12" x 8"

.46 cu. yds in sample.

Total concentrates 76.7 Lbs. cons. cu yd.

Monazite @ 15.0¢ per Lb. -- 3/4 Lb Cu. Yd.	11.0 ¢
Zircon @ 3.0¢ per Lb. -- 2 Lbs. Cu. Yd.	6.0¢
Garnet @ 4.0¢ per Lb. -- 2 Lbs. Cu. Yd.	8.0 ¢
Ilmenite (No quotation) ---------- 10 lbs	.0 ¢
Gold @ $35.00 Oz.	3.0 ¢
Total estimated value	28.00¢

This was a bank cut and not to bedrock. The gravel was easily washed and concentrated readily. Bedrock is probably 20 or 25 Ft. deeper.

Merrill Yost

Z-1-Y

Cut sample of Hydraulic Face to Bedrock. (3.3% of B.S. = 0.5 ft)

Vert. Depth ------- 29 Ft. Channel sample 12"X8"

.975 Cu. Yds. in Sample. Total concentrates per Cu. Yd. 17.9 Lbs.

Monazite @ 15.0 ¢ per Lb. ---------- 1 Lb. Cu. Yd.	15.0 ¢
Zircon @ 3.0 ¢ per Lb. ---------- 1½ Lbs. Cu. Yd.	4.5 ¢
Garnet @ 4.0¢ per Lb. ---------- 2 Lbs. Cu. Yd.	8.0 ¢
Ilmenite (No quotation) ---------- 7 Lbs. Cu. Yd.	.0 ¢
Gold @ $35.00 Per Oz.	4.0 ¢
Total estimated Value Cu. Yd.	31.5 ¢

This hole is on the high bench. The gravel was easily dug and sets on a soft decomposed granite. This is an easily washed gravel and the concentrates separated very easily. No clay.

Merrill Yost

PFI-1

RFN-1-Y

Pit Sampple Surface, Not to Bedrock. Vert depth 4 Ft.

Channel sample 12"X8"

.213 Cu. Yds. in sample. Total Concentrates 46.3 Lbs per Cu. Yd.

Monazite @ 15.0¢ Lb.	1 Lb.	15.0 ¢
Zircon @ 3.0 ¢	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢	3 Lbs	12.0 ¢
Ilmenite (not quoted)	11 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	34.0 ¢

This hole not to bedrock. Clean washed quartz gravel with heavy concentrates. Easily washed and separated.

Drill Hole No. NSN-1-Y

Depth ----------32 Ft. Tot Concentrates Cu. Yd. 15.25 Lbs.

Monazite @ 15.0 ¢ per Lb.	1/3 Lb.	5.0 ¢
Zircon @ 3.0 ¢ per Lb.	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢ per Lb.	2. Lbs.	8.0 ¢
Ilmenite ------No quotation	4 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	20.0 ¢

This hole had clean, easily washed gravel and the concentrates seperated very readily. Drill is 5" with 6½" drill shoe.

Merrill Frost

DMA 4

Abbot A. Hanks, Laboratories
San Francisco
Calif

Qualitive Spectographic Analysis

Less than .03%	.03% to .30%	.30 to 3%	3% to 30%	30% to 100%
Sodium Molybdenum Vanadium Copper Nickel Cobalt	Calcium Magnesium Zirconium Chromium	Aluminum Manganese	Titanium Silicon	Iron

---

120 Gram Sample. Very Complex

Sample shows small amount of Radio Activity - spectographic sensitivity not sufficient to detect small percentage of Uranium or thorium present.

Small percentage of Colombium may be present.

Copy

M. Yost

PF-3-Y

Pit Sample Not to Bedrock. 7 Ft. Vertical Depth.

.29 Cu. Yds. Total Concentrates per Cu. Yd. 136.0 Lbs.

Monazite @ 15.0¢ Lb.	3/4 Lb.	11.5 ¢
Zircon @ 3.0 ¢ Lb.	2. Lbs.	6.0 ¢
Garnet @ 4.0 ¢ Lb.	4 Lbs	16.0 ¢
Ilmenite Not quoted	30 Lbs	.0 ¢
Gold @ $35.00 Oz		2.5 ¢
	Total estimated value.	36.0 ¢

This hole is typical of Paddy Flat area. The concentrates were extremely heavy. The gravel a good clean coarse quartzite. This hole is not to bedrock. Probably 15 or 20 Ft. to Bedrock.

In the above estimates Ilmenite was not taken into consideration as there is no quotationat present in Idaho. However there is considerable interest by Companies interested in the Manufacture of Titanium.

Also there is no estimates on Columbium and Uranium. The Spectograph shows a small amount of both. With the meager equipment we at present have it would be impossible for us to make an estimate. We have sent samples to have determinations on both.

The most Radio active prospect is in Sec. 36 which we call No. 36 was a pan sample of a hydraulic face. The radio active particles were large, up to ¼ In in diameter. Also considerable monazite and zircon. There was an unusually large amount of concentrates; This showed 28.1¢ in gold. This was not sampled as we were building a road to the ground and a small snow flurry made it impractical to complete the road this year.

Merill Yost

RC-3-Y

Depth 19 Ft. Drill hole Concentrates per Cu . Yd. 12.2 Lbs.

Monazite	@ 15.0 ¢ Lb.	½ Lb.	3.5 ¢
Zircon	@ 3.0 ¢ Lb.	1 Lb.	3.0 ¢
Garnet	@ 4.0 ¢ Lb.	1½ Lb.	6.0 ¢
Ilmenite	No quotation	~~3 Lbs.~~	.0 ¢
Gold @ $35.00 per Oz.			2.0 ¢
		Total estimated Value	14.0 ¢

This hole is on the divide between Rapid creek and Camp creek. It was not in the true wash of either and showed a considerable amount sulphides. There was very little gravel. Mostly sand and grit as it had very little washing action from either stream and consequently the values much lower. 5" drill 6½ " drive shoe.

NGF-2-Y

Depth 21 Ft. Drill Hole Concentrates per Cu. Yd. 23.1 Lbs.

Monazite	@15.0 ¢ per Lb.	1 Lb.	15.0¢
Zircon	@ 3.0 ¢ per Lb.	2½ Lbs	7.5 ¢
Garnet	@ 4.0 ¢ per Lb.	4 ~~3½~~ Lbs	~~[illegible]~~ 16.0
Ilmenite	No quotation	6 Lbs.	.0 ¢
Gold @ $35. 00 Oz.			~~18.6~~ ¢
		Total Value Estimate	52.1

Typical hole of Rapid Creek. 5" Drill 6½ Drive shoe.

PFS-2-Y

Cut sample of Hydraulic face to bedrock. Vert Depth 22 Ft.

Cionsentrates per Cu. Yd. 27.7 Lbs. .574 Cu. Yds in Sample.

Monazite	@ 15.0 Lb.	½ Lb.	3.5
Zircon	@ 3.0 ¢ perLb.	½ Lb.	1.5
Garnet	@ 4.0 ¢ per Lb.	1 Lb.	4.0
Ilmenite	No quotation	4 Lbs	.0
Gold @ $ 35.00 per Oz.			2.5
		Total estimated Value	11.5 ¢

This hydraulic face is on the ridge between camp creek and Paddy creek. this face showed small gravel and considerable sandy clay stedas . Poor Valu...

DM. Yo

R C -4- Y NGR-2-Y

Bank sample not to bedrock

Vertical Depth 13 ft. channel sample 12" x 8"

.46 cu. yds in sample.

Total concentrates 76.7 Lbs. cons. cu yd.

Monazite @ 15.0¢ per Lb. -- 3/4 Lb Cu. Yd. ----------	11.0 ¢
Zircon @ 3.0¢ per Lb. -- 2 Lbs. Cu. Yd. ----------	6.0¢
Garnet @ 4.0¢ per Lb. -- 2 Lbs. Cu. Yd. ----------	8.0 ¢
Ilmenite (No quotation) ------ 10 LBS ----------	.0 ¢
Gold @ $35.00 Oz. ----------	3.0 ¢
Total estimated value ----------	28.00¢

This was a bank cut and not to bedrock. The gravel was easily washed and concentrated readily. Bedrock is probably 20 or 25 Ft. deeper.

Merrill Yost

Z-1-Y

Cut sample of Hydraulic Face to Bedrock.

Vert. Depth ------ 29 Ft. Channel sample 12"X8"

.975 Cu. Yds. in Sample. Total concentrates per Cu. Yd. 17.9 Lbs.

Monazite @ 15.0 ¢ per Lb. ----------1 Lb. Cu. Yd. ----------	15.0 ¢
Zircon @ 3.0 ¢ per Lb. ----------1½ Lbs. Cu. Yd. ----------	4.5 ¢
Garnet @ 4.0¢ per Lb. ----------2 Lbs. Cu. Yd. ----------	8.0 ¢
Ilmenite (No quotation) ----------7 Lbs. Cu. Yd. ----------	.0 ¢
Gold @ $35.00 Per Oz. ----------	4.0 ¢
Total estimated Value Cu. Yd. ----------	31.5 ¢

This hole is on the high bench. The gravel was easily dug and sets on a soft decomposed granite. This is an easily washed gravel and the concentrates separated very easily. No clay.

Merrill Yost

RFN-1-Y

Pit Sampple Surface, Not to Bedrock. Vert depth 4 Ft.

Channel sample 12"X8"

.213 Cu. Yds. in sample. Total Concentrates 46.3 Lbs per Cu. Yd.

Monazite @ 15.0¢ Lb.	1 Lb.	15.0 ¢
Zircon @ 3.0 ¢	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢	3 Lbs	12.0 ¢
Ilmenite (not quoted)	11 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	34.0 ¢

This hole not to bedrock. Clean washed quartz gravel with heavy concentrates. Easily washed and separated.

M. Yost

Drill Hole No. RFN-1-Y

Depth ——— 32 Ft. Tot Concentrates Cu. Yd. 15.25 Lbs.

Monazite @ 15.0 ¢ per Lb.	1/3 Lb.	5.0 ¢
Zircon @ 3.0 ¢ per Lb.	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢ per Lb.	2. Lbs.	8.0 ¢
Ilmenite ——No quotation	4 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Toatl estimated Value	20.0 ¢

This hole had clean, easily washed gravel and the concentrates seperated very readily. Drill is 5" with 6½" drill shoe.

M. Yost

NFM-1-Y

Pit Sampple Surface. Not to Bedrock. Vert depth 4 Ft.

Channel sample 12"X8"

.213 Cu. Yds. in sample. Total Concentrates 46.3 Lbs per Cu. Yd.

Monazite @ 15.0¢ Lb.	1 Lb.	15.0 ¢
Zircon @ 3.0 ¢	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢	3 Lbs	12.0 ¢
Ilmenite (not quoted)	11 Lbs.	.0 ¢
Gold @ $35.00 Oz.		4.0 ¢
	Total estimated Value	34.0 ¢

This hole not to bedrock. Clean washed quartz gravel with heavy concentrates. Easily washed and separated.

M. Yost

Drill Hole No. NGF-1-Y

Depth 32 Ft. Tot Concentrates Cu. Yd. 15.25 Lbs.

Monazite @ 15.0 ¢ per Lb.	1/3 Lb.	5.0 ¢
Zircon @ 3.0 ¢ per Lb.	1 Lb.	3.0 ¢
Garnet @ 4.0 ¢ per Lb.	2. Lbs.	8.0 ¢
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M. Yost

DMA

LABORATORY REP[redacted]
ABBOT A. HANKS, INC.
ENGINEERS, ASSAYERS, CHEMISTS, METALLURGISTS
CONSULTING - TESTING - INSPECTING
ESTABLISHED 1866
624 SACRAMENTO STREET
SAN FRANCISCO 11, CALIFORNIA
TELEPHONE GARFIELD 1-1697

Lab. No. 33834 Date August 27, 1951

Submitted by G. M. Standifer
1000 California Street
San Francisco, California

Sample Mark GF-1-Y

QUALITATIVE SPECTROGRAPHIC ANALYSIS
Elements Found and Estimated Percentage Range

Less than .03%	.03% to .30%	.30% to 3%	3% to 30%	30% to 100%
Sodium Molybdenum Vanadium Copper Nickel Cobalt	Calcium Magnesium Zirconium Chromium	Aluminum Manganese	Titanium Silicon	Iron

Remarks

Very complex

120 Gram Sample.
Sample shows a small amount of radio-activity - spectrographic sensitivity not sufficient to detect small percentage of uranium or thorium present.
Small percentage of columbium may be present.

Respectfully submitted,
ABBOT A. HANKS, INC.

By Original Signed by P. T. BEE Spectro-Chemist

cc: M. Yost
bob

Cascade, Idaho.

November 16, 1951

We hereby assign all rights, title and interest in the following mining option agreements to the Cosumnes Gold Dredging Co.:

Raymond Carrey and Myrtle Carrey his wife, George Denison and Helen Denison his wife and Frank McElhone and Betty McElhone his wife, their option in the Paddy Flat Mining District, Valley County, Idaho, dated November 9, 1951, made in favor of G. M. Standifer and Merrill Yost.

Clarence V. Loomis and Vida Loomis his wife, their option in the Paddy Flat mining district, Valley County, Idaho, dated November 9, 1951, made in favor of G. M. Standifer and Merrill Yost.

John Eaton and associates in the White Hawk Basin, Valley County, Idaho dated November 16, 1951. Made in favor of G. M. Standifer and Merrill Yost.

All accompanying the D.M.A. form FM-100 and form FM-103

G. M. Standifer

G. M. Standifer

Merrill Yost

Merrill Yost

Cascade, Idaho.

November 16, 1951

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G. M. Standifer

Merrill Yost

Cascade, Idaho.

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Clarence V. Lewis and Vida Lewis his wife, their option in the Paddy Flat mining district, Valley County, Idaho, dated November 9, 1951, made in favor of G. M. Standifer and Merrill Yost.

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Merrill Yost

Merrill Yost

Cascade, Idaho.

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All accompanying the D.M.A. form FM-100 and form FM-103

G. M. Standifer

G. M. Standifer

Merrill Yost

Merrill Yost

Cascade, Idaho.

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All accompanying the D.M.A. form FM-100 and form FM-103

G. M. Standifer

Merrill Yost

Order #2 of 6

BEAVER DAM GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situate in the West half of Section 31, Township 17 North, Range 5 East of Boise Meridian. This Beaver Dam Creek flows in a northerly direction into Kennally Creek, in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commending at this discovery monument which is the Northeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Southerely direction one mile to the corner monument No. 2, the Southeast corner of the claim; thence in a westerly direction one-fourth mile to corner monument No. 3, the Southwest corner of the claim; thence in a Northerly direction one mile to corner monument No. 4, the Northwest corner monument of the claim; thence in an easterly direction one-fourth mile to corner No. 1., the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated about 700 feet in a westerly direction from the Northeast corner of Section 31, Township 17 North, Range 5 East Boise Meridian. These claims are called the "Beaver Dam" Group.

