FILE COPY
SURNAME:

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

Gordon
Norton

SEP 4 1951

Purkerson-Mead Company
404 Financial Center Building
Oakland 12, California

Re: Purkerson-Mead Company
Pershing County, Nevada
Tin - DMA 600X

Gentlemen:

Your application, DMA 600X of May 22, 1951, for an exploration project in the sum of $15,820, for a government participation of $14,238 (90%), has been carefully reviewed by the Minor and Rare Metals Branch of the Supply Division.

We regret to advise that it has been decided to deny your application at this time, there being insufficient evidence to indicate the geologic probability of making a significant discovery.

If further preliminary exploration on your part should provide information of such nature as to alter this opinion, we would be glad to receive your advices.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

EGordon/ch 8-31-51
cc: Adm. Reading File
Reports and Records
Lyon
Bourret
Renick
Norton
Field Team III
DMA docket file

FILE COPY
SURNAME:

Gordon
Renick
Norton

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

SEP 4 1951

C.E.C.

Memorandum

To: Administrative Management Division

Through: Director, Supply Division

From: Minor and Rare Metals Branch

Subject: Purkerson-Mead Company - Pershing County, Nevada
Tin - D A docket - 600X

Under date of January 19, 1951, Purkerson-Mead Company first submitted the subject application, DMA docket - 600X, for a development and operational loan of $750,000, subsequently resubmitted under date of May 21, 1951, as an exploration project in the sum of $15,120 for a government participation of $13,608 (90%).

Attached hereto find letter of even date addressed to applicant denying the application on the basis of insufficient evidence of the geologic probability of making a significant discovery. This opinion is concurred in by reviewers for USGS, Bureau of Mines and DMA.

We herewith return the complete docket, comprised as follows:

(a) Letter from Purkerson-Mead Company with four copies each of Forms MF-103 and MF-200 and maps; four copies of lease; two copies, referral to field team.

(b) Memorandum from John B. Umhau dated February 27, 1951 to Mr. Merrill; letter from Purkerson-Mead dated January 19, 1951 to Dr. Foyd; memorandum from Mr. Miller to D A.

(c) Mr. Miller's letter to Mr. Lyon attaching copy of letter from Chief, Region III; letter to Mr. Boyd from Purkerson-Mead - not dated; field team report of March 1, 1951; J. Norton's memo of August 23, 1951.

(d) Two copies of letter from Mr. Renick to Mr. Bourret dated August 27, 1951.

Ernest R. Gordon

EGordon/ch 8-31-51

Weston Bourret, Chief
Minor and Rare Metals Branch

JF 9/4

cc: Adm. Reading Files
Reports and Records
Lyon
Bourret
Renick
Norton
Field Team III
DMA docket file

Approved:
Tom Lyon

Director, Supply Division

FILE COPY
Surname:

Abbott Renick

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

August 27, 1951

Memorandum

To: Weston Bourret

From: Abbott Renick

Subject: Docket-600-X Purkerson-Meade-Tin

The Docket DMA-600-X from Purkerson-Meade-Tin has been reviewed by the writer. I recommend that the goverment should not advance any further funds towards test pits or sampling. Mr. A. C. Johnson, Chief Mining Division, Region III, has reported in his letter dated August 13, 1951, the following results from samples BM-14 to BM-22 inclusive:

"WO_3 less than 0.0024 lbs. per cubic yard.
SN. less than 0.0048 lbs. per cubic yard.
HG. less than 0.0024 lbs. per cubic yard.
AU. $0.06 per cubic yard."

Based on present metal prices, the total combined value of the foregoing metal content is less than ten cents per cubic yard. Obviously, here is a case where the applicant should carry out the necessary test pit work, with sampling for his own account. Subject to new and favorable results the project might be reconsidered.

Abbott Renick
Base Metals Branch

ARenick/fh

Copy to:
C. H. Johnson,
J. J. Norton, Geogological Survey
Base Metals Branch
Minerals Division
F i l e s

COPY FOR THE SECRETARY'S OFFICE

FILE COPY
Surname:
G-MD-JJN

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

Memorandum

August 23, 1951

To: Weston Bourret

From: J. J. Norton

Subject: Application DMA-600X from the Purkerson-Mead Company for exploration of an alleged placer tin deposit in the Rosebud district, Pershing County, Nevada.

I recommend denial of the Purkerson-Mead tin exploration application, DMA-600X. Assay data submitted by the field team indicate a tin content that is far too small to warrant further work.

This application was recently returned from Region III accompanied by a memorandum from Mr. A. C. Johnson that apparently includes not only his comments on this application but also the comments of Messrs. Gentry and Reeves, who were the original field examiners. Mr. Johnson's memorandum has considerably clarified the meaning of the original field team report.

Johnson shows that the nine samples collected were concentrated to 1/125th of their original weight, and the concentrate contained only 0.02 percent tin, thus indicating that the original samples contained only 0.0048 pounds of tin per yard. Computations based on these figures show that the tin content of these samples is only 2 parts per million. In contrast, the average tin content of the earth's crust is probably about 40 parts per million. The content of tungsten and mercury in these samples was even lower than the tin.

Mr. Johnson has recommended exploration of this property, in spite of the very low tin content of the available samples and the absence of any evidence that the deposit may contain richer material.

I suggest that this application be denied because insufficient evidence has been submitted to warrant exploration. The field team will undoubtedly want to know the reason for the denial. If the field team ever transmits any new evidence, this project could be reconsidered.

JJNorton:jeh
G-8/23/51
copy to: Dir. Read. file,4212 J. J. Norton
Branch " " 4212
DMA files
JJNorton, G-228

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~BUREAU OF MINES~~
~~REGION III~~
DEFENSE MINERALS ADMINISTRATION

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

~~1418 APPRAISERS BLDG.~~
~~630 SANSOME STREET~~
~~SAN FRANCISCO 11, CALIF.~~

OFFICE OF
~~REGIONAL DIRECTOR~~
Executive Officer
DMA Field Team
Region III

August 15, 1951

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee, Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-600X - Tin
Purkerson-Meade Company, 404 Financial Center Building, Oakland 12, California

Reference is made to your subject "Review of Application for Exploration Assistance," dated July 27, and to your letter to me signed by A. B. Parsons of the same date.

According to instructions, the docket was returned to Mr. Glenn G. Gentry of the Bureau of Mines and Robert G. Reeves of the Geological Survey for their review.

Attached is the original and two copies of a memorandum from Chief, Mining Division, Region III, to me, subject: Docket DMA-600-X, Purkerson-Meade - Tin, dated August 13, 1951.

Mr. E. H. Bailey of the Geological Survey and I concur with Mr. Johnson's comments, as expressed in that memorandum

The docket is being returned herewith.

H. C. Miller
Executive Officer
DMA Field Team, Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1951

Attachments

Copy to: E. H. Bailey, USGS

MF-200
(April 1951)

Docket No. DMA 600X
Commodity Tin & Mercury

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this _____ day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Purkerson-Mead Company, a Nevada corporation, whose mailing address is 404 Financial Center Building, Oakland 12, California, and whose principal place of business ~~of business~~ in Nevada is at Room 214, 140 North Virginia Street, Reno, Nevada hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Nevada, County of Pershing, described as follows:[3] Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Manning, Opalite, Four Aces, Webanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by Lessors and recorded in official Record of Pershing County, Nevada. with respect to which the Operator represents and undertakes:[4]

~~(a) That he is the sole 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 he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] tin and mercury; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] one hundred, eighty days from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, 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.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator ninety percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 14,238, which is ninety percent of the agreed estimated total cost of this project, $ 15,820.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____

PURKERSON-MEAD COMPANY
(Operator)

By H. W. Purkerson
President

By William B. Mead
Vice-President

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

EXHIBIT "A"

The exploration project will consist of blocking out and proving approximately 100 acres of placer gravel. The company plans to drill twenty holes to a depth of 56 feet by means of a square-hole digger, which machine digs a hole 28 inches by 28 inches. Approximately 11 yards of gravel will be extracted from each hole, and from the 20 holes about 220 yards or approximately 300 tons of material will be extracted. The gravel will then be run through a washing plant, screened to 1/2 inch and then through a set of jigs and Hungarian riffles to secure the best possible recovery of all possible strategic materials.

The square-hole digger is a thoroughly tested device that is used in this general area not alone for placer ground testing but also is used by public utility companies that desire holes in the earth that carry perpendicular and square side walls.

The project when completed will prove approximately 7,200,000 yards of gravel and the average strategic material content thereof.

EXHIBIT "B"

N O N E

EXHIBIT "C"

DETAILED LISTING OF OPERATING EQUIPMENT

Equipment to be Rented:

Square-hole digger - This equipment is rented for $11.00 per hour and the estimated cost for drilling 20 holes to a depth of 56 feet is - -	$ 3,080.
Traveling time to and from the job	330.
Washing Plant - including jig, 1/2 horsepower gas motor, belts and pulleys, riffles and bunker	975.
Pickup Truck - 1 ton capacity, rental rate of $25 per week plus 9 cents per mile to total an estimated rental of	740.
One Dump Truck - same rental rate as for the pickup, estimated total rental	985.

Materials and Supplies:

Gasoline - 2,500 gallons	750.
Oil and Grease	100.
Assay and Freight on Samples	730.
Repairs to Equipment - estimated cost	500.
Travel	650.
Insurance	150.

EXHIBIT "D"

SCHEDULE OF LABOR

Engineering fees and expenses	$ 750.
Labor - 4 men at $2.50 per hour	2,400.
Food and Lodging for 7 men at $8.00 per day each	1,680.
Contingencies	2,000.

Note: General supervision of the project will be supplied by the officers and agents of the Purkerson-Mead Company.

Note 2: The workmen on the project will be transported each day from Lovelock, Nevada to the property as living facilities are at present not available on the property and would be too costly to provide at this time.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
P. O. BOX 1551
RENO, NEVADA

Answered

August 13, 1951.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1951

Memorandum

To: Mr. H. C. Miller, Regional Director, Region III

From: Chief, Mining Division, Region III

Subject: Docket DMA-600-X Purkerson-Meade - Tin

The Docket DMA-600-X has been reviewed by Mr. Glenn G. Gentry, Mining Engineer of the Bureau of Mines and Mr. Robert G. Reeves, Geologist of the U. S. Geological Survey, regarding their report on the Purkerson-Meade Tin in Pershing County, Nevada.

I believe that the Washington Office has missed the point in their report. According to Mr. A. B. Parson's letter to you, in the last paragraph:

"I also wish to call your attention to the fact that the Constant Tin, DMA docket 1623X was denied by the field team, chiefly on evidence developed from DMA-600x, consequently, this application also is subject to reconsideration and field examination."