The adjoining claims are --- This claim is the West half of the West half of Section 31, Township 17 North, Range 5 East B. M.

SWAMP GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B. M. This group of claims is called the "Swamp"., in _____ (unorganized) Mining District in the County of _____ and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a _____direction _____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____direction _____feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____direction _____ feet to corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated at the Quarter corner between Sections 26 and 27 of Township 17 North, Range 4 East Boise Meridian.

To the east is the Mink group of claims. (The above blank spaces were not filled in in the original Location Notice. These descriptions are being copied directly from the original notices.)

MINK GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being the Northwest Quarter of Section 26, Township 17 North, Range 4 East Boise Meridian. The name of this group is the "Mink"., in the _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

srb

(Mink Group Claim continued)

Commencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a _____ direction _____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____ direction _____ feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to corner No. 1 the place of beginning.

The said corner monument No. 1 upon which this notice is posted, is situated about ____ feet in _____ direction from ___. Notice posted at Half mile corner between Sections 26 and 27, of said Township and Range.

To the west is the Swamp Group. To the South is the Elk group.

OWL GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Kennally Creek in Sections 30 and 31, Township 17 North, Range 5 East B. M. in _____ (unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Northeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Southerly direction 1200 feet to the corner monument No. 2, the Southeast Corner of the claim; thence in a Westerly direction 6000 feet to corner monument No. 3, the Southwest corner of the claim, thence in a Notherly direction 1200 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in an Easterly direction 6000 feet to corner No. 1, the place of beginning

The said corner monument No. 1 upon which this notice is posted, is situated about 2500 feet in a Northeasterly direction from the Southwest Corner of Section 30, Township 17 North, Range 5 East Boise Meridian. This group is called the "Owl".

FULL MOON GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being along the North fork of Paddy Creek, on both sides of the stream., in _____ (unorganized) Mining District in the County of Valley, and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Southeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Northerly direction 12000 feet to the corner monument No. 2, the Northeast corner of the claim; thence in a Westerly direction 600 feet to corner monument No. 3, the Northwest corner of the claim, thence in a Southerly direction 12000 feet to corner monyment No. 4, the Southwest corner monument of the claim; thence in an Easterly direction 600 feet to corner No. 1, the place of beginning.

(Full Moon Group Claim continued.)

The said corner monument No. 1 upon which this notice is posted, is situated about 2000 feet in a Northerly direction from the forks of Paddy Creek, in Section 21, Township 17 North, Range 4 East Boise Meridian. This group is called the "Full Moon Group."

"I FOUND IT " CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Kennally Creek in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Northwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 4800 feet to the corner monument No. 2, the Northeast corner of the claim; thence in a Southerly direction 1800 feet to corner monument No. 3, the Southeast corner of the claim, thence in a Westerly direction 4800 feet to corner monument No. 4, the Southwest corner monument of the claim; thence in a Northerly direction 1800 feet to corner No. 1, the place of beginning.

The said corner monument No. 1, upon which this notice is posted, is situated about 2500 feet in a Northeasterly direction from the Southwest corner of Section 30, Township 17 North, Range 5 East, Boise Meridian. The name of this claim is "I Found It".

The adjoining claims are the "Owl" group on the West end line.

HALF MOON #5 CLAIM

160 acres of Placer Mining Ground, situate, lying and being on both sides of Camp Creek, in Township 17, North, Range 4 East of Boise, Meridian., in _____(unorganized) Mining District, in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this monument, which is the Southwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 600 feet to corner monument No. 2, the Southeast corner of the claim; thence in a Northerly direction 6000 feet to corner monument No. 3, the Northeast corner of the claim; thence in a Westerly direction 600 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in a Southerly direction 6000 feet to corner No. 1, the place of beginning.

The said corner monument No. 1, upon which this notice is posted, is situate about 10,000 feet in a Northerly direction from the mouth of Rapid Creek. The name of this claim is called the Half Moon #5. The adjoining claims are the Half Moon No. 4.

HALF MOON #4 CLAIM

40 acres of Placer Mining ground, situate, lying and being in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of Boise Meridian. This is an

(Half Moon #4 Claim continued.)

amended location of the Half Moon No. 4., in _____(unorganized) Mining District in the County of _____and State of Idaho, particularly described as follows, to-wit:

Comencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a ____ direction ____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____ direction _____ feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to Corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted, is situated about ____ feet in _____ direction from _____. Notice posted on Pine tree at the Northwest corner of the Claims.

JEEP CLAIM #1

160 acres of Placer Mining ground, situate, lying and being on North side of Paddy Flat Road (Main Road) in _____ (unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Southwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 6000 feet to the corner monument No. 2, the Southeast corner of the claim; thence in a Northerly direction 1200 feet to corner monument No. 3, the Northeast corner of the claim, thence in a Westerly direction 6000 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in a Southerly direction 1200 feet to corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated about 6000 feet in a Westerly direction from Ranger Station. "Jeep Claim #1" , Section 27, Township 17 North, Range 4 East B. M.

ELK GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being in the Southwest Quarter of Section 26, Township 17 North, Range 4, East B. M. This group is called the "Elk"., in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the ____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a ___ direction ____ feet to the corner monument No. 2, the ___ corner of the claim; thence in a _____ direction ____ feet to corner monument No. 3, the ____ corner of the claim, thence in a ____ direction ____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to corner No. 1, the place of beginning.

(Elk Group Claim continued)

The said corner monument No. 1 upon which this notice is posted is situated about ____ feet in ____ direction from _____ Location Monument (corner #1) coinsides with Section corner common to Sections 26, 27, 34 and 35.

The adjoining claims at - To the West if the "Ranger".

HALF MOON #8

160 acres of Placer Mining ground, bearing gold silver and other precious metals, situated in Unorganized Mining District, Valley County, Idaho; the location being described and marked on the ground as follows, to-wit:

Commencing at Corner Monument No. 1; thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feet to Corner Monument No. 3; being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to corner Monument No. 1, being the Southwest corner of said claim. The said corner Monument No. 1, is situated about 7000 feet in a Northerly direction from the mouth of Paddy Creek.

(The above claims are described the same as on the original location notices, and if they are incomplete it is because the original location notice description was incomplete.)

Order #2261

BEAVER DAM GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situate in the West half of Section 31, Township 17 North, Range 5 East of Boise Meridian. This Beaver Dam Creek flows in a northerly direction into Kennally Creek, in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commending at this discovery monument which is the Northeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Southerely direction one mile to the corner monument No. 2, the Southeast corner of the claim; thence in a westerly direction one-fourth mile to corner monument No. 3, the Southwest corner of the claim; thence in a Northerly direction one mile to corner monument No. 4, the Northwest corner monument of the claim; thence in an easterly direction one-fourth mile to corner No. 1., the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated about 700 feet in a westerly direction from the Northeast corner of Section 31, Township 17 North, Range 5 East Boise Meridian. These claims are called the "Beaver Dam" Group.

The adjoining claims are --- This claim is the West half of the West half of Section 31, Township 17 North, Range 5 East B. M.

SWAMP GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B. M. This group of claims is called the "Swamp"., in _____ (unorganized) Mining District in the County of ~~Valley~~ _____ and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a _____direction _____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____direction _____feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____direction _____ feet to corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated at the Quarter corner between Sections 26 and 27 of Township 17 North, Range 4 East Boise Meridian.

To the east is the Mink group of claims. (The above blank spaces were not filled in in the original Location Notice. These descriptions are being copied directly from the original notices.)

MINK GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being the Northwest Quarter of Section 26, Township 17 North, Range 4 East Boise Meridian. The name of this group is the "Mink"., in the _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

rb

(Mink Group Claim continued)

Commencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a _____ direction _____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____ direction _____ feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to corner No. 1 the place of beginning.

The said corner monument No. 1 upon which this notice is posted, is situated about ____ feet in _____ direction from ___. Notice posted at Half mile corner between Sections 26 and 27, of said Township and Range.

To the west is the Swamp Group. To the South is the Elk group.

OWL GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Kennally Creek in Sections 30 and 31, Township 17 North, Range 5 East B. M. in _____ (unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Northeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Southerly direction 1200 feet to the corner monument No. 2, the Southeast Corner of the claim; thence in a Westerly direction 6000 feet to corner monument No. 3, the Southwest corner of the claim, thence in a Notherly direction 1200 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in an Easterly direction 6000 feet to corner No. 1, the place of beginning

The said corner monument No. 1 upon which this notice is posted, is situated about 2500 feet in a Northeasterly direction from the Southwest Corner of Section 30, Township 17 North, Range 5 East Boise Meridian. This group is called the "Owl".

FULL MOON GROUP CLAIM

160 acres of Placer Mining Ground, situate, lying and being along the North fork of Paddy Creek, on both sides of the stream., in _____ (unorganized) Mining District in the County of Valley, and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Southeast corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a Northerly direction 12000 feet to the corner monument No. 2, the Northeast corner of the claim; thence in a Westerly direction 600 feet to corner monument No. 3, the Northwest corner of the claim, thence in a Southerly direction 12000 feet to corner monyment No. 4, the Southwest corner monument of the claim; thence in an Easterly direction 600 feet to corner No. 1, the place of beginning.

(Full Moon Group Claim continued.)

The said corner monument No. 1 upon which this notice is posted, is situated about 2000 feet in a Northerly direction from the forks of Paddy Creek, in Section 21, Township 17 North, Range 4 East Boise Meridian. This group is called the "Full Moon Group."

"I FOUND IT " CLAIM

160 acres of Placer Mining ground, situate, lying and being on both sides of Kennally Creek in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Northwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 4800 feet to the corner monument No. 2, the Northeast corner of the claim; thence in a Southerly direction 1800 feet to corner monument No. 3, the Southeast corner of the claim, thence in a Westerly direction 4800 feet to corner monument No. 4, the Southwest corner monument of the claim; thence in a Northerly direction 1800 feet to corner No. 1, the place of beginning.

The said corner monument No. 1, upon which this notice is posted, is situated about 2500 feet in a Northeasterly direction from the Southwest corner of Section 30, Township 17 North, Range 5 East, Boise Meridian. The name of this claim is "I Found It".

The adjoining claims are the "Owl" group on the West end line.

HALF MOON #5 CLAIM

160 acres of Placer Mining Ground, situate, lying and being on both sides of Camp Creek, in Township 17, North, Range 4 East of Boise, Meridian., in _____(unorganized) Mining District, in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this monument, which is the Southwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 600 feet to corner monument No. 2, the Southeast ~~corner~~ of the claim; thence in a Northerly direction 6000 feet to corner monument No. 3, the Northeast corner of the claim; ~~thence~~ in a Westerly direction 600 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in a Southerly direction 6000 feet to corner No. 1, the place of beginning.

The said corner monument No. 1, upon which this notice is posted, is situate about 10,000 feet in a Northerly direction from the mouth of Rapid Creek. The name of this claim is called the Half Moon #5. The adjoining claims are the Half Moon No. 4.

HALF MOON #4 CLAIM

40 acres of Placer Mining ground, situate, lying and being in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of Boise Meridian. This is an

(Half Moon #4 Claim continued.)

amended location of the Half Moon No. 4., in _____(unorganized) Mining District in the County of _____and State of Idaho, particularly described as follows, to-wit:

Comencing at this discovery monument which is the _____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a ____ direction ____ feet to the corner monument No. 2, the _____ corner of the claim; thence in a _____ direction _____ feet to corner monument No. 3, the _____ corner of the claim, thence in a _____ direction _____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to Corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted, is situated about ____ feet in _____ direction from _____. Notice posted on Pine tree at the Northwest corner of the Claims.

JEEP CLAIM #1

160 acres of Placer Mining ground, situate, lying and being on North side of Paddy Flat Road (Main Road) in _____ (unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the Southwest corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in an Easterly direction 6000 feet to the corner monument No. 2, the Southeast corner of the claim; thence in a Northerly direction 1200 feet to corner monument No. 3, the Northeast corner of the claim, thence in a Westerly direction 6000 feet to corner monument No. 4, the Northwest corner monument of the claim; thence in a Southerly direction 1200 feet to corner No. 1, the place of beginning.

The said corner monument No. 1 upon which this notice is posted is situated about 6000 feet in a Westerly direction from Ranger Station. "Jeep Claim #1" , Section 27, Township 17 North, Range 4 East B. M.

ELK GROUP CLAIM

160 acres of Placer Mining ground, situate, lying and being in the Southwest Quarter of Section 26, Township 17 North, Range 4, East B. M. This group is called the "Elk"., in _____(unorganized) Mining District in the County of Valley and State of Idaho, particularly described as follows, to-wit:

Commencing at this discovery monument which is the ____ corner of the claim, said monument being corner No. 1, upon which this notice is posted; thence in a ___ direction ____ feet to the corner monument No. 2, the ___ corner of the claim; thence in a _____ direction ____ feet to corner monument No. 3, the ____ corner of the claim, thence in a ____ direction ____ feet to corner monument No. 4, the _____ corner monument of the claim; thence in a _____ direction _____ feet to corner No. 1, the place of beginning.

4-srb

(Elk Group Claim continued)

The said corner monument No. 1 upon which this notice is posted is situated about ____ feet in ____ direction from _____ Location Monument (corner #1) coinsides with Section corner common to Sections 26, 27, 34 and 35.

The adjoining claims at - To the West if the "Ranger".

HALF MOON #8

160 acres of Placer Mining ground, bearing gold silver and other precious metals, situated in Unorganized Mining District, Valley County, Idaho; the location being described and marked on the ground as follows, to-wit:

Commencing at Corner Monument No. 1; thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feet to Corner Monument No. 3; being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to corner Monument No. 1, being the Southwest corner of said claim. The said corner Monument No. 1, is situated about 7000 feet in a Northerly direction from the mouth of Paddy Creek.

(The above claims are described the same as on the original location notices, and if they are incomplete it is because the original location notice description was incomplete.)

Annex II

Central Dredging Co. D-#A 2265
Concerning Gold Dredging Company

Located in T 17N, R 4 E; and T 17 N, R 5 E, and recorded as follows:

Book 5, pages 535, 536, 533, 537, 531, 538, 441, 532, 534, 122, 530, 539; ~~and~~ (Held under contract to purchase); and

Book 6, pages 10, 11, 15, 16 (Held under lease).

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2265

COMMODITY Monazite, Columbium ~~and~~ Tantalum.