The Examining Board in Washington has missed the point because neither property has been turned down by the Field Team of Region III. In the report on the Purkerson-Meade, the recommendations are that in order to substantiate data for the application for a development loan the Purkerson-Meade Company should sink sufficient test pits to outline an adequate block of ore in the area on which they expect to install the dredge in order to determine whether or not tin, mercury and tungsten may be found in commercial recoverable quantities.

In Mr. J. J. Norton's memorandum to Mr. Weston Bourret he states:

"I find it difficult to evaluate the sampling results reported by the field team. The table on page 7 of the field report apparently is supposed to show that the samples are valueless, but actually it shows only that these samples contain less than .05 percent tin, .01 percent WO_3, and 0.1 pounds of mercury per ton. A grade of .05 percent tin corresponds to about $1.20 a yard; .01 percent WO_3 corresponds to about 70 cents a yard; 0.1 pounds of mercury

per ton corresponds to about 30 cents a yard. Values such as these would normally be considered rather high in placer ground. I suppose that much of the tungsten in a deposit of this grade would not be recoverable. Certainly, however, assay reports stating that samples contain less than 0.05 percent tin are useless. I think that these samples should be assayed again to find out how bad they really are."

I wish to bring it to your attention that the Metallurgical work performed by the U. S. Bureau of Mines indicated only that the material submitted for assay contained no appreciable amounts of tin, mercury, tungsten or gold. After concentrating the samples from BM-14 to BM-22 inclusive, approximately 125 times, the results of the concentration of gravels gave the following assay results:

0.01% WO_3 per ton
0.02% sn. " "
0.01% Hg. " "
0.15 ozs. Au. per ton

These percentages are converted as follows:

WO_3 less than 0.0024 lbs. per cubic yard
Sn. less than 0.0048 lbs. per cubic yard
Hg. less than 0.0024 lbs. per cubic yard
Au. $0.06 per cubic yard

After concentration of these gravels 125 times without an appreciable concentration of minerals in the concentrates does not indicate that these gravels have a potential value. However, the gravels do not have sufficient test pits to obtain a reliable sample for the evaluation of the property as a whole. In order that the gravels might be sampled, the examining engineer and geologist believe that at least 10 test pits should be sunk to a depth of 40 feet below the ground surface and the material from the test pits screened and washed over adequate placer riffles. The concentrate from the riffles should then be assayed to determine possible values of tin, tungsten, mercury and gold.

Three or four test pits sunk to a depth of 5 or 6 feet would have no particular bearing on the possible values in the gravels.

The reports on the Purkerson-Meade, DMA-600X and on the Constant Tin, DMA-1623X, are to the effect that exploration is warranted to determine the values of these gravels. The projects are worth while in view of the scarcity of tin in the

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1951

August 13, 1951.

Memorandum

To: Mr. H. C. Miller, Regional Director, Region III

From: Chief, Mining Division, Region III

Subject: Docket DMA-600-X Purkerson-Meade - Tin

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I believe that the Washington Office has missed the point in their report. According to Mr. A. B. Parson's letter to you, in the last paragraph:

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per ton corresponds to about 30 cents a yard. Values such as these would normally be considered rather high in placer ground. I suppose that much of the tungsten in a deposit of this grade would not be recoverable. Certainly, however, assay reports stating that samples contain less than 0.05 percent tin are useless. I think that these samples should be assayed again to find out how bad they really are."

I wish to bring it to your attention that the Metallurgical work performed by the U. S. Bureau of Mines indicated only that the material submitted for assay contained no appreciable amounts of tin, mercury, tungsten or gold. After concentrating the samples from BM-14 to BM-22 inclusive, approximately 125 times, the results of the concentration of gravels gave the following assay results:

0.03% WO_3 per ton
0.02% Sn. " "
0.03% Hg. " "
0.15 oms. Au. per ton

These percentages are converted as follows:

WO_3 less than 0.0024 lbs. per cubic yard
Sn. less than 0.0018 lbs. per cubic yard
Hg. less than 0.0024 lbs. per cubic yard
Au. $0.06 per cubic yard

After concentration of these gravels 125 times without an appreciable concentration of minerals in the concentrates does not indicate that these gravels have a potential value. However, the gravels do not have sufficient test pits to obtain a reliable sample for the evaluation of the property as a whole. In order that the gravels might be sampled, the mining engineer and geologist believe that at least 10 test pits should be sunk to a depth of 40 feet below the ground surface and the material from the test pits screened and washed over adequate placer riffles. The concentrate from the riffles should then be assayed to determine possible values of tin, tungsten, mercury and gold.

Three or four test pits sunk to a depth of 5 or 6 feet would have no particular bearing on the possible values in the gravels.

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Memo. Mr. H. C. Miller, Regional Director, Region III 8/13/51

United States but must be considered as being a highly speculative project for tin, tungsten and antimony.

Docket and correspondence pertaining thereto are returned, herewith.

A. C. Johnson

Encls.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMA-600, Purkerson-Mead Company-Rosebud Mining District

Pershing County, Nevada

Glenn G. Gentry, Mining Engineer
U. S. Bureau of Mines

Robert G. Reeves, Geologist
U. S. Geological Survey

May 1, 1951

EXHIBITS

Figure	Description
1	Claim map.
2	Longitudinal section in gulch at west end of proposed dredging area.
3	Photographs.