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DRAFT

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this _____ day of _____, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Cosumnes Gold Dredging Company, a corporation
465 California Street, Room 403
San Francisco, California
a general partnership

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Valley, described as follows:[3] Known as the Paddy Flat Placer, and located in the Paddy Flat Mining District along the drainage area of the North Fork of Gold Fork River, as shown on the attached map, identified as "Annex I" and ~~made~~ a part hereof. and further described in "Annex II, attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

(under a contract to purchase some claims and as a lessee of others, as indicated on Annex II,)

(*b*) That the Operator is ~~a lessee,~~ in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for[5] Monazite, Columbium ~~and Tantalite~~ Tantalum.

in or upon the described land; and shall bring the project to completion within a period of seven months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 25,942.50, which is 90 percent of $ 28,825.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

COSUMNES GOLD DREDGING CO.
(Operator)

By _____
Acting Adminitrator, DMEA

By _____

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2265

COMMODITY Monazite, Columbium and ~~Tantalite~~ Tantalum

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DRAFT

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this ..... day of ....., 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Cosumnes Gold Dredging Co.
465 California Street, Room 403
San Francisco, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Valley, described as follows: [3] Known as the Paddy Flat Placer, and located in the Paddy Flat Mining District along the drainage area of the North Fork of Gold Fork River, as shown on the attached map, identified as "Annex I" and made a part hereof.

the Operator represents and undertakes: [4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: .....

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within ..... days from the date of this contract shall commence work on a project of exploration for [5] Monazite, Columbium and ~~Tantalite~~ Tantalum.

in or upon the described land; and shall bring the project to completion within a period of seven months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $25,942.50, which is 90 percent of $28,825.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

COSUMNES GOLD DREDGING CO.
(Operator)

By _____
Acting Adminitrator, DMEA

By _____

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

Exploration Project Contract

Cosumnes Gold Dredging Co.
Paddy Flat Placer

Docket No. DMEA-2265

Exhibit "A"

Description of the Work:

The work to be done is for the purpose of exploring the described property for Monazite in the placer gravel along the drainage area of the creeks as is indicated on the attached map Annex I.

This work is to be done in two stages, if the results obtained from the work done in Stage No. 1 justifies the additional work in the opinion of the Government, then a part of all of the work outlined in Stage No. 2 is to be done.

Prior to beginning this work, the equipment required is to be collected at Sloughhouse, California, ~~and~~ transported to the job site, and the sample concentrating plant erected on the property. This equipment includes a clam shell drill, a sample concentrating plant, tractor and trucks that are to be used for exploring this property and the White Hawk Placer property (Docket No. DMEA-2264) and 50% of these costs are to be charged to each project.

The work to be done consists of the following:

Stage No. 1

Collect equipment at Sloughhouse, California, and transport same to job site and erect sample plant on job site.

Drill ten (10) 20" diameter cased holes with a clam shell

drill at the locations indicated on Annex I attached, to an approximate depth of 35 feet, and concentrate and sample the material obtained from the holes and have samples analyzed.

Stage No. 2

Drill fifty (50) 20" diameter cased holes with a clam shell drill at locations to be approved by the Government, to an approximate depth of 35 feet, and concentrate and sample the material obtained from the drill holes and have samples analyzed.

Estimated Cost of the Project

(* indicates allowable maximum)

1. Independent contracts:

Stage No. 1

None

Stage No. 2

None

2. Labor, Supervision, Consultants

Stage No. 1

* Drilling 10 holes (basis drilling two 35' length holes/3 days as per instruction of operator plus one day for shutdowns)

~~1xDriller~~ ~~1xDrillerxhelper~~	Total Shifts	Rate/8 hr. Shift	Total
1 Driller	16	$1.75	$238.00
1 Driller helper	16	1.38	187.88
2 Utility men	32	1.27	350.52
1 Truck driver	16	1.50	204.00
1 Sample plant operator	16	1.75	238.00
1 Sample plant opr. helper	16	1.38	187.88
1 Engineer Manager	(18) ~~12~~	*600/mo.	360.00
Total Labor and Supervision Stage No. 1			**$1,766.28

2. Labor, Supervision, Consultants (continued)

Stage No. 2 Drilling 50 holes av. 35' length

	Total Shifts	Rate/8 hr. Shift	Total
1 Driller	77	$1.75	$1,176.00
1 Driller helper	77	1.38	927.36
2 Utility man	154	1.27	1,706.24
1 Truck driver	77	1.50	1,008.00
1 Sample plant operator	77	1.75	1,176.00
1 Sample plant helper	77	1.38	927.36
1 Engineer-Manager ~~and Supervisor~~	3 mos.	$600/mo.	1,800.00

Total Labor and Supervision Stage No. 2 **$8,720.96

** Basis working 48 hrs./week, amount includes overtime at time and one-half rate over 40 hrs./week.

Consultants:

None

3. Operating Materials and Supplies

Stage No. 1

Gasoline and oil one month @ $700/mo.	$700.00
Parts for equipment, tires and tubes, etc.	700.00
Miscellaneous supplies	100.00
Power for sample concentrating plant, one month	50.00
Sample plant supplies	50.00
Total	$1,600.00

3. Operating Materials and Supplies (continued)

Stage No. 2

Miscellaneous supplies, gasoline, oil, tires, tubes, repair parts for equipment power, office supplies, detailed under Stage No. 1 above, @ $1600/mo.-3 months $4800.00

4. Operating Equipment

Stage No. 1

To be purchased:

1 - Wilfey type Table (sample plant 3½ x 7)	$600.00
1 - 20" Diam. Drill casing 40' long	2600.00
Total	$3200.00

Stage No. 2

None.

To be Rented:

Stage No. 1

Transit rod and tape @ $40/mo-one mo. 40.00

Stage No. 2

Transit Rod and tape @ $40/mo-3 mos. 120.00

To be furnished by Operator:

Stage No. 1

	Fair market value
Screen for Sample plant	$150.00
Jig " " "	200.00
Minor equipment units pump, tools, etc.	350.00
Geiger Counter	225.00

Clam shell drill mounted on a 2-ton Dodge truck including portable compressor power unit	9000.00
1-1/2 ton Dodge truck	1500.00
1/2 ton G.M.C. 1950 Model pickup truck	1500.00
Chrysler 1945 model automobile	1500.00
D-4 Caterpillar tractor w/dozer	4500.00
Total value	$18925.00

Depreciated over 60 months (5 yrs.)

$\frac{\$18,925.00}{60 \text{ mos.}}$ = $315.42 depreciation rate/mo.

One month depreciation $315.43 →

State No. 2

Equipment depreciation (detailed in State No. 1) @ $315.42-3 mos. $946.26 →

5. Rehabilitations and Repairs

None

6. New Buildings, Improvements, Installations

Stage No. 1

Building 12'x14' floor area Sample concentrating plant and office	$1,000.00
Equipment installation, power and water at sample plant	500.00
Labor and Supervision to collect equipment at Sloughhouse, California, and transport and install ~~same~~ sample concentrating plant at job site	1,535.80
Lodging and meals of workmen enroute	96.00
Total	1/ $3,131.80

1/ 50% of cost to be charged to White Hawk Placer (Docket No. DMEA-2264) Total Stage No. 1 $1,565.90

7 Miscellaneous

Stage No. 1

Sample analysis and sample transportation	*$850.00	
Payroll compensation insurance @ 4% of payroll	101.37	
Accounting @ $50/mo.-one month	50.00	
Total Stage No. 1		$1001.37

Stage No. 2

Sample analysis and sample transportation	*$4250.00	
Accounting @ $50/mo.-3 mos.	150.00	
Payroll Compensation Insurance @ 4% of payroll	348.84	
Total Stage No. 2		$4748.84

8. Contingencies

None

Total Stage No. 1	* $9488.97
Total Stage No. 2	* 19336.06
Total Estimated Cost of Contract	28825.00
Government Participation 90%	25942.50

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned are the owners under placer mining location notices of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~November 16th~~, 1951, between George Denison and Helen Denison Raymond M. Carrey and Myrtle Carrey, and Frank McElhone & Betty McElhone by George Denison, their Attorney in Fact of said Frank McElhone and Betty McElhone. the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated November 9, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this ~~23~~ 24th day of November, 1951.

Frank McElhone
Frank McElhone

By George Denison
George Denison, his Attorney in Fact.

Betty McElhone
Betty McElhone

By George Denison
George Denison, her attorney in Fact.

George Denison
Helen Denison
Raymond M. Carrey
Myrtle Carrey

U.S. GOVERNMENT PRINTING OFFICE 16-68967-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned are the owners ~~in fee simple~~ under placer mining location notices of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~November 16th~~, 1951, between George Denison and Helen Denison Raymond M. Carrey and Myrtle Carrey, and Frank McElhone & Betty McElhone by George Denison, their Attorney in Fact of said Frank McElhone and Betty McElhone. the Lessee of said property, and the United States of America;

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Dated this ~~23~~ 24th day of November, 1951

Frank McElhone
Frank McElhone

By George Denison
George Denison, his Attorney in Fact.

Betty McElhone
Betty McElhone

By George Denison
George Denison, her attorney in Fact.

George Denison
Helen Denison
Raymond M Carrey
Myrtle Carrey

GOVERNMENT PRINTING OFFICE

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

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This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this ~~22~~ 24th day of November, 1951

Frank McElhone
Frank McElhone

By George Denison
George Denison, his Attorney in Fact.

Betty McElhone
Betty McElhone

By George Denison
George Denison, her attorney in Fact.

George Denison

Helen Denison

Raymond M. Carrey

Myrtle Carrey

U.S. GOVERNMENT PRINTING OFFICE

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

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WHEREAS, the undersigned are the owners under placer mining location notices of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~November 16th~~, 1951, between George Denison and Helen Denison Raymond M. Carrey and Myrtle Carrey, and Frank McElhone & Betty McElhone by George Denison, their Attorney in Fact of said Frank McElhone and Betty McElhone, the Lessee of said property, and the United States of America;

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Dated this 24th day of November, 1951

Frank McElhone
Frank McElhone
By George Denison
George Denison, his Attorney in Fact.

Betty McElhone
Betty McElhone
By George Denison
George Denison, her Attorney in Fact.

George Denison
Helen Denison
Raymond M. Carrey
Myrtle Carrey

U.S. GOVERNMENT PRINTING

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Nov. 16~~, 1951, between G. M. Standifer & Merrill Yost,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 16 day of November, 1951.

Clarence V. Loomis
Vida A. Loomis

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Nov 16~~, 1951, between G. M. Standifer & Merrill Yost,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 16 day of November, 1951

Clarence V. Loomis
Vida A. Loomis

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

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WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Nov 16~~, 1951, between G. M. Standifer & Merrill Yost, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 16 day of November, 1951

Florence V. Loomis
Vida A. Loomis

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Nov 16~~, 1951, between G.M Standifer & Merrill Yost, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 14 day of November, 1951

Clarence V. Loomis
Vida A. Loomis

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Aug 16~~, 195 1, between G. M. Standifer, Merrill Yost, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 16 day of November, 195 1.

Florence V. Loomis.
Vida A. Loomis.

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Valley, State of Idaho, described in a certain Exploration Project Contract dated ~~Nov 14~~, 1951, between G. M. Standiter, Merrill Yost, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 9, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 16 day of November, 1951.

Clarence V. Loomis.
Vida A. Loomis.

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

Exploration Project Contract

Cosumnes Gold Dredging Co.
Paddy Flat Placer

Docket No.2DMEA-2265

Exhibit "A"

Description of the Work:

The work to be done is for the purpose of exploring the described property for Monazite and columbium — tantalum in the placer gravel along the drainage area of the creeks as is indicated on the attached map Annex I.

Th~~is~~e work consists of preliminary work, described below, followed by work ~~is to be done~~ in two stages. If, in the opinion of the Government, the results obtained from the work done in Stage ~~No.~~ 1 warrants it so much ~~justifies~~ the additional work ~~in the opinion of the Government, then a part of all of the~~ ~~work~~ specified ~~outlined~~ in Stage ~~No.~~ 2 as is authorized by the government shall ~~is to~~ be done.

Prior to beginning the ~~this~~ work, the equipment described under Stage I, and materials required ~~is~~ for the work ~~to~~ shall be collected at Sloughhouse, California, and transported to the ~~job~~ work site, (and a sample concentrating plant erected, shall be, on the land described in Article 2.) This equipment includes a clam shell drill, a sample concentrating plant, a tractor and trucks ~~that~~ which are to be used for exploring on this ~~property~~ and sampling for precious and the White Hawk Placer ~~property~~ project (Docket No. DMEA-2264) as well. The cost of collecting and transporting the equipment and materials to the work site and of erecting the sample concentrating plant is allocated equally between each of these projects. ~~and 50% of these costs are to be charged to each project.~~

~~The work to be done consists of the following:~~

Stage ~~No.~~ 1

~~Collect equipment at Sloughhouse, California, and transport same to job site and erect sample plant on job site.~~

Drill ten (10) 20" diameter cased holes with a clam shell

drill at the locations indicated on Annex I attached, to an approximate depth of 35 feet, each; ~~and~~ concentrate and sample the material obtained from the holes; and have samples analyzed.

Stage ~~No.~~ 2

Drill fifty (50) 20" diameter cased holes with a clam shell drill at locations ~~to be~~ approved by the Government, to an approximate depth of 35 feet, each; ~~and~~ concentrate and sample the material obtained from the drill holes; and have samples analyzed.

Estimated Costs of ~~the~~ Project

(* indicates allowable maximum)

(1) Independent contracts:

Stage ~~No.~~ 1 and Stage 2

None

~~Stage No. 2~~

~~None~~

(2) Labor, Supervision, Consultants

Stage ~~No.~~ 1

The estimated costs under this stage are based upon:

(* Drilling 10 holes ~~basis drilling~~ at the rate of two ~~35' length~~ holes every 3 days ~~as per instruction of operator~~ plus the allowance of one day for shutdowns)

~~1xDrillxr 1xDrillxrxhelpxr~~	~~Total~~ (Shifts)	~~Rate/8 hr. Shift~~	Total (including overtime)
1 Driller	16	hrs., $1.75 per hour	$238.00
1 Driller helper	16 "	1.38 "	187.88
2 Utility men	32 "	1.27 "	350.52
1 Truck driver	16 "	1.50 "	204.00
1 Sample plant operator	16 "	1.75 "	238.00
1 Sample plant opr.-helper	16 "	1.38 "	187.88
1 Engineer-Manager	18 days*	~~$600/mo.~~ $20 per day*	360.00*
~~Total Labor and Supervision Stage No. 1~~			~~$7~~,1766.28

double equal time

insert

Note: The work week is defined as 48 hours. The rates fixed for labor under both stages are based upon a 40 hour week, and the estimated total amount for each item of labor includes an allowance ~~of 8 hours work at the rate of~~ for time and one-half after 40 hours.

~~(2) Labor, Supervision, Consultants (continued)~~ The estimated costs under this stage are based upon

Stage ~~No.~~ 2 Drilling 50 holes ~~av. 35' length~~ at the rate of 2 holes every 3 days, plus the allowance of 2 days for shutdowns

	~~Total~~ Shifts	~~Rate/8 hr.~~ ~~Shift~~	Total (including overtime)
1 Driller	77	8 hrs. $1.75 per hour	$1,176.00
1 Driller helper	77 " "	1.38 "	927.36
2 Utility man	154 " "	1.27 "	1,706.24
1 Truck driver	77 " "	1.50 "	1,008.00
1 Sample plant operator	77 " "	1.75 "	1,176.00
1 Sample plant helper	77 " "	1.38 "	927.36
1 Engineer-Manager ~~and Supervisor~~	3 mos.*	$600/mo.*	1,800.00*

insert

~~Total Labor and Supervision Stage No. 2~~ ~~**~~$8,720.96

Note: The hourly rates for labor under both stages in this category are based upon a ~~** Basis working~~ 48 hr./week, ~~amount~~ and includes overtime at ~~time and~~ one-half rate over 40 hrs. ~~/week~~ the total amount for each type of labor

~~Consultants:~~

~~None~~

(3) Operating Materials and Supplies

Stage ~~No.~~ 1

Gasoline and oil, ~~one month, @ $700/mo.~~	$700.00
repair parts for equipment, tires and tubes, etc.	700.00
Miscellaneous supplies	100.00
Power for sample concentrating plant, ~~one month~~	50.00
Sample concentrating plant supplies	50.00
~~Total~~	$1,600.00

3. Operating Materials and Supplies (continued)

Stage ~~No.~~ 2

~~Miscellaneous supplies, gasoline, oil, tires, tubes, repair parts for equipment, power, office supplies,~~ Same materials and detailed under Stage ~~No.~~ 1 ~~above,~~ ~~@ $1600/mo.-3 months~~ $4800.00

(4). Operating Equipment

Stage ~~No.~~ 1

To be purchased:

1 - Wilfey type Table (sample plant 3½' x 7')	$600.00	
1 - 20" Diam. Drill casing 40' long	2600.00	
~~Total~~		$3200.00

Stage ~~No.~~ 2

None.

To be Rented:

Stage ~~No.~~ 1

Transit, rod and tape @ $40/mo-one mo. 40.00

Stage ~~No.~~ 2

Transit, Rod and tape @ $40/mo-3 mos. 120.00

To be furnished by Operator:

Stage ~~No.~~ 1

	Fair market value
Screen for Sample plant	$150.00
Jig " " "	200.00
Minor equipment units pump, tools, etc.	350.00
Geiger Counter	225.00

Clam shell drill mounted on a 2-ton Dodge truck, including portable compressor power unit	9000.00
1-1/2 ton Dodge truck	1500.00
1/2 ton G.M.C. 1950 Model pickup truck	1500.00
Chrysler 1945 model automobile	1500.00
D-4 Caterpillar tractor w/dozer	4500.00
Total value of equipment	$18925.00

~~Depreciated over 60 months (5 yrs.)~~

~~$18,925.00 / 60 mos. = $315.42 depreciation rate/mo.~~

One month depreciation (on 5 year basis) $315.43*

Stage ~~No.~~ 2

Equipment depreciation (detailed in Stage ~~No.~~ 1) @ $315.42 per month for 3 mos. $946.26*

(5) Rehabilitations and Repairs

None

(6) New Buildings, Improvements, Installations

Stage ~~No.~~ 1

Building 12'x14' floor area Sample concentrating plant and office	$1,000.00*
Equipment installation of power and water at sample plant	500.00*
~~Labor and Supervision to~~ Collection of equipment and materials at Sloughhouse, California, and transporting to and installing same at ~~job~~ work sites	1,535.80*
Lodging and meals of workmen enroute to work sites	96.00*
Total	$3,131.80*

is an allowable cost under this contract. See "Exhibit" scheduled in Exhibit "B"

Only 50% of the estimated total cost (Each item scheduled under this category) ~~to be charged to White Hawk Placer~~ Docket No. DMEA-2264. ~~Total Stage No. 1~~ $1,565.90*

7 Miscellaneous

Stage ~~No.~~ 1

Sample analysis and sample transportation	$850.00*	
Payroll compensation insurance @ 4% of payroll	101.37	
Accounting @ $50/mo.-one month	50.00	
~~Total Stage No. 1~~		$1001.37

Stage ~~No.~~ 2

Sample analysis and sample transportation	$4250.00*	
Accounting @ $50/mo.-3 mos.	150.00	
Payroll Compensation Insurance @ 4% of payroll	348.84	
Total Stage No. 2		$4748.84

~~8. Contingencies~~

~~None~~

Total Stage ~~No.~~ 1	$9488.97*
Total Stage ~~No.~~ 2	19336.06*
Total Estimated Cost of Contract	28825.00*
Government Participation @ 90%	25942.50*

THIS CONTRACT, Made and entered into this 9th day of November, 1951, by and between RAYMOND M. CARREY and MYRTLE CARREY, his wife, GEORGE DENISON and HELEN DENISON, his wife, of Weiser, Washington County, Idaho, and FRANK McELHONE and BETTY McELHONE, his wife, of Fields, Oregon, the latter two persons acting by and through their Attorney in Fact, George Denison, Parties of the First Part, and G. M. STANDIFER, 1000 California Street, San Francisco, California, and MERRILL YOST, of 608 Thirty-Fourth Street, Sacramento, California, Parties of the Second Part;

WITNESSETH:

That said first parties, for and in consideration of the sum of ONE HUNDRED THOUSAND and NO/100 DOLLARS ($100,000.00) to be paid them by second parties at the times and in the manner as hereinafter set forth, hereby agree to and do sell, subject to the terms and conditions hereof, to the said parties of the second part, and the said parties of the second part hereby agree to and do purchase, subject to the terms hereof, from the said first parties, the following described placer mining claims situated in Valley County, State of Idaho, (being in an unorganized mining district), to-wit:

(a) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5, East of B. M., said Beaver Dam Creek flowing in a Northerly direction into said Kennally Creek, said mining claims being more particularly described in the Placer Mining Location Notice relating thereto, filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 535. This group of claims being called the "BEAVER DAM" Group.

(b) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B. M. This group of claims being called the "SWAMP PLACER MINING CLAIMS". The Location Notice of this group of claims being posted at the Quarter corner between Sections 26 and 27 of said Township and Range, and the adjoining group of claims to the East being the Mink group of placer mining claims, reference hereby being made to the Placer Mining Location Notices of said Swamp Group claims recorded in the office of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 536.

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(c) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B. M. Said group of claims being otherwise known as the "MINK GROUP OF PLACER MINING CLAIMS", the location notice being posted at the half-mile corner between Sections 26 and 27 of said Township and Range, and this group of mining claims lying to the West of the Swamp group and to the South of the Elk Placer Mining Claims, reference to the Placer Mining Location Notice of said Mink Group of Placer claims being referred to for further particulars to the records of the Said County Recorder's Office of said County, in Book 5 of Placer Mining Claims at page 533.

(d) A certain placer mining claim group comprising 160 acres, more or less, and being on both sides of Kennally Creek in Section 30 and Section 31, Township 17 North, Range 5 East B. M. The Corner Monument No. 1 upon which the Location Notice is posted is situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B. M. This group of claims being called the "OWL GROUP OF PLACER MINING CLAIMS", further reference thereto being made to the records of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 537.

(e) A certain placer mining claim group comprising 160 acres, more or less, and being located on both sides of the North Fork of Paddy Creek in Section 21, Township 17 North, Range 4, East of B. M. This group of claims being called the "FULL MOON GROUP", and reference is hereto made to the recorded Location Notice of said group of mining claims recorded in said Recorder's Office in Book 5 of Placer Mining Claims, at page 531.

(f) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Kennally creek. The Corner Monument No. 1, upon which location notice is posted, being situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B. M. The name of this group of placer mining claims being "I FOUND IT", and adjoining the Owl Group of placer mining claims on the West end line, reference hereby being made to the recorded Placer Mining Location Notice in said Recorder's Office in Book 5 of Placer Mining Claims at Page 538.

(g) A certain group placer mining claim running on both sides of Camp Creek, comprising 160 acres, more or less, known as the "HALF MOON #5" Group of Placer Mining Claims, located in Township 17 North, Range 4 East of B. M., the location Corner Monument No. 1 being situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek, and is more particularly described in the recorded Location Notice of said Half Moon #5 group of mining claims recorded in said County Recorder's Office in Book 5 of Placer Mining Claims, at Page 441.

(h) A certain placer mining claim comprising 40 acres, more or less, situated in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of B. M., same being an amended location of the Half Moon #4, the location notice being posted on a pine tree on the Northwest corner of said placer mining claim. Reference to said HALF MOON #4 placer mining claim, and amended location thereof being hereby made to the records in said County Recorder's Office in Book 5 of Placer Mining Claims at Page 530.

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(i) A certain placer mining claim group comprising 160 acres, more or less, known as "JEEP CLAIM #1", lying and being on the North side of Paddy Flat main road, in Section 27, Township 17 North, Range 4 East of B. M. The number 1 monument, upon which Location Notice is posted, being situated about 6000 feet Westerly from the United States Ranger Station, and a more particular description of said group mining claim hereby being made by reference to the records in said County Recorder's office in Book 5 of Placer Mining Claims at Page 532.

(j) A certain group placer mining claim comprising about 160 acres, more or less, otherwise described as being the Southwest Quarter of Section 26, Township 17 North, Range 4 East of B. M., known as the "ELK GROUP" of Placer Mining Claims and location monument corner No. 1 coincides with section corner common to Sections 26, 27, 34 and 35 of said Township and Range, and the adjoining claim on the West being the Ranger Group of Placer Mining claims, reference hereby being made to the records in the said County Recorder's office in Book 5 of Placer Mining Claims at Page 534 for further particulars.

(k) A certain group placer mining claim known as "HALF MOON #8" located on both sides of Paddy Creek in Township 17 North, Range 4 East of B. M., more particularly described as follows:

Commencing at Corner Monument No. 1; thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feet to Corner Monument No. 3, being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to Corner Monument No. 1, being the Southwest corner of said claim. The said Corner Monument No. 1, is situated about 7000 feet in a Northerly direction from the mouth of Paddy creek.

Reference hereby being made to the recorded Location Notice of said Placer Mining Claim filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

TOGETHER with the appurtenances thereunto belonging or in anywise appertaining, subject however, and nevertheless, to any paramount right of the United States of America, and any rights of present land owners or their grantees, to the mineral rights on any or all of such claims or to any established conflicting placer mining location.

IT IS AGREED that upon the execution of this agreement by all of the parties, that said second parties shall have the right to at once enter upon any or all of said claims for the purpose of investigation and exploration of the same for the purpose of prospecting, drilling test holes, or making such other investigation

and exploration as said second parties may desire or deem advisable for the purpose of determining whether or not they desire to purchase said placer mining claims hereinbefore described, which such exploration, testing, and so forth, as said second parties may do or desire to do shall be completed by October 1, 1952, at which said date of October 1, 1952, said second parties shall at once give first parties notice of their desire or intention to purchase said mining claims at the price as aforesaid, and at which time, if the said second parties do exercise their option to purchase said claims, they shall then pay, on or before October 1st, 1952, to said first parties or their designated agent or nominee the sum of($33,333.33) THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS, and shall thereafter on or before September 1, 1953, likewise pay to first parties or their nominee the further sum of THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS ($33,333.33), and likewise, on or before September 1, 1954, the further sum of THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS ($33,333.33), and when said One Hundred Thousand Dollars ($100,000.00) purchase price has been paid in full, as aforesaid, then said second parties shall be entitled to have delivered to them by the escrow holder hereinafter referred to, the deed escrowed in the Weiser Branch of the Idaho First National Bank at Weiser, Idaho. It being expressly understood and agreed by all the parties hereto, that the hereinbefore scheduled payments are definite time payments to be payable by second parties to first parties in any and all events and without regard to whether or not sufficient minerals, metals, or rare earth values shall have been sold from said placer mining claims to equal said purchase price or not, and shall in nowise be limited by the values recovered from said mining claims or otherwise, subject to notice of, and intention to purchase as aforesaid.

Said first parties shall, on even date herewith, execute to second parties a quit claim deed in and to said placer mining claims, or/and such thereof as it may be deemed hereafter advisable to amend by amended location notices, it being agreed that if in the opinion of second parties or their manager in charge, that it is advisable to amend any of said location notices, that second parties will do the necessary surveying to establish lines and boundaries to so amend said claims by regular subdivisions, and that first parties will amend such location notices by proper prodecure and properly record the same, and thereafter, any such amended locations shall be a part of and subject to this agreement, the same as if originally included in and embodied in this agreement, and shall inure to said second parties without the payment of any further consideration other than as hereinbefore set forth.

Upon the execution of this agreement by all the parties thereto, the original thereof shall be escrowed in the Weiser Branch of the Idaho First National Bank at Weiser, Idaho, and to be held by said bank subject to the terms and conditions hereof, the provisions and instructions herein being the directions to said bank in the premises. Each and all the payments herein provided to be made shall be made to said escrow holder for the use and benefit of said first parties, and such escrow holder is hereby designated as the agent of said first parties to accept and receive all payments so to be made hereunder.

Pending the life of this agreement, second parties or their nominee or assignee shall have the exclusive right and privilege to enter upon and take full charge of said mining claims, and erect thereon such structures as they may deem necessary for the purpose of operating or doing development work or exploration on said mining claims, and to dredge, by proper dredge or drag-

line or such other equipment as said second parties or their nominee or assignee shall deem advisable, for the purpose of operating on said mining claimsor any thereof, to extract and remove monasite sands, rare earths, and other metals and values that the said second parties shall seek to have recovered from said mining claims or any thereof.

The said second parties agree that they will cause all mining work upon said property to be done in a good workmanlike manner, and in accordance with all the laws, rules and regulations of the State of Idaho applicable thereto, and that all operations thereon will be comparable to the general practice in similar mining operations to recover monasite sands or other mineral values, commonly exercised and engaged in by efficient operators conducting such operations.

Second parties agree that they will keep said mining property, and the whole thereof, free from any liens for wages, materials and supplies, and of any and all other liens and encumbrances and judgments and that they will pay before delinquency, all taxes and assessments which may be levied or assessed against said mining claims or any thereof, and that they will pay before delinquency, any State or other net profit mining tax now or hereafter to be legally levied or assessed against the profits from operation on any of said mining claims.

The said second parties further agree that they will cause to be done, each year during the life of this contract, all assessment work required by law for the holding of said unpatented mining claims, and will cause proof of such annual assessment work to be filed in due time as required by law to properly hold said mining claims and each thereof.