May 1, 1951

DOCKET DMA-600

UNITED STATES DEPARTMENT OF THE INTERIOR - BUREAU OF MINES

PURKERSON-MEAD COMPANY - ROSEBUD MINING DISTRICT
Pershing County, Nevada

SUMMARY

The Purkerson-Mead Company placer claims, situated in the Rosebud Mining District, are between the west flank of the Kamma Mountain Range and the Black Rock Desert. The claims are located nearly due north of Lovelock, Nev. The distance is 58.5 miles over a reasonably good desert road. The town of Sulphur, Nev., on the Western Pacific Railroad is approximately 9 miles north of the claims.

The purpose of the examination was to determine the amount of development work done, the possible cubic yards of placer gravel available for a dredge operation and whether or not the area contained tin, tungsten and mercury in commercial quantities.

The placers in the adjacent area are reported to have been worked for the gold content only, beginning in the year 1911. No record of the exact value of this past production was obtainable.

The placer area investigated is extensive, however the very limited development is entirely insufficient to substantiate either the values or the yardage claimed.

INTRODUCTION

Pursuant to a loan application signed by Mr. H. R. Purkerson and Mr. William B. Mead, dated January 19, 1951, an examination of the

company's placer ground was made by an engineer[1] of the Mining Division, Region III, and a geologist[2] of the U. S. Geological Survey, on April 10 and 11, 1951, accompanied by Mr. H. W. Purkerson and Mr. Maurice Constant.

At the present time there is no work being done upon the property.

LOCATION

The mining claims are located in the Rosebud Mining District in the northwest section of Pershing County, Nev. and are accessible by a fair automobile road from Lovelock, Nev. or by Western Pacific Railroad to Sulphur, Nev., thence by 9 miles of desert road to the property.

Lovelock, Nev. is the county seat of Pershing County and lies 58.5 miles to the south.

HISTORY AND PRODUCTION

Apparently this district was first worked for placer gold about 1911. However, the particular area specified in the loan application, shows very slight indications of this early day work. Several small shafts and shallow trenches are reported to have been made by "snipers" with no record of the production available.

During 1947, Mr. Maurice Constant, opened a large pit from which he reports having extracted about 6,000 cubic yards of gravel. From this yardage Mr. Constant states that about 1,900 cu. yds. of gravel

1/ Glenn G. Gentry
2/ Robert G. Reeves

was treated in his washing plant and that he recovered approximately $2500. in gold. The tin, mercury and tungsten content in the gravel, reported by Mr. Constant, was not recovered, and was not considered in the washing operations. Mr. Constant further reports production from his ground for the years 1929 to 1940 has been estimated at $380,000. in gold. No production of tin, mercury or tungsten was made. This particular area, which produced the $380,000 is located adjacent to the southwest side lines of the Purkerson-Mead lease.

PROPERTY AND OWNERSHIP

The Purkerson-Mead Company state the property consists of approximately 1,380 acres for which they hold an indefinite lease on a 10% royalty basis from the owner, Mr. Maurice Constant. The claim map submitted by Purkerson-Mead lists the following mining claims:

Ruby No. 4		Ruby No. 5
No. 6		Agate No. 2
Little Manning		Opalite
Agate Cup		Four Aces
	Canyon	
	Plain View	
	Galena Group	

additional ground is claimed, but is not shown on the property map. Titles to the above claims were not investigated.

ROADS

From Lovelock, Nev. to the placer claims, the usual desert roads are traveled. These roads while becoming very muddy and slick in wet weather, are mostly dry and dusty and the grades are not excessive. They would offer no great difficulty in transporting machinery. The road from the railroad at Sulphur, Nev. to the placer claims is shorter but has a steeper grade.

POWER

Electric power is not presently available in the district. The Purkerson-Mead Company are considering the installation of Diesel power or the construction of 25 to 30 miles of electric transmission line from a point near Imlay, Nev. to the proposed dredge location. Mr. Purkerson has received a tentative estimate of $3200 per mile for the cost of this electric transmission line.

WATER

Water requirements for the proposed dredge operations have been estimated by Mr. Purkerson at approximately 2500 g.p.m. Water is presently available from a 350-foot well located at the Maurice Constant camp situated about 1-1/2 miles southwest of the proposed dredge location. The lift would be approximately 200 feet and would entail the installation of an adequate pipe line and pumps. Another source of water is indicated by a small spring adjacent to the area for the dredge installation. However, this supply requires development and sinking a well to determine the quantity of water.

GEOLOGY AND ORE RESERVES

The area investigated[5/] lies on the northwestern flank of the Kamma Mountains, a north-south trending range rising to altitudes of just over 6,500 feet. The range is composed of Mesozoic (?) meta-sediments overlain by andesitic and rhyolitic flows. Faults and quartz veins are abundant.

5/ See also Klepper, M. R., "Memorandum on Placer Property of Constant Minerals separation Process (Monkota, Jensen-Maddell), Rosebud District, Pershing County, Nevada", October 15, 1943. Confidential files of the U. S. Geological Survey.

A large alluvial fan extends outward from the northwestern flank of the Kamma Mountains at an altitude of approximately 5,300 feet. The fan slopes about 3° to the northwest for approximately two miles from the range. It then steepens at an altitude of approximately 4,900 feet, to about 7°; after a drop of approximately 500 feet, it resumes its former 3° slope, and merges into the basin floor at an altitude of approximately 4,200 feet.

It is believed that the gullys and the steepening of the fan are the result of a later uplift of the Kamma Mountains with respect to the adjacent Black Rock desert.