It is agreed that if the conditions hereof, to be met, done, and performed by said second parties, are not done and performed by them as and at or before the time or times as herein provided,

then the said first parties, or their designated attorney or agent, shall notify said second parties or their designated agent or nominee, at the address given by them, a copy of which shall be deposited by said second parties at said bank at the time of the deposit of executed copy of this contract, to which all notices required to be given hereunder may be given by any such notice given to the said person or nominee so deposited with said bank, at his or its said address, by registered mail at least thirty (30) days before the action stated in such notice to be taken, that if the thing required in such notice is not done within said thirty day period, then said first parties, or their agent or attorney, may declare a forfeiture of this contract and terminate and cancel all the right of second parties or their assigns to further enter upon, or remove ores or values from said mining claims or any thereof, and terminate all the right of second parties hereunder and hereby, and upon any such forfeiture, termination or cancellation, said escrow holder is authorized and directed to deliver all papers so escrowed with it to said first parties, or their attorney or agent. Upon second parties having complied with the terms hereunder, and paid said purchase price as aforesaid, said bank is authorized and instructed to deliver all escrow papers to said second parties, their agent or attorney.

It is understood and agreed by all parties hereto that this agreement may be assigned by second parties to any individual, individuals or corporation, for the purpose of acquiring, owning and operating said mining property, but any such assignment so made shall nevertheless be binding upon such assignee, the same as though an original party to this contract, it being understood and agreed that all the terms and conditions hereof shall be binding upon the respective parties hereto, their heirs, executors, administrators, successors and assigns.

It is further agreed that no executed copy of this agreement shall be recorded by either party, or a public record made thereof, until the first installment payment of THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS ($33,333.33), is made in full. Said second parties also, in addition to any other considerations herein by them agreed to be paid or made, shall pay to first parties the sum of TWO HUNDRED DOLLARS ($200.00) that first parties have made to a party by the name of Army White, but this in nowise obligates first parties to assign or include herein any mining claims on Rowelson or Kennally Creeks, or any interest therein that they may have obtained from said Army White, and said White claims shall in nowise be included herein or covered hereby. It is also further understood that said second parties, in order to thoroughly test the possibilities of the minerals or values of minerals or metals that may or might be recovered from said mining claims or any thereof, that they shall not only themselves, or by their proper agents or employees, have a right to at once enter upon any and all of said claims with the necessary equipment to make testholes and conduct such exploration as second parties shall determine necessary or desirable to estimate the probable minerals and values that may be located or/and recovered from said claims or any thereof, and to this end all such rights shall also extend to the Bureau of Mines or Rare Minerals Board or any representative of either or both that said second parties may desire to consult or have upon the ground at any time or times for investigation or any purpose in connection with determining the possibility of recoveries of monasite sands, rare earths and other metals from said mining claims or any thereof, all to the same extent as first parties might do had this contract not been entered into.

IN WITNESS WHEREOF, The parties hereto have set their hands as of the date and year first above written in this instrument.

Raymond M Carrey
Raymond M. Carrey

Myrtle Carrey
Myrtle Carrey

George Denison
George Denison

Helen Denison
Helen Denison

Frank McElhone
Frank McElhone

By: George Denison
George Denison, Attorney-in-Fact of the said Frank McElhone.

Betty McElhone
Betty McElhone

By: George Denison
George Denison, Attorney-in-Fact of said Betty McElhone.

PARTIES OF THE FIRST PART

G M Standifer
G. M. Standifer

Merrill Yost
Merrill Yost

PARTIES OF THE SECOND PART

STATE OF IDAHO)
County of Washington) ss:

On this 9th day of November, 1951, before me, the undersigned, a Notary Public in and for said State, personally appeared RAYMOND M. CARREY and MYRTLE CARREY, his wife, GEORGE DENISON and HELEN DENISON, his wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

And at the same time and place also appeared George Denison, known to me to be the person whose name is subscribed to the within and foregoing instrument as the Attorney in Fact of Frank McElhone and as Attorney in Fact of Betty McElhone, and acknowledged to me that he subscribed the names of the said Frank McElhone and Betty McElhone thereto as principals, and his own name as their attorney in fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Frank D Ryan
Notary Public for State of Idaho:
Residing at Weiser, Idaho.

-o-o-o-o-o-

STATE OF IDAHO)
County of) ss:

On this 9th day of November, 1951, before me, the undersigned, a Notary Public in and for said State, personally appeared MERRILL YOST, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Frank D Ryan
Notary Public for State of Idaho:
Residing at

LAW OFFICES
RYAN & RYAN
WEISER, IDAHO
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STATE OF CALIFORNIA)
) ss.
County of)

On this _____ day of November, 1951, before me, the undersigned, a Notary Public in and for said State, personally appeared G. M. STANDIFER, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

_____
Notary Public for State of California,
Residing at

LAW OFFICES

RYAN & RYAN

WEISER, IDAHO

THIS CONTRACT, Made and entered into this 9th day of November, 1951, by and between RAYMOND M. CARREY and MYRTLE CARREY, his wife, GEORGE DENISON and HELEN DENISON, his wife, of Weiser, Washington County, Idaho, and FRANK McELMORE and BETTY McELMORE, his wife, of Fields, Oregon, the latter two persons acting by and through their Attorney in Fact, George Denison, Parties of the First Part, and G. M. STANDIFER, 1000 California Street, San Francisco, California, and MERRILL YOST, of 608 Thirty-Fourth Street, Sacremento, California, Parties of the Second Part:

WITNESSETH:

That said first parties, for and in consideration of the sum of ONE THOUSAND and NO/100 DOLLARS ($1000.00) to be paid them by second parties at the time and in the manner as hereinafter set forth, hereby agree to and to sell, subject to the terms and conditions hereof, to the said parties of the second part, and the said parties of the second part hereby agree to and do purchase, subject to the terms hereof, from the said first parties, the following described placer mining claims situated in Valley County, State of Idaho, (being in an unorganized mining district), to-wit:

(a) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Townsend 17 North, Range 5, East of B.M., siad Beaver Dam Creek flowing in a Northerly direction into said Kennally Creek, said mining claims being more particularly described in the Placer Mining Location Notice relating hereto, filed in the office of the County Recorder, of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 535. This group of claims being called the "BEAVER DAM" Group.

(b) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B. M. This group of claims being called the "SWAMP PLACER MINING CLAIMS". The Location Notice of this group of claims being posted at the Quarter corner between Sections 26 and 27 of said Township and Range, and the adjoining group of claims being to the East being the Mink Group of Placer Mining Claims, reference hereby being made to the Placer

Mining Location Notices of said Swamp Group claims recored in the office of the County Recorder of said County, in Book 5 of Placer Mining Claims at Pate 536.

(c) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northwest Wuarter of Section 26, Township 17 North, Range 4 East of B.M. Said group of claims being otherwise known as the "MINK GROUP OF PLACER MINING CLAIMS", the location notice being posted at the half-mile corner between Sections 26 and 27 of said Township and Range, and this group of mining claims lying to the West of the Swamp group and to the South of the Elk Placer Mining Claims, reference to the Placer Mining Location Notice of said Mink Group of Placer claims being referred to for further particulars to the records of the Said County Recorder's Office of said County, in Book 5 of Placer Mining Claims at page 533.

(d) A certain placer mining claim group comprising 160 acres, more or less, and being on both sides of Kennally Creek in Section 30 and Section 31, Township 17 North, Range 5 East B.M. The Corner Monument No. 1 upon which the Location Notice is posted is situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. This group of claims being called the "OWL GROUP OF PLACER MINING CLAIMS", further reference thereto being made to the records of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 537.

(e) A certain placer mining claim group comprising 160 acres, more or less, and being located on both sides of the North Fork of Paddy Creek in Section 21, Township 17 North, Range 4, East of B.M. This group of claims being called the "FULL MOON GROUP", and reference is hereto made to the recorded Location Notice of said group of mining claims recored in said Recorder's Office in Book 5 of placer Mining Claims, at Page 531.

(f) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Kennally Creek. The Corner Monument No. 1, upon which location notice is posted, being situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. The name of this group of placer mining claims being "I FOUND IT", and adjoing the Owl Group of placer mining claims on the West end line, reference hereby being made to the recorded Placer Mining Location Notice in said Recorder's Office in Book 5 of Placer Mining Claims, at Page 441.

(g) A certain group placer mining claims running on both sides of Camp Creek, comprising of 160 acres, more or less, known as the "HALF MOON #5", Group of Placer Mining Claims, located in Township 17 North, Range 4 East of B.M., the location corner monument No. 1 being situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek, and is more particularly described in the Recorded Location Notices of said Half Moon #5 group of mining claims recored in said County Recorder's Officer in Book 5 of Placer Mining Claims, at Page 441.

(h) A certain placer mining claim comprising 40 acres, more or less, situated in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of B.M., same being an amended location of the Half Moon #4, the location notice being posted on a pine tree on the Northeast corner of said placer mining claim. Reference to said HALF MOON #4 Placer Mining Claims, and amended location thereof being hereby made to the records in said County Recorder's Office in Book 5 of Placer Mining Claims at Pate 530.

(i) A certain placer mining claim group comprising 160 acres, more or less, known as "JEEP CLAIM #1", lying and being on the North side of Paddy Flat main road, in Section 27, Township 17 North, Range 4 East of B.M. The number 1 monument, upon which location notice is posted, being situated about 6000 feet Westerly from the United States Ranger Station, and a more particular description of said group mining claim hereby being made by reference to the records in said

County Recorder's Office in Book 5 of Placer Mining Claims at Page 532.

(j) A certain group placer mining claim comprising about 160 acres, more or less, known as otherwise being described as being the Southwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., known as the "ELK GROUP" of Placer Mining Claims and location monument corner no. 1 coincides with section corner common to Sections 26, 27, 34 and 35 of said Township and Range, and the adjoining claim on the West being the Ranger Group of Placer Mining Claims, reference hereby being made to the records of the said County Recorder's Officer in Book 5 of Placer Mining Claims at Page 534 for further particulars.

(k) A certain group placer mining claim known as "HALF MOON #8" located on both sides of Paddy Creek in Township 17 North, Range 4 East of B.M., more particularly described as follows:

Commencing at Corner Monument No. 1: thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feeet to Corner Monument No.3, being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to Corn Monument No.1., being the Southewest corner of said claim. The said corner Monument No. 1., is situated about 7000 feet in a Northerly direction from the Mouth of Paddy Creek.

Reference hereby being made to the recorded Location Notices of said Placer Mining Claim filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

TOGETHER with the appurtenances thereunto belonging or in anywise appertaining, subject however, and nevertheless, to any paramount right of the United States of America, and any rights of present land owners of their grantees, to the mineral rights of present land owners or their grantees, to the mineral rights on any or all of such claims or to any established conflicting placer mining location.

IT IS AGREED that upon the execution of this agreement by all of the parties, that said second parties shall have the right to at once enter upon any or all of said claims for the purpose of investigation and exploration of the same for the purpose of prospecting, drilling test holes, or making such other investigation and exploration as said second parties may desire or deem advisable for the purpose of determining whether or not they desire to purchase said placer mining claims hereinbefore described, which such exploration, testing, and so forth, as said second parties may do or desire to do shall be completed by October 1, 1952, at which said date of Octiber 1, 1952, said second parties shall at once give first parties notice of their desire or intention to purchase said mining claims at the price as aforesaid, and at which time, if the said second parties do exercise their option to purchase said claims, they shall then pay, on or before October 1, 1952, to said first

or their designated agent or nominee the sum of ($33,333.33) THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS ; and shall thereafter on or before September 1, 1953, likewise pay to first parties or their nominee the further sum of THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE AND 33/100 DOLLARS ($33,333.33) and when said One Hundred Thousand Dollars, ($100,000.00) purchase price has been paid in full, as aforesaid, then said second parties shall be entitled to have delivered to them by the escrow holder hereinafter understood and referred to, the deed escrowed in the Weiser Branch of the Idaho First National Bank at Weiser, Idaho. It being expressly understood and agreed by all the parties heretok that the hereinbefore scheduled payments are definite time payments to be payable by second parties to first parties in any and all events and without regard to whether or not sufficient minerals, metlas, or rare earth values shall have been sold from said placer mining claims to equal said purchase price or not, sand shall in nowise be limited by the values recovered from said mining claims or otherwise, subject to notice of, and intention to purchase as aforesaid.

Said first parties shall, on even date herewith, execute to second parties a quit claim deed in and to said Placer Mining claims, or/and such thereof as it may be deemed hereafter advisable to amend by amended location notices, it being agreed that if in the opinion of second parties of their manager in charge, that it is advisable to amend any of said location notices, that second parties will do the necessary surveying to establish lines and boundaries to so amend said claims by regular subdividions, and that first parties will amend such location notices by proper procedure and properly record the same, and thereafter, any such amended locations shall be a part of and subject to this agreement, the same as if originally included in and embodied in this agreement, and shall inure to said second parties without the payment of any further consideration other than as hereinbefore set forth.

Upon the execution of this agreement by all the parties thereto, the original thereof shall be escrowed in the Weiser Branch of the Idaho First National Bank at Weiser, Idaho, and to be held by said

bank subject to the terms and conditions thereof, the provisions and ins tructions herein being the directions to said bank in the premised. Each and all the payments herein provided to be made to said escrow holder for the use and benefit of said first parties, and such escrow holder is hereby designated as the agent of said first parties to accept and receive all payments so as to be made hereunder.

Pending the life of this agreement, second parties or their nominees or assignee shall have the exclusive right and privilege to enter upon and take full charge of said mining claims, and eredt thereon such structures as they may deem necessary for the purpose of operating or doing development work or exploration on said mining claims, and to dredge, by proper dredge or dragline or such other equipment as said second parties or their nominee or assignee shall deem advisable, for the purpose of operating on said mining claims or any thereof, to extract and remove monasite sands, rear eath, and other metals and values that the said second parties shall seek to have recovered from said mining claims or any thereof.

The Said second parties agree that they will cause all mining work upon said property to be done in a good workmanlike manner, and in accordance with all the laws, rules and regulations of the State of Idaho applicalbe thereto, and that all operations thereone will be comparable to the general practice in similar mining operations to recover monasite sands or other mineral values, commonly exercised and engaged in by efficient pperators conducting such operations.

Second parties agree that they will keep said mining property, and the whole thereof, free from any liens for wages, materials and supplies, and of any and all other liens and encumbrances and judgements and that they will pay before delinquency, all taxes and assessments which may be levied or assessed against said mining claims or any thereof, and that they will pay before delinquency, any State or other net profit mining tax now or hereafter to be legally levied or assessed against the profits from operation on any of said mining claims.

The said second parties further agree that they will cause to be done, each year during the life of this contract, all assessment work required by law for the holding of said unpatented mining claims, and

will cause proof of such annual assessment work to be filed in due time as required by law to propertly hold said mining claims and each thereof.

It is agreed that if the conditions hereof, to be met, done, and performed by said second parties, are not done and performed by them as and at or before the time or times as herein provided, than the said first parties, or their designated attorney or agent, shall notify said second parties or their designated agent or nominee, at the address given by them, a copy of which shall be deposited by said second parties at said bank at the time of the deposits of executed copy of this contract, to which all notices required to be given hereunder may be given by any such notice given to the said perwon or nominee so deposited with said bank, at his or its said address, by registered mail at least thirty (30) days before the action stated in such notice to be taken, that if the thing required in such notice is not done within said thirty day period, then said first parties, or their agent or attorney, may declare a forfeiture of this contract and terminate and cancel all the right of second parties or their assigns to further enter upon, or remove ores or values from said mining claims or any thereof, and terminate all the right of second parites hereunder and hereby , and upon any such forfeitures, termination or cancellation, said escrow holder is authorized and directed to deliver all papers so escrowed with it to said first parties, or their attonney or agent, Upon second parties having compled with the terms hereunder, and paid said purchase price as afoesaid, said bank is authorized and instructed to deliver all escrow papers to said decond parties, their agent or attorney.

It is understood and agreed by all parties hereto that this agreement may be assigned by second parties to any individual, individuals or corporation, for the purpose of acquiring, owning and operating said mining property, but any such assignment so made shall nevertheless be binding upon such assignee, the same as though an original party to this contract, it being understood and agreed that all the terms and conditions hereof shall be binding upon the

respective parties hereto, their heirs, executors, administrators, successors and assigns.

It is further agreed that no executed copy of this agreement shall be recorded by either party, or a publice record made thereof, until the first installment payment of THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE AND 33/100 dollars ($33,333.33) is made in full. Said second parties also, in additbon to any other consideration herein by them agreed to be paid or made, shall pay to first parties the sum of TWO HUNDRED DOLLARS 9$200.00) that the first parties have made to a party by the name of Army White, but this in nowise obligates first parties to assign or include herein any mining claims on Rowelson or Kennally Creeks, or any interest therein that they may have obtained from said Army White., and said Ax White claim shall in nowise be included herein or covered hereby. It is also further understood that said second parties, in order to thoroughtly test the possibilities of the minerals or values of minerals or metals that may or might be recovered from said mining claims or any thereof, that they shall not o ly themselves, or by their proper agents or employees, have a right to at once enter upon any and all of said claims with the necessary equipment to make testholes and conduct such exploration as second parties shall determine necesssry or desireqblw to estimate the probably min erals and values that my ebe located or/ and recovered from said claims or any thereof, and to this end all such rights shall also extend to the Bureau of Mines or Rare Minerals Board or any representative of either or both that said second parties may desire to consult or have upon the ground at any time to times for investigation or any purpose in connection with determining the possibility of recoveries of monasite sands, reare earths and other metals from said mining claims or any thereof, all to the same extent as first parties migh do had this contract not been entered into.

XXXXXXXX

IN WITNESSETH WHEREOF. The parties hereto have set their hands as of the date and year first above written in this instrument.

*****

RAYMOND M. CARREY

MYRTLE CARREY

*

GEORGE DENISON

HELEN DENISON

FRANK McELMORE

By: George Denison, Attorney-In Fact of the said Frank McElmore.

BETTY MCELMORE

By: George Denison, Attorney-In Fact of the Siad Betty McElmore

PARTIES OF THE FIRST PART:

G.M. Standifer

Merrill Yost

PARTIES OF THE SECOND PART :

STATE OF IDAHO)
(ss:
County of Washington (

On this 9th day of November, 1951, before me, the undersigned, a Notary Public in and ror said State, personally appeared RAYMOND M. CARREY AND MYRTLY CARREY, his wife, GEOGE DENISON and HELEN DENISON, his wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

And at the same time and place also appeared George Denison, known to me to be the person whose name is subscribed to the within and foregoing instrument as the Attorney-In-Fact of Frank McElmore and as Attorny-In-Fact of Betty McElmore, and acknowledged to me that he subscribed the names of the said Frank McElhone and Betty Elhone therto as principals, and his won name as their Attorney-In Fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for State of Idaho:
Residing at Weiser, Idao

STATE OF IDAHO (
)
County of_____ (

On this 9th day of November, 1951, before me, the undersigned a Notary Public in and for said Stea, personally appeared MERRILL YOST, Known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hreunto set my ahdn and affixed my official seal the day and year in this ccertificate first above wirtten.

_____ _____ _____
Notary Public for State of Idahopl
Resideing at_____-

STATE OF CALIFORNIA

County of_____

On this_____day of November, 1951, before, me, the undersigned, a notary public in and for said State, personally appeared G.M. Standifer, known to me to be the person whose name is subscribed to the within and foregoing instnument, and acknowledge to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my ahdn and affixed my officl seal the day and year in this certificate first above written.

_____
Nortary Public for the State of Californi
Residing at_____

THIS CONTRACT, Made and entered into this 9th day of November, 1951, by and between RAY AND L. GIBBS and MARYAN GIBBS, his wife, GEORGE BERSON and [illegible], his wife, of Weiser, Washington County, Idaho, and WALTER McBRIDE and BETTY McBRIDE, his wife, of Fields, Oregon, the latter two persons acting by and through their Attorney in Fact, George Berson, Parties of the First Part, and G. [illegible] MILLER, 1000 California Street, San Francisco, California, and [illegible] WOOT, of 608 Thirty-Fourth Street, Sacramento, California, Parties of the Second Part:

WITNESSETH:

That said first parties, for and in consideration of the sum of ONE THOUSAND and NO/100 DOLLARS ($1000.00) to be paid them by second parties at the time and in the manner as hereinafter set forth, hereby agree to and to sell, subject to the terms and conditions hereof, to the said parties of the second part, and the said parties of the second part hereby agree to and do purchase, subject to the terms hereof, from the said first parties, the following described placer mining claims situated in Valley County, State of Idaho, (being in an unorganized mining district), to-wit:

(a) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5, East of B.M., said Beaver Dam Creek flowing in a Northerly direction into said Kennally Creek, said mining claims being more particularly described in the Placer Mining Location Notice relating hereto, filed in the office of the County Recorder, of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 535. This group of claims being called the "BEAVER DAM" Group.

(b) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B.M. This group of claims being called the "GRAY PLACER MINING CLAIMS". The Location Notice of this group of claims being posted at the quarter corner between Sections 26 and 27 of said Township and Range, and the adjoining group of claims being to the East being the Mink Group of Placer Mining Claims, reference hereby being made to the Placer

Mining Location Notices of said Swamp Group claims recorded in the office of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 536.

(c) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B.M. Said group of claims being otherwise known as the "ELK GROUP OF PLACER MINING CLAIMS", the location notice being posted at the half-mile corner between Sections 26 and 27 of said Township and Range, and this group of mining claims lying to the East of the Swamp group and to the South of the Elk Placer Mining Claims, reference to the Placer Mining Location Notice of said Elk Group of Placer claims being referred to for further particulars to the records of the Said County Recorder's Office of said County, in Book 5 of Placer Mining Claims at page 533.

(d) A certain placer mining claim group comprising 160 acres, more or less, and being on both sides of Kennally Creek in Section 30 and Section 31, Township 17 North, Range 5 East B.M. The Corner Monument No. 1 upon which the Location Notice is posted is situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. This group of claims being called the "OLD GROUP OF PLACER MINING CLAIMS", further reference thereto being made to the records of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 537.

(e) A certain placer mining claim group comprising 160 acres, more or less, and being located on both sides of the North Fork of Paddy Creek in Section 21, Township 17 North, Range 4, East of B.M. This group of claims being called the "PADDY FLOOD GROUP", and reference is hereto made to the recorded Location Notice of said group of mining claims recorded in said Recorder's Office in Book 5 of placer Mining Claims, at Page 531.

(f) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Kennally Creek. The Corner Monument No. 1, upon which location notice is posted, being situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. The name of this group of placer mining claims being "I FOUND IT", and adjoing the Old Group of placer mining claims on the East end line, reference hereby being made to the recorded Placer Mining Location Notice in said Recorder's Office in Book 5 of Placer Mining Claims, at Page 661.

(g) A certain group placer mining claims running on both sides of Camp Creek, comprising of 160 acres, more or less, known as the "HALF MOON #5", Group of Placer Mining Claims, located in Township 17 North, Range 4 East of B.M., the location corner monument No. 1 being situated about 10,000 feet in a Northerly direction from the mouth of Paddy Creek, and is more particularly described in the Recorded Location Notices of said Half Moon #5 group of mining claims recorded in said County Recorder's Office in Book 5 of Placer Mining Claims, at Page 441.

(h) A certain placer mining claim comprising 40 acres, more or less, situated in the Southeast Quarter of the Northwest Quarter of Section 34, Township 17 North, Range 4 East of B.M., same being an amended location of the Half Moon #4, the location notice being posted on a pine tree on the Northeast corner of said placer mining claim. Reference to said HALF MOON #4 Placer Mining Claims, and amended location thereof being hereby made to the records in said County Recorder's Office in Book 5 of Placer Mining Claims at Page 530.

(i) A certain placer mining claim group comprising 160 acres, more or less, known as "JACK CLAIM #1", lying and being on the North side of Paddy Flat main road, in Section 27, Township 17 North, Range 4 East of B.M. The number 1 monument, upon which location notice is posted, being situated about 6000 feet Easterly from the United States Ranger Station, and a more particular description of said group mining claim hereby being made by reference to the records in said

County Recorder's Office in Book 5 of Placer Mining Claims at Page 532.

(j) A certain group placer mining claim comprising about 160 acres, more or less, known as otherwise being described as being the Southwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., known as the "[illegible]" of Placer Mining Claims and location monument corner no. 1 coincides with the section corner common to Sections 26, 27, 34 and 35 of said Township and Range, and the adjoining claim on the West being the Ranger Group of Placer Mining Claims, reference hereby being made to the records of the said County Recorder's Officer in Book 5 of Placer Mining Claims at Page 534 for further particulars.

(k) A certain group placer mining claim known as "[illegible] #3" located on both sides of Paddy Creek in Township 17 North, Range 4 East of B.M., more particularly described as follows:

Commencing at Corner Monument No. 1; thence in a Northerly direction 7000 feet to Corner Monument No. 2, being the Northwest corner of said claim; thence in an Easterly direction 1000 feet to Corner Monument No.3, being the Northeast corner of said claim; thence in a Southerly direction 7000 feet to corner Monument No. 4, being the Southeast corner of said claim; thence in a Westerly direction 1000 feet to Corn Monument No.1., being the Southwest corner of said claim. The said corner Monument No. 1., is situated about 7000 feet in a Northerly direction from the Mouth of Paddy Creek.

Reference hereby being made to the recorded Location Notices of said Placer Mining Claim filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

TOGETHER with the appurtenances thereunto belonging or in any wise appertaining, subject however, and nevertheless, to any paramount right of the United States of America, and any rights of present land owners of their grantees, to the mineral rights of present land owners or their grantees, to the mineral rights on any or all of such claims or to any established conflicting placer mining location.

IT IS AGREED that upon the execution of this agreement by all of the parties, that said second parties shall have the right to at once enter upon any or all of said claims for the purpose of investigation and exploration of the same for the purpose of prospecting, drilling test holes, or making such other investigation and exploration as said second parties may desire or deem advisable for the purpose of determining whether or not they desire to purchase said placer mining claims hereinbefore described, which such exploration, testing, and so forth, as said second parties may do or desire to do shall be completed by October 1, 1952, at which said date of October 1, 1952, said second parties shall at once give first parties notice of their desire or intention to purchase said mining claims at the price as aforesaid, and at which time, if the said second parties do exercise their option to purchase said claims, they shall then pay, on or before October 1, 1952, to said first

or their designated agent or nominee the sum of ($33,333.33) THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE and 33/100 DOLLARS ; and shall thereafter on or before September 1, 1953, likewise pay to first parties or their nominee the further sum of SIXTY THREE THOUSAND, THREE HUNDRED THIRTY THREE AND 33/100 DOLLARS ($63,333.33) and when said One Hundred Thousand Dollars, ($100,000.00) purchase price has been paid in full, as aforesaid, then said second parties shall be entitled to have delivered to them by the escrow holder hereinafter understood and referred to, the deed escrowed in the Weiser branch of the Idaho First National Bank at Weiser, Idaho. It being expressly understood and agreed by all the parties hereto, that the hereinbefore scheduled payments are definite time payments to be payable by second parties to first parties in any and all events and without regard to whether or no sufficient minerals, metals, or rare earth values shall have been sold from said placer mining claims to equal said purchase price or not, and shall in no case be limited by the values recovered from said mining claims or otherwise, subject to notice of, and intention to purchase as aforesaid.

Said first parties shall, on even date herewith, execute to second parties a quit claim deed in and to said Placer Mining claims, or/and such thereof as it may be deemed hereafter advisable to amend by amended location notices, it being agreed that if in the opinion of second parties or their manager in charge, that it is advisable to amend any of said location notices, that second parties will do the necessary surveying to establish lines and boundaries to so amend said claims by regular subdivisions, and that first parties will amend such location notices by proper procedure and properly record the same, and thereafter, any such amended locations shall be a part of and subject to this agreement, the same as if originally included in and exhibit embodied in this agreement, and shall inure to said second parties without the payment of any further consideration other than as hereinxxxxx before set forth.

Upon the execution of this agreement by all the parties thereto, the original thereof shall be escrowed in the Weiser Branch of the Idaho First National Bank at Weiser, Idaho, and to be held by said

bank subject to the terms and conditions thereof, the provisions and instructions herein being the directions to said bank in the premises. Each and all the payments herein provided to be made to said escrow holder for the use and benefit of said first parties, and such escrow holder is hereby designated as the agent of said first parties to accept and receive all payments so as to be made hereunder.

Pending the life of this agreement, second parties or their heirs or assignee shall have the exclusive right and privilege to enter upon and take full charge of said mining claims, and erect thereon such structures as they may deem necessary for the purpose of operating or doing development work or exploration on said mining claims, and to dredge, by proper dredge or dragline or such other equipment as said second parties or their heirs or assignee shall deem advisable, for the purpose of operating on said mining claims or any thereof, to extract and remove monazite sands, pear earth, and other metals and values that the said second parties shall seek to have recovered from said mining claims or any thereof.

The said second parties agree that they will cause all mining work upon said property to be done in a good workmanlike manner, and in accordance with all the laws, rules and regulations of the State of Idaho applicable thereto, and that all operations thereon will be comparable to the general practice in similar mining operations to recover monazite sands or xx other mineral values, commonly exercised and engaged in by efficient operators conducting such operations.