The fan is composed of a variety of rock fragments, both angular and rounded, including rhyolite, andesite, quartz, silicified fault breccia, and phyllite. In a number of exposures, the material is coarse, angular, and unsorted. Elsewhere, the gravels are well-sorted, stratified and rounded, particularly along the western edge of the fan and along the deeper gullys.

Depth of the bedrock is unknown as the deepest workings, about 40 feet, are still in unconsolidated material. A false bedrock, consisting of a compact clayey silt, was exposed in the bottom of one of the deeper shafts.

Heavy minerals, such as magnetite, limonite, cassiterite, cinnabar, scheelite, and gold, have probably been concentrated in the gullys by the run-off water. Material washed in from the banks and areas between the gullys has gone through a natural "washing" process in which the heavier material has dropped out along the gully bottom, and the lighter material has been carried out into the basin.

A large amount of gravel, possibly 25,000,000 yards, computed from the surface to a depth of 40 feet below the surface, is contained in the workable portion of the fan under lease by the applicants. It is impossible to establish the grade of the great bulk of this material, as no test pits have been sunk, or holes drilled, over most of the fan. The few pits and banks sampled, with one exception, were along the most prominent of the east-west gullys, and are not considered representative of the deposit as a whole. The other pit sampled was near the south-east edge of the fan.

LABOR

The nearest town where labor might be recruited is Lovelock, Nev. Since most of the dredge crew would be specialists,it would probably be necessary to assemble an experienced crew from other localities where dredging has been done in past years.

Due to the isolation of the property, it will be necessary to provide good living accommodations.

DEVELOPMENT

No development work has been done on the claims by the loan applicants. Mining work in past years has been confined principally to the test pit No. 1 and the few small shafts and trenches excavated by the so-called "snipers". Due to the very small amount of development work and being unable to descend into three of the old shafts, only ten "bank" samples were taken, which are listed as follows:

Sampling

Sample No.	Percent Sn	Percent WO_3	Lb/T Hg	Oz/T Au	Description
BM-14	*0.05	*0.01	*0.1	0.005	Grab sample from small dump at collar of 40-foot shaft adjacent to proposed location for dredge.
BM-15	*0.05	*0.01	*0.1	Trace	6-foot channel cut sample in east face of test pit No. 1.
BM-16	*0.05	*0.01	*0.1	Trace	6-foot channel cut sample, west face of tongue in test pit No. 1.
BM-17	*0.05	*0.01	*0.1	Trace	6-foot channel cut sample, north face of test pit No. 1.
BM-18	*0.05	*0.01	*0.1	Trace	6-foot channel cut sample, west face of drag line cut and near edge of test pit No. 1.
BM-19	*0.05	*0.01	*0.1	Trace	4-foot channel cut sample, north bank in gulch, about 500 feet west of test pit No. 1.
BM-20	*0.05	*0.01	*0.1	Trace	5-foot channel cut sample, at bottom of cut, under road in gulch, about 500 feet west of sample No. 19.
BM-21	*0.05	*0.01	*0.1	0.005	17-foot channel cut sample, west wall of 25-foot shaft, about 500 feet west of sample No. 20.
BM-22	*0.05	*0.01	*0.1	Trace	80-inch channel cut sample, north wall of large pit on Constant claims, adjacent to Purkerson-Mead lease.
BM-23	(see placer test)				Grab sample of material remaining in sluice box from Constant washing plant.

* less than

The Hydrometallurgical and Ore-Dressing Branch, of the Metallurgical Division of the Bureau of Mines at Reno, Nev. made a placer test on these samples and their results are as follows:

Re-O-2.59 Gravel from Pershing County, Nevada

"Nine small samples of gravel were received from the Mining Division. These were sampled and assayed separately and a composite sample made from the remainders for gravity concentration tests, as requested. This material was supposed to contain sufficient recoverable values in tin,

tungsten, cinnabar, and gold to warrant a large scale dredging operation.

The composite sample without crushing was screened into plus and minus 8-mesh portions. The plus 8-mesh portion amounted to 60 percent of the whole. Careful examination of this showed no valuable coarse-grained free minerals so the material was sampled for assay without further attention. Assays and samples showed a trace of gold, but no other values.

The minus 8-mesh portion was first treated on the Humphrey spiral concentrator which eliminated 24 percent more of the original weight as valueless tailings.

The remaining 16 percent of the original material was concentrated on a laboratory jig and a hutch product amounting to 0.8 percent of the original weight of gravel was recovered. This concentrate contained 0.15 ounce gold per ton, but no appreciable values in tin, tungsten, or cinnabar. This amount of gold represents $5.25 value per ton of concentrates, but only 4.2 cents worth of gold per ton of gravel, or roughly 6 cents per cubic yard of gravel.

In addition to the gravel sample, a small sample of sluice box concentrates was also received for further gravity concentration tests. This sample was screened into plus and minus 8-mesh portions, of which 35 percent by weight was plus 8-mesh. This was examined for coarse minerals, and then sampled and assayed. No appreciable values were found. The minus 8-mesh portion comprising 65 percent of the original sample was concentrated in the laboratory jig. A hutch product amounting to 10 percent of the original sample was made. This consisted largely of iron oxide particles, apparently resulting from

alteration of pyrite. This concentrate contained no appreciable values in tin, tungsten, or cinnabar, and only 0.01 ounce gold per ton.

ORE RESERVES AND VALUES

Sufficient development work has not been done to determine the average yardage or values of the gravel. Test pitting or drilling will have to be done for the purpose of obtaining samples to determine the values of the gravels and to outline boundaries and to obtain information on the depth of gravels.

CONCLUSIONS

The placer claims concerned in the application have the status of only a prospect and there is insufficient evidence to substantiate the "ore reserves" and values claimed. Therefore the loan for the installation of a dredge is not justified at this time.

RECOMMENDATIONS

In order to substantiate data for the application of an exploration loan, the Purkerson-Mead Company should sink sufficient test pits to outline an adequate block of ore in the area on which they expect to install the dredge in order to determine whether or not tin, mercury and tungsten may be found in commercial recoverable quantities. A re-survey of the Canyon claim is recommended.

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

Refer to	Subject
Answered	

JUL 27 1951

Mr. H. C. Miller
1415 Appraisers Building
San Francisco, California

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. DMA-600x

Commodity Tin

Applicant Purkerson-Meade

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

FILE COPY
SURNAME:

Bourret.

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

July 25, 1951

Mr. H. C. Miller, Executive Officer
DMA Field Team, Region III
1415 Appraisers Building
San Francisco, California

Re: Tin-Purkerson-Mead Co.
DMA docket - 600

Dear Mr. Miller:

With reference to your memorandum of July 10, the subject docket is being forwarded to your office for additional information. Letter of even date with instructions is going forth.

Yours very truly,

Tom Lyon
Chairman, Coordinating Committee

Approved:

Lowell H. Moore
For the Bureau

[illegible] N. Rove
For the Survey

WBourret/mh
cc: Adm. Read. File
Reportsand Records
Lyon
Field Team III
Norton
Renick
Bourret
Files

Run as 600

8558

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

July 25, 1951

G. E. P.

Mr. H. C. Miller, Executive Officer
DMA Field Team, Region III
1415 Appraisers Building
San Francisco, California

Re: Tin-Parkerson-Mead
DMA docket - 600

Dear Mr. Miller:

With reference to your memorandum of July 10, the subject docket is being forwarded to your office for additional information. Letter of even date with instructions is going forth.

Yours very truly,

Tom Lyon
Chairman, Coordinating Committee

Approved:

Lowell B. Moon
For the Bureau

Olaf N. Rove
For the Survey

MBourret/mh
cc: Adm. Asst. File
Reports and Records
Lyon
Field Team III
Norton
Renick
Bourret
Files

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

July 24, 1951

a.e.c

Mr. M. C. Miller, Exec. Officer
Region III
Defense Minerals Administration
1415 Sporaiucts Building
San Francisco, California

Re: Tin-Parkerson-Meade
DMA Docket 600x

Dear Mr. Miller:

In regard to the subject exploration application I am transmitting herewith the applicant's proposal, together with supporting maps, which this office has just received from Mr. William F. Meade. You will note that the applicant proposes drilling twenty holes by means of a "square-hole" digger; material from holes to be treated in a washing plant, screened, and values recovered over Hungarian riffles. It is believed the project will test approximately 7,000,000 yards of gravel at a cost of $15,820.

I am enclosing herewith memorandum dated July 11, 1951 from Mr. J. J. Norton, USGS. Please note Mr. Norton's comments carefully. We concur with his views because it is obvious the field team report of May, fails to present conclusive evidence on which to deny this proposition. Consequently the field team should be requested to review their recommendations in light of comments set forth in Mr. Norton's memo and if possible have samples milled to 23 concentrated in the laboratory before assaying the heavy cassiterite fraction. If these samples are no longer available the examining engineers should be instructed to sink three or four test pits to a depth of five or six feet, cut vertical channel samples, and concentrate in a sluice box before sending to the laboratory for assay. Final results should be stated in pounds of metal or oxide per cubic yard of gravel rather than in percentages as done in the previous examination.

I also wish to call your attention to the fact that Constant Tin, DMA Docket 1623x was denied by the field team, chiefly on evidence developed from A-600x, consequently, this application also is subject to reconsideration and field examination.

Yours very truly,

Tom Lyon

Chairman, Coordinating Committee

Approved:

Lowell B. Moon

For the Bureau

Olaf N. Rove

For the Survey

TBourret/jh
cc: Adm. Asst., File
Reports and records
Lyon
Norton, USGS
Field Team
Bourret

FILE COPY
SURNAME:

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

JUL 27 1951

July 24, 1951

Purkerson-Mead Company
404 Financial Center Bldg.
Oakland 12, California

Gentlemen:

Your application docket DMA-600x for exploration project in the amount of $15,820, has been received by the Minor and Rare Metals Branch of the Supply Division.

Before a decision can be reached on your request we find it is necessary to obtain additional information on your property. Your application therefore is being referred to the office of the Executive Officer of DMA field team III, Mr. H. C. Miller, 1415 Appraisers Building, San Francisco, California, with the request that the needed information be supplied to us.

Yours very truly,

Tom Lyon, Director
Supply Division

WBourret/mh
cc: Adm. Read. File
Reportsand Records
Lyon
Field Team III
Norton, USGS
Bourret
Files

Bmx 600

FILE COPY
SURNAME:

Bourret

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. July 24, 1951

Mr. H. C. Miller, Exec. Officer
Region III
Defense Minerals Administration
1415 Appraisers Building
San Francisco, California

Re: Tin-Purkerson-Meade
DMA Docket 600x

Dear Mr. Miller:

In regard to the subject exploration application I am transmitting herewith the applicant's proposal, together with supporting maps, which this office has just received from Mr. William B. Meade. You will note that the applicant proposes drilling twenty holes by means of a "square-hole" digger; material from holes to be treated in a washing plant, screened, and values recovered over Hungarian riffles. It is believed the project will test approximately 7,000,000 yards of gravel at a cost of $15,820.