Second parties agree that they will keep said mining property, and the whole thereof, free from any liens for wages, materials and supplies, and of any and all other xx liens and encumbrances and judgments and that they will pay before delinquency, all taxes and assessments which may be levied or assessed against said mining claims or any thereof, and that they will pay before delinquency, any State or other net profit mining tax now or hereafter to be legally levied or assessed against the profits from operation on any of said mining claims.

The said second parties further agree that they will cause to be done, each year during the life of this contract, all assessment work required by law for the holding of said unpatented mining claims,

will cause proof of such annual assessment work to be filed in due time as required by law to properly hold said mining claims and each thereof.

It is agreed that if the conditions hereof, to be met, done, and performed by said second parties, are not done and performed by them as and at or before the time or times as herein provided, then the said first parties, or their designated attorney or agent, shall notify said second parties or their designated agent or nominee, at the address given by them, a copy of which shall be deposited by said second parties at said bank at the time of the deposits of executed copy of this contract, to which all notices required to be given hereunder may be given by any such notice given to the said person or nominee so deposited with said bank, at his or its said address, by registered mail at least thirty (30) days before the action stated in such notice to be taken, that if the thing required in such notice is not done within said thirty day period, then said first parties, or their agent or attorney, may declare a forfeiture of this contract and terminate and cancel all the right of second parties or their assigns to further enter upon, or remove ores or values from said mining claims or any thereof, and terminate all the right of second parties hereunder and hereby, and upon any such forfeiture, termination or cancellation, said escrow holder is authorized and directed to deliver all papers so escrowed with it to said first parties, or their attorney or agent. Upon second parties having complied with the terms hereunder, and paid said purchase price as aforesaid, said bank is authorized and instructed to deliver all escrow papers to said second parties, their agent or attorney.

It is understood and agreed by all parties hereto that this agreement may be assigned by second parties to any individual, individuals or corporation, for the purpose of acquiring, owning and operating said mining property, but any such assignment so made shall nevertheless be binding upon such assignee, the same as though an original party to this contract, it being understood and agreed that all the terms and conditions hereof shall be binding upon the

respective parties hereto, their heirs, executors, administrators, successors and assigns.

It is further agreed that no executed copy of this agreement shall be recorded by either party, or a public record made thereof, until the first installment payment of TWO HUNDRED THIRTY THREE THOUSAND, THREE HUNDRED THIRTY THREE AND 33/100 dollars (233,333.33) is made in full. Said second parties also, in addition to any other consideration herein by them agreed to be paid or made, shall pay to first parties the sum of TWO HUNDRED DOLLARS ($200.00) that the first parties have made to a party by the name of Amy White, but this in no wise obligates first parties to assign or include herein any mining claims on Hexolem or Formally Ore Ks, or any interest therein that they may have obtained from said Amy White., and said Amy White claim shall in no wise be included herein or covered hereby. It is also further understood that said second parties, in order to thoroughly test the possibilities of the minerals or values of minerals or metals that may or might be recovered from said mining claims or any thereof, that they shall not only themselves, or by their proper agents or employees, have a right to at once enter upon any and all of said claims with the necessary equipment to make tests and conduct such exploration as second parties shall determine necessary or desirable to estimate the probably minerals and values that may be located or/and recovered from said claims or any thereof, and to this end all such rights shall also extend to the Bureau of Mines or Rare Minerals Board or any representative of either or both that said second parties may desire to consult or have upon the ground at any time to time for investigation or any purpose in connection with determining the possibility of recoveries of monazite sands, rare earths and other metals from said mining claims or any thereof, all to the same extent as first parties might do had this contract not been entered into.

WITNESSETH

IN WITNESS WHEREOF, The parties hereto have set their hands as of the date and year first above written in this instrument.

Witness

RAYMOND E. CARLEY

EMMA E. CARLEY

GEORGE PATTON

[illegible]

[illegible]

By: George Dorrison, Attorney-In Fact of the said Frank Mellmore.

[illegible]

By: George Dorrison, Attorney-In Fact of the said Betty Mellmore

[illegible]

[illegible]

[illegible]

STATE OF IDAHO)
County of Washington (ss:

On this 9th day of November, 1951, before me, the undersigned, a Notary Public in and for said State, personally appeared [illegible] in and for [illegible] County, his wife, [illegible] and [illegible], his wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

And at the same time and place also appeared George Dorrison, known to me to be the person whose name is subscribed to the within and foregoing instrument as the Attorney-In-Fact of Frank Mellmore and as Attorney-In-Fact of Betty Mellmore, and acknowledged to me that he subscribed the name of the said Frank Mellmore and Betty Mellmore thereto as principals, and his own name as their Attorney-In Fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for State of Idaho:
Residing at Weiser, Idaho

STATE OF IDAHO)
County of_____)

On this 9th day of November, 1951, before me, the undersigned a Notary Public in and for said State, personally appeared MERRILL WOOD, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

_____
Notary Public for Utah of Idaho
Residing at_____

STATE OF CALIFORNIA
County of_____

On this_____ day of November, 1951, before me, the undersigned, a notary public in and for said state, personally appeared C.M. Sandifer, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

_____
Notary Public for the State of California
Residing at_____

THIS AGREEMENT, made and entered into this Nov 9, day of 1957, by and between Clarence V. Loomis and Vida Loomis PARTYS of the first part, hereinafter called the LESSOR, and G. M. Standifer, of 1000 California St. San Francisco, and Merrill Yost, of 608-34th St. Sacramento, Calif. Partys of the second part, hereinafter called the LESSEE.

W I T N E S S E T H

For and in consideration of the sum of $200.00 Two Hundred Dollars, receipt of which, by the Lessor is hereby acknowledged, and in further consideration of the hereinafter mentioned payments to be made and covenants and conditions hereinafter agreed to be kept and performed by the Lessee, the Lessor hereby leases and demises to the Lessee , for the purpose of prospecting and mining for metals and minerals and particularly Monazite, Zircon, and Uranium bearing ores, that certain land and real property situated in the County of Valley, State of Idaho, and known as the Paddy Flat Mining District more fully described as follows:

South East ¼ of the North East ¼ of Sec. 28, The South West ¼ of the North West ¼ of Sec. 27. The South West ¼ of Sec. 27. The North West ¼ of Sec. 34. The North ½ of the North East ¼ of Sec. 34. The South West ¼ of the North East ¼ of Sec. 34. The West ½ of the North West ¼ of Sec. 35. Containing 600 Acres more or less, all in Twp. 17 North R 4 E, Boise Base and Meridian.

Also 2 placer claims known as the Ruby claim which is the South East ¼ of Sec. 28 160 acres more or less, the Sapphire Claim being the North East ¼ of S ec. 33, 160 acres more or less, all in Twp.17 North R 4 E, Boise Base and Meridian.

1. This Lease shall commence on the date hereof and shall continue until all gold and other precious metals and minerals which are recoverable at a profit from said lands have been recovered there from or unless sooner terminated as herein provided, but in no event shall said lease continue longer than 20 Years.

2. The lessee shall have the exclusive right during the terms of this lease of entering upon all or any of the said lands and prospecting and mining the same, by dredging or any of such other methods as the lessee deems suitable. for Monazite, Zircon, Uranium minerals, gold and such other minerals as may be profitable. The lessee shall have the right to remove and burn such timber and may construct and maintain such wells, reservoirs, ditches, flumes, conduits, power lines and such mining or dredge machinery as Lessee may desire or require to use, maintain and consume in or for its prospecting or mining operations on said lands.

3. On or before Oct. 1, 1952, the Lessee shall notify the lessor in writing whether or not the lessee elects to mine the lands herein demised. In the event the results prove satisfactory and the Lessee intends to proceed to mine the above described property the Lessee shall pay to the lessor an advance royalty of $5,000.00 on or before Oct.1, 1952 and each year there after until the actual mining and production of the property has commenced. In the event dredging or mining operations have not commenced by Oct. 1, 1954 the lessee shall pay an advance royalty of $10,000.00 per year until mining or dredging operations have commenced and are in production.

4. In the event the Lessee elects to proceed to mine the above described lands the lessee shall proceed in a diligent and miner like manner to operate the property as a whole, in his judgment, in the most economical manner for the minerals and metals contained therein and shall operate the lands continuously unless prevented by acts of God, U.S. Government regulations, strikes, floods or other causes beyond the Lessee's control. Lessee undertakes and agrees to cause all installations of equipment to be made and executed in a good and miner like manner on the above mentioned property.

5. The Lessee shall pay to the Lessor as rent and royalty for the rights conferred and the use and mining of said lands a royalty of Ten percent (10%) of the gross production of Monazite, Zircon, Uranium minerals, gold and other minerals or metals. The Lessee shall keep a full and complete progress map of the dredging operations so that the royalty payments can be determined as

above stated. Payment of said rent and royalty shall be made on each shipment as soon as payment and statements are received by the Lessee. The sale of all minerals and metals shall be F.O.B. nearest shipping point or a shipping point designated by the Federal Government.

6. The Lessor shall have access to the workings of the Lessee on said lands at all reasonable times for the purpose of inspecting the work or for the posting of notices or any other lawful purpose. The Lessor shall have the right to be present at all clean-ups and shipments and the Lessee agrees that it will notify said Lessor of the time and place of said Clean-ups and shipments by written notice two days in advance to the address herein stated of the Lessor.

7. The lessor shall pay all taxes levied or assessed on the lands herein demised and on all improvements and personalty belonging to the Lessor, and the lessee shall pay all taxes levied or assessed on all structures, machinery and equipment belonging to the Lessee. In the event that the mineral rights to the lands herein demised shall be taxed, or in the event that any tax or government charge shall be imposed upon any of the minerals or metals or upon the production thereof from any of the said lands, then in any or all of the said events the Lessor shall bear ten Percent (10%) and the Lessee Ninety Per Cent (90%0 of such tax.

8. The Lessee shall retain titles to all dredges, property and equipment placed on said lands and whether affixed to realty or not, may remove the same at any time during this lease and for two (2) years after the termination thereof The lessee shall have at all times during this lease and for two (2) years after the termination thereof an easement for the removal of any dredge or property which may be on said premises at any time by the most practical route over said premise s to the point of intended use by the lessee, subject only to the payment of royalty as hereinabove provided.

9. The Lessor may terminate this lease for any breach hereof by the lessee by notice in writing, cut the Lessee shall then have thirty (30) days in which to remedy such breach or default. If such breach or default is not

corrected or a reasonable attempt the correct such default within the thirty days this agreement becomes null and void and of no effect.

11. None of the right of the Lesse hereunder shall in any way be jeopardised by reason of any delays arisin from strikes, scarcity of Labor, shortage of supplies,not caused by the neglect or beyond the controll of the Lessee.

12. The Lessor reserves the right to use for agricultural, grazing or any other purposes, except mining, all of the lands hereby let and demised as will not interfere with the prospecting and mining activities of the Lessee, but the Lessee shall not be liable to the Lessor for any damages to such lands and to growing crops or for any stock suffered or permitted on said lands, by reasons of the prospecting or mining of said lands by the Lessee and the Lessor agrees to hold the lessee safe and harmless against any claims of tenants occupying said lands by virtue of said reservation. Lessee shall keep all pits and shafts properly covered at all times and shall fill same before abandoning.

Lessee shall not leave any gates open that will allow stock to escape. It is agreed that in lieu of a gate a good, substantial and effective cattle guard may be installed by lessee at any place where the road crosses any fence.

13. The Lessee agrees to carry adequate workmens liability compensation on all men and crews at all times during the life of this agreement.

14. Any written notice to be given to the party of the first part shall be sent to Clarence V. Loomis, Meadows, Idaho

Any written notice to be given to the party of the second part shall be sent to Mr. O. M. Standifer, 1000, Calif. St. San Francisco, Calif. and to Merrill Yost 608-34th St., Sacramento, Calif.

15. This agreement shall be binding upon the heirs administrators or assigns of the respective parties

16. It is understood by all parties the Defense Minerals Administration of the Department of Interior combine with the operators to prove the values especially of the radio active minerals. The Defense Minerals Administration require that the owners and leasers of such land sign a subordination agreement

before they will proceed with the determination of the radio active minerals. It will be necessary for all parties to sign such agreements with the Defense Minerals Administration before all terms of this agreement can be complied with.

17. Time is the essence of this agreement.

IN WITNESS WHERE OF, on the day of the year first written above the parties hereto caused this agreement to be executed.

Clarence V. Loomis
Lessor

Vida A. Loomis
Lessor

E. Knutson
Witness.

O. M. Standifer
O. M. Standifer, Lessee.

Merrill Yost
Merrill Yost, Lessee.

Cascade, Idaho.
Nov.8, 1951.

Mr. Clarence V. Loomis,
Meadows,
Idaho.

Dear Mr. Loomis,

In accordance with our oral understanding the claims you have on Kennally Fork in the Paddy Flat Mining District held Jointly by you and shared equally by you, Army White and Fred Diggs, you have paid ~~Mr. White~~ Diggs $200.00 on his one third interestin these claims and you are to pay the balance of the pruchase price of $1,300.00on or before ~~Dec.~~ July 1, ~~1951~~ 1952 or forfeit the $200.00 you have paid on the total purchase price of $1,500.00. M. Y. C. L.

If the results prove satisfactory I will advance you the balance of $1,300.00 If such payment is made you are to make this letter part of the original agreement on the ground you hold by patent rights in Paddy Flat. In that event you are to make the following claims held by you on Kennally Fork part of the original agreement except that the royalty shall be two thirds of 10% as the other one third is held by ~~Fred Diggs~~ Army White or his assigns. In the event the results of the drilling done by me in October, 1951is not satisfactory I am to notify you and you are free to act as you choose. M. Y. C. L.

The joint claims held by you, Army White and Fred Diggs are;

Big Pocket, Little Pocket, Side Pocket No. 1 and Side Pocket No. 2 comprising about 290 acres situated on Powelson Creek and Kennally Fork.

Accepted and Confirmed;

Clarence V. Loomis.

E. Knutsen
Witness.

Signed.

Merrill Yost.
Merrill Yost.

COPY OF ORIGINAL AGREEMENT

THIS AGREEMENT, MADE AND ENTERED INTO THIS 9th day of November 1951, by and between Clarence V. Loomis and Vida Loomis, PARTYS of the first part, hereinafter called the LESSOR, and G. M. Standifer, of 1000 California St. San Francisco, and Merrill Yost, of 608 34th St. Sacramento, California. Parties of the second part, hereinafter called the LESSEE.

W I T N E S S E T H

For and in consideration of the sum of $200.00 Two Hundred Dollars, receipt of which, by the Lessor is herby acknowledged, and in further consideration of the hereinafter mentioned payments to be made and covenants and conditions hereinafter agreed to be kept and performed by the Lessee, the Lessor hereby leases and devises to the Lessee, for the purpose of prospecting and mining for metals and minerals and particularly Monazite, Zircon, and Uranium bearing ores, that certain land and real property situated in the County of Valley, State of Idaho, and known as the Paddy Flat Mining District more fully described as follows:

South East ¼ of the North East ¼ of Sec. 26, The South West ¼ of the North West ¼ of Sec. 27. The South West ¼ of Sec. 27. The North West ¼ of Sec. 34. The North ½ of the North East ¼ of Sec 34. The South West ¼ of the North East ¼ of Sec. 34. The West ½ of the North West ¼ of Sec. 35. Containing 600 Acres more or less, all in Twp. 17 North R 4 E, Boise Base and Meridian.

Also 2 placer claims known as the Ruby claim which is the South East ¼ of Sec. 33, 160 acres more or less, all in Twp. 17 North R 4 E, Boise Base and Meridian.

1. This Lease shall commence on the date hereof and shall continue until all gold and other precious metals and minerals which are recoverable at a profit from said lands have been recovered there from or unless sooner terminated as hefein provided, but in no event shall said lease continue longer than 20 years.

2. The Lesse shall have the exclusive right during the term of this lease of entering upon all or any of the said lands and prospecting and mining the same, by dredging or any of such other methods as the lessee deems suitable, for Monazite, Zircon, Uranium minerals, gold and such other minerals as may be profitable. The lessees shall have the right to remove and burn such timber and may construct and maintain such wells, reservoirs, ditches, flumes, conduits, power lines and such mining or dredge machinery as Lessee mat desire or require to use maintain and consume in or for its prospecting or mining operations on said lands.

3. On or before Oct. 1, 1952, the Lessee shall notify the lessor in writing whether or not the lessee elects to mine the lands herein demised. In the event the results prove satisfactory and the Lessee intends to proceed to mine the above described property the Lessee shall pay to the lessor an advance royalty of $5,000.00 on or before Oct.1, 1952 and each year there after until the actual mining and production of the property has commenced. In the event dredging or mining operations have not commenced by Oct. 1, 1954 the lessee shall pay an advance royalty of $10,000.00 per year until mining or dredging operations have commenced and are in production.

4. In the event the Lessee elects to proceed to mine the above described lands the lessee shall proceed in a diligent and miner like manner to operate the property as a whole, in his judgment, in the most economical manner for the minerals and metals contained therein and shall operate the lands continuously unless prevented by acts of God, U.S. Government regulations, strikes, floods or other causes beyon the Lessee's contro. Lessee undertakes and agrees to cause all installations of equipment to be made and executed in a good and miner like manner on the above mentioned property.

5. The Lessee shall pay to the Lessor as rent and royalty for the ~~rights~~ rights conferred and the use and mining of said lands a royalty of Ten percent (10%) of the gross production of Monazite, Zircon, Uranium minerals, gold and other minerals or metals. The Lessee shall keep a full and complete progress map of the dredging operations so that the Royalit paymebts cah be determined as above stated. Payment of said rent and royalty shall be made on each shipment

as soon as payment and statements are received by the Lessee. The sale of all minerals and metals shall be F. O. B. nearest shipping point or a shipping point designated by the Federal Government.

6. The Lessor shall have access to the workings of the Lessee on said lands at all reasonable times for the purpose of inspecting the work of for the posting of notices or any other lawful purpose. The Lessor shall havethe right to be present at all clean-ups and shipments and the Lessee agrees that it will notify said lessor of the time and place of said Clean-ups and shipments by written notice two days in advance to the address herein stated of the Lessor.

7. The Lessor shall pay all taxes levied or assessed on the lands herein demised and on all improvements and personalty belonging to the Lessor, and the lessee shall pay all taxes levied or assessed on all structures, machinery and equipment belonging to the Lessee. In the event that the mineral rights to the lands herein demised shall be taxed, or in the event that ant tax or government charge shall be imposed upon ant if the minerals or metals or upon the production thereof from any of the said lands, then in any or all of the said events the Lessor shall bear ten Percent (10%) and the Lessee Ninety Per Cent (90%) if such tax.

8. The Lessee shall retain titles to all dredges, property and equipment placed on said lands and whether affixed to realty or not, may remove the same at any time during this lease and for two (2) years after the termination thereof The lessee shall have at all times during this lease and for two (2) years after the termination thereof an easement for the removal of ant dredge or property which may be on said premises at ant time by the most practical route over said premises to the point of intended use by the lessee, subject only to the payment of royalty asherein above provided.

9. The Lessor may terminate this lease for ant breach hereof by the lessee by notice in writing, but the Lessee shall havethirty (30) days in which to remedy such breach or default. If such breach or default is not corrected or a reasonable attempt the correct such defaut within the thirty days this agreement becomes null and void and of no effect.

11. None of the right of the Lessee hereunder shall in any way be jeopardized by reason of nat delays arfsin from strikes, ~~xxxxxxxxxxx~~ scarcity of Labor, shortage of supplies, not caused by the neglect or beyond the control of the Lessee.

12. The Lessor reserves the right to use for agricultural, grazing or any other prupowes, except mining, all of the lands hereby let and demised as will not interfere with the prospecting and mining activitites of the Lessee, but the Lessee shall not be liable to the Lessor for any damages to such lands and to growing crops of for any stock suffered or permitted on said lands, by reasons of the prospecting or mining of said lands by the Lessee and the Lessor agrees to hold the lessee safe and garmless against any claims of tenants occupying said lands by virtue of said reservation. Lessee shall keep all pits and shafts properly covered at all times and shall fill same before abandoning. Lessee shall not leave any gates open that will allow stock to escape. It is agreed that in lieu of a gate a good, substantial and effective cattle guard may be installed by lessee at any place where the road ocesses ant fence.

13. The Lessee agrees to carry adequate workmens liability compensation on all men and crews at all times during the life of this agreement.

14. Any written notice to be given to the party of the first part shall be sent to Clarence V. Loomis, Meadows, Idaho: Any written notice to be given to the party of the second part shall be sent to Mr. G. M. Shandifer, 1000, California Street San Francisco, Calif. and to Marrill Yost 605 34th St. Sacramento, California.

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Cascade, Idaho.
Nov. 5, 1951.

Mr. Clarence V. Loomis,
Meadows,

Idaho.

Dear Mr. Loomis,

In accordance with our oral understanding the claims you have on Kennally Fork in the Paddy Flat Mining Districh held Jointly by you and shared equally by you, Army White and Fred Diggs, you have paid Mr. ~~White~~ Pat 195 $200.00 ~~xxxxxx~~ on his ~~xx~~ one third ineterst in these claims and you are to pay the blance of the purchase price of $1,300.00 on or before ~~Dec.~~ July 1, 1951 or forfeit the $200.00 you have paid on the total purchase price of $1,500.00 M.Y. C.L. M.Y. C.L.

If the results prove satisfactory I will advance you the balance of $1,300.00 If such payment is made you are to make this letter part of the original agreement on the ground you held by patent rights in Paddy Flat. In that event you are to make the following claims held by you an Kennallt Fork part of the original agreement except that the royalty shall be two thirds of 10% as the other one third is held by ~~Fred Diggs~~ Army White or his assigns. In the event the results of the drilling done by me in October, 1951 is no satisfactory I am to notify you and you are free to act as you choose. M.Y. C.L.

The joint claims held by you, Army White and Fred Diggs are:

Big Pocket, Little Pocket, Side Pocket No. 1 and Side Pocket No. 2 comprising about 290 acres situated on Bowelson Creek and Kennally Fork.

Accepted and Confirmed: Signed: _____
Merrill Yost

Clarence V. Loomis

E. Knudsen
Witness:

COPY OF ORIGINAL AGREEMENT

THIS AGREEMENT, MADE AND ENTERED INTO THIS 9th day of November 1951, by and between Clarence V. Loomis and Vida Loomis, PARTYS of the first part, hereinafter called the LESSOR, and G. M. Standifer, of 1000 California St. San Francisco, and Merrill Yost, of 608 34th St. Sacramento, California. Parties of the second part, hereinafter called the LESSEE.

W I T N E S S E T H

For and in cosideration of the sum of $200.00 Two Hundred Dollars, receipt of which, by the Lessor is herby acknowledged, and in further consideration of the hereinafter mentioned payments to be made and covenants and conditions hereinafter agreed to be kept and performed by the Lessee, the Lessor hereby leases and demises to the Lessee, for the purpose of prospecting and mining for metals and minerals and particularly Monazite, Zircon, and Uranium bearing ores, that certain land and real property situated in theCounty of Valley, State of Idaho, and known as the Paddy Flat Mining District more fully described as follows:

South East ¼ of the North East ¼ of Sec. 28, The South West ¼ of the North West ¼ of Sec. 27. The South West ¼ of Sec. 27. The North West ¼ of Sec. 34. The North ½ of theNorth East ¼ of Sec 34. The South West ¼ of the North East¼ of Sec. 34. The West ½ of the North West ¼ of Sec. 35. Containing 600 Acres more or less, all in Twp. 17 North R 4 E, Boise Base and Meridian.

Also 2 placer claims known as the Ruby claim which is the South East ¼ of Sec. 33, 160 acres more or less, all in Twp. 17 North R 4 E, Boise Base and Meridian.

1. This Lease shall commence on the date hereof and shall continue until all gold andother precious metals and minerals which are recoverable at a profit from said lands have been recovered there from or unless sooner terminated as hefein provided, but in no event shall said lease continue longer than 20 years.

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3. On or before Oct. 1, 1952, the Lessee shall notify the lessor in writing whether or not the lessee elects to mine the lands herein demised. In the event the results prove satisfactory and the Lessee intends to proceed to mine the above described property the Lessee shall pay to the lessor an advance royalty of $5,000.00 on or before Oct.1, 1952 and each year there after until the actual mining and production of the property has commenced. In the event dredging or mining operations have not commenced by Oct. 1, 1954 the lessee shall pay an advance royalty of $10,000.00 per year until mining or dredging operations have commenced and are in production.

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5. The Lessee shall pay to the Lessor as rent and royalty for the rights conferred and the use and mining of said lands a royalty of Ten percent (10%) of the gross production of Monazite, Zircon, Uranium minerals, gold and other minerals or metals. The Lessee shall keep a full and complete progress map of the dredging operations so that the Royaltt paymebts can be determined as above stated. Payment of said rent and royalty shall be made on each shipment

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Minerals Administration befor all terms of this agreement can be complied with.

17. Time is the essence of this agreement.

IN WITNESS THEREOF, on the day of the year first written above the parties hereto caused this agreement to be executed.

Clarence V. Loomis
Lessor

Vida A. Loomis
Lessor

G. M. Standifer, Lessee.

E. Knutzen
Witness

Merrill Yost
Merrill Yost, Lessee.

11. None of the right of the Lessee hereunder shall in any way be jeopardized by reason of nat delays arising from strikes, ~~xxxxxxxxxx~~ scarcity of Labor, shortage of supplies, not caused by the neglect or beyond the control of the Lessee

12. The Lessor reserves the right to use for agricultural, grazing or any other pruposes, except mining, all of the lands hereby let and demised as will not interfere with the prospecting and mining activitites of the Lessee, but the Lessee shall not be liable to the Lessor for any damages to such lands and to growing crops of for any stock suffered or permitted on said lands, by reasons of the prospecting or mining of said lands by the Lessee and the Lessor agrees to hold the lessee safe and garmless against any claims of tenants occupying said lands by virtue of said reservation. Lessee shall keep all pits and shafts properly covered at all times and shall fill same before abandoning. Lessee shall not leave any gates open that will allow stock to escape. It is agreed that in lieu of a gate a good, substantial and effective cattle guard may be installed by lessee at any place where the road crosses ant fence.

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Lessor

Vida A. Loomis
Lessor

G. M. Standifer, Lessee.

E. Knutzen
Witness

Merrill Yost
Merrill Yost, Lessee.

Cascade, Idaho.
Nov. 5, 1951.

Mr. Clarence V. Loomis,
Meadows,

Idaho.

Dear Mr. Loomis,

In accordance with our oral understanding the claims you have on Kennally Fork in the Paddy Flat Mining District held Jointly by you and shared equally by you, Army White and Fred Diggs, you have paid Mr. ~~White~~ Diggs $200.00 ~~xxxxxx~~ on his ~~xx~~ one third insterest in these claims and you are to pay the blance of the purchase price of $1,300.00 on or before ~~Dec. 1,~~ July 1, 1951 or forfeit the $200.00 you have paid on the total purchase price of $1,500.00 m.y. c.L.

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Big Pocket, Little Pocket, Side Pocket No, 1 and Side Pocket No. 2 comprising about 290 acres situated on Bowelsen Creek and Kennally Fork.

Accepted and Confirmed: Signed: _____
Merrill Yost

Clarence V. Loomis

N. Knutzen
Witness:

PROPERTY DESCRIPTION: Number 1

Loomis property is situated in Valley County, Idaho, and consist of certain patented homesteads and two mining claims.

The homesteads are as follows:

The S. E. ¼ of the N. E. ¼ of Sec. 28

The S. W. ¼ of the N. W. ¼ of Sect. 27

The S. W. ¼ of Sec. 27

The N. W. ¼ of Sec. 34

The N ½ of the N. E. ¼ of Sec. 34

The S. W. ¼ of the N. E. ¼ of Sec. 34

The W. ½ of the N. W. ¼ of Sec. 35

Containing 600 acres more or less, all in T 17 N R 4 E Boise B and M.

The mining claims are as follows:

The Ruby group being the S. E. ¼ of Sec. 28, 160, and the Sapphire group being the N. E. ¼ of Sec. 33, 160 acres. Both claims being in T 17 N, R 4 E, Boise B and M.

Merill York

PROPERTY DESCRIPTION: Number 1

Loomis property is situated in Valley County, Idaho, and consist of certain patented homesteads and to mining claims.

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The N. W. ¼ of Sec. 34

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Merrill Yorke

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The W. ½ of the N. W. ¼ of Sec. 35

Containing 600 acres more or less, all in T 17 N Boise B and M. R 4 E

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Merrill Goodt

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Containing 600 acres more or less, all in T 17 N Boise B and M.

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Merrill Yost

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Merrill Goat

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The N ½ of the N. E. ¼ of Sec. 34

The S. W. ¼ of the N. E. ¼ of Sec. 34

The W. ½ of the N. W. ¼ of Sec. 35

Containing 600 acres more or less, all in T 17 N Boise B and M.

The mining claims are as follows;

The Ruby group being the S. E. ¼ of Sec. 28, 160, and the Sapphire group being the N. E. ¼ of Sec. 33, 160 acres. Both claims being in T 17 N, R 4 E, Boise B and M.

Merill Goat