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I also wish to call your attention to the fact that Constant Tin, DMA docket 1623x was denied by the field team, chiefly on evidence developed from DMA-600x, consequently, this application also is subject to reconsideration and field examination.

Yours very truly,

Tom Lyon

Chairman, Coordinating Committee

Approved:

For the Bureau

Olaf N. Rove

For the Survey

WBourret/mh
cc: Adm. Read. File
Reports and records
Lyon
Norton, USGS
Field Team
Bourret
File

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

July 24, 1953

Q.E.C.

Parkerson-Lead Company
404 Financial Center Bldg.
Oakland 12, California

Gentlemen:

Your application docket [illegible]-600a for exploration project in the amount of $15,020, has been received by the Minor and Rare Metals Branch of the Supply Division.

Before a decision can be reached on your request we find it is necessary to obtain additional information on your property. Your application therefore is being referred to the office of the Executive Officer of our Field Team III, Mr. H. V. Miller, 1415 Aerosers Building, San Francisco, California, with the request that the needed information be supplied to us.

Yours very truly,

Tom Lyon, Director
Supply Division

WBourret/h
cc: Adm. Asst. File
Reports and Records
Lyon
Field Team III
Norton, USGS
Bourret
Files

IN REPLY REFER TO:

G-MD-JJN

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

July 11, 1951

Memorandum

To: Mr. Weston Bourret

From: J. J. Norton

Subject: Application DMA-600X from the Purkerson-Mead Company for exploration in the Rosebud district, Pershing County, Nevada.

Application DMA-600X for exploration of the Purkerson-Mead properties, Pershing County, Nevada, was preceded by application DMA-600 for a development loan. A field team report by G. G. Gentry and R. G. Reeves seems to indicate that this property is virtually hopeless. The field team concluded that the loan application should be denied on the ground that evidence for reserves is insufficient. The report states that exploration is necessary before a development loan would be justified, but it is not altogether clear whether or not the field team considers exploration worth doing. The report recommends that:

> "In order to substantiate data for the application of an exploration loan (sic), the Purkerson-Mead Company should sink sufficient test pits to outline an adequate block of ore in the area on which they expect to install the dredge in order to determine whether or not tin, mercury and tungsten may be found in commercial recoverable quantities."

What this says in effect is that the company must outline an ore body before the Government would be willing to grant exploration money. Probably the field team meant to use the word "development" in place of "exploration" in the sentence quoted.

I find it difficult to evaluate the sampling results reported by the field team. The table on page 7 of the field report apparently is supposed to show that the samples are valueless, but actually it shows only that these samples contain less than .05 percent tin, .01 percent WO_3, and 0.1 pounds of mercury per ton. A grade of .05 percent tin corresponds to about $1.20 a yard; .01 percent WO_3 corresponds to about 70 cents a yard; 0.1 pounds of mercury per ton corresponds to about 30 cents a yard. Values such as these would normally be considered rather high in placer ground. I suppose that much of the tungsten in a deposit of this grade would not be recoverable. Certainly, however, assay reports stating that samples contain less than 0.05 percent tin are useless.

I think that these samples should be assayed again to find out how bad they really are.

The report on the placer test is of greatest value in showing that this property is worthless, but it does not give specific figures for tungsten, tin, and mercury assays. It states only that there are "no appreciable values" or "no other values" were found.

Possibly you will want to reject this application on the ground that the data already submitted by the field team indicates that the property is not worth exploring. My own opinion, however, is that the field report is not sufficiently complete to provide the necessary justification for a rejection. Under these circumstances I suggest that this application be sent to the field team with a request that Messrs. Gentry and Reeves be asked to give their recommendations in the light of the results of their field examination. They may also wish to have their samples assayed somewhat more accurately.

If this application is transmitted to the field team, it probably would be necessary to reconsider exploration application DMA-1623X from Constant Minerals Separation Process, Inc., whose properties are adjacent to the properties of the Purkerson-Mead Company. Application DMA-1623X was denied chiefly from evidence in the field report on DMA-600. The files on this application will have to be resurrected from Mr. Strobell's office.

J. J. Norton

J. J. Norton

FILE COPY
Surname:
G-MD-JJN

Norton

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

July 11, 1951

Memorandum

To: Mr. Weston Bourret

From: J. J. Norton

Subject: Application DMA-600X from the Purkerson-Mead Company for exploration in the Rosebud district, Pershing County, Nevada.

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DMA 600

857

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If this application is transmitted to the field team, it probably would be necessary to reconsider exploration application DMA-1623X from Constant Minerals Separation Process, Inc., whose properties are adjacent to the properties of the Parkerson-Mead Company. Application DMA-1623X was denied chiefly from evidence in the field report on DMA-600. The files on this application will have to be resurrected from Mr. Strobell's office.

J. J. Norton

JJNorton:jeh
G-7/11/51
copy to: Director's Reading file, 4212
~~Bixx~~ Branch Reading 4212
Mr. Rove
Mr. McKnight
Norton
DMA files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
XXWASHINGTONXXXXX

Office of
Executive Officer
DMA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 10, 1951
ans. 7-25-51

Memorandum

To: Tom Lyon, Director, Supply Division, Defense Minerals Administration, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Tin-Purkerson-Mead -- DMA Docket 600

Reference is made to your subject letter dated June 28.

Mr. Mead informs me that a formal application for a drilling project was mailed to you on June 22. The application was filed on MF-103 form and was accompanied by an executed contract form MF-200. You should have received the application shortly after you wrote your June 28 letter to me.

H. C. Miller
Executive Officer, DMA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 16 1951
[illegible] F. [illegible]BEL
Executive Secretary

FILE COPY
SURNAME:

Bourret

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

AIR MAIL

June 28, 1951

Mr. H. C. Miller, DMA Executive Officer
1415 Appraisers Building
San Francisco, California

Re: Tin-Parkerson-Mead
DMA docket 600

Dear Mr. Miller:

With reference to your memo of June 13, 1951, I see no reason why the Parkerson-Mead Company should not submit a formal application for drilling project in the amount of $15,000 particularly if such a project has your blessing and recommendations as a worth while proposal. To date all we have received from the applicant is their informal letter of May 22 giving only a bare outline of the program.

On the other hand if the field team does not feel this proposition has real merit I believe it would be best to discourage their submitting a formal proposal along the lines set forth in MF-103.

Yours very truly,

Tom Lyon

Tom Lyon
Tom Lyon, Director
Supply Division

WBourret/bf
cc: Adm. Reading File
Lyon
Strobel
Renick, 3529
Norton
Field Team III
Bourret
Files

Docket 600

858

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

AIR MAIL

June 28, 1951

Q. & C.

Mr. H. C. Willer, DMA Executive Officer
1415 Appraisers Building
San Francisco, California

Re: Tin-Tungsten-Lead
DMA Docket 603

Dear Mr. Willert

With reference to your memo of June 13, 1951, I see no reason why the Tungsten-Lead Company should not submit a formal application for drilling project in the amount of 15,000 particularly if such a project has your blessing and recommendation as a worth while proposal. To date all we have received from the applicant is their informal letter of May 22 giving only a bare outline of the program.

On the other hand if the field team does not feel this proposition has real merit I believe it would be best to discourage their submitting a formal proposal along the lines set forth in DF-103.

Yours very truly,

Tom Lyon, Director
Supply Division

Neurret/bf
cc: Am. Tungsten File
Lyon
Strobel
Senick
Norton
Field Team III
Neurret
Files

June 28, 1951

Mr. H. W. Purkerson, President
Financial Center Building
Oakland 12, California

Subject: DMA-600X
Re: Exploration Loan

My dear Mr. Purkerson:

Receipt is acknowledged of your application and attachments of June 21, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-600X and referred to Mr. Weston O. Bourret, Chief, Mercury Branch on June 27, 1951.

In any future correspondence relating to your application, kindly refer to DMA-600X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: ✓Strobel
File
Bourret
Lyon

FILE COPY
SURNAME:

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

June 28, 1951

Mr. H. W. Purkerson, President
Financial Center Building
Oakland 12, California

Subject: DMA-600X
Re: Exploration Loan

My dear Mr. Purkerson:

Receipt is acknowledged of your application and attachments of June 21, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-600X and referred to Mr. Weston G. Bourret, Chief, Mercury Branch on June 27, 1951.

In any future correspondence relating to your application, kindly refer to DMA-600X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel jc
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Bourret
Lyon

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-600 X

Date received 6/26/51

Participation

[illegible]
764 Financial Center Bldg.
Oakland 12
California

Name and address of applicant

Date June 21, 1951

FILL IN THIS BLOCK

Date of application May 22, 1951

Estimated cost $15,820.

Mineral or metal Zinc and mercury

Percentage of Government participation 90%

Location of mine Rosebud Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*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*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—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 (*b*) 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.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*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.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

[illegible] (Name of company)

By H. W. Parkerson (Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

U.S. DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

Form MF-103
Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. H. W. Purkerson, President and Director
1808 Leimert Boulevard
Oakland, California

William B. Mead, Vice-President and Director
404 Financial Center Building
Oakland, California

Mary L. Mead, Secretary and Director
1142 McKinley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Purkerson, 1808 Leimert Boulevard, Oakland, California.

4. H. W. Purkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William B. Mead has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the Lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and said Lease is in good standing.

8. No financial statement or profit and loss statement has been prepared; the Lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of Lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles southeast of Sulphur, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the purpose of exploration will be provided by gasoline driven pumps and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samplings of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are reliably informed made recovery of 68 to 70 cents of gold per yard.

(c) We refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, gallium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 28 inches by 28 inches to a depth of 50 feet or more, and the gravel removed from each hole will be jigged and assayed and concentrated, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting separations and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to Exhibits "A", "B", "C", and "D" accompanying your form No. MF-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require spending of the entire estimated budget.

COPY COPY COPY

LEASE

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Arbeague, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and H. G. Harkerson and William B. Rapp herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that certain real property situated in the County of Pershing, State of Nevada, more particularly described as follows, and containing 1360 acres more or less:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Hannah, Onalite, Four Aces, Lebanon Point, Canyon Claim, Plain View Claim, Yellow Group, being placers mining claims owned by said Lessors and recorded in official records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.

2. Said premises shall be used and employed by Lessees for mining purposes and uses and purposes incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the ground so far as it may contain strategic and valuable minerals and metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and at a profit, Lessees agree, that within a reasonable time thereafter, to enter upon said property and to commence operation of a bucket line dredge or other suitable placer mining equipment, and to perform all necessary mining operations within said property until such time as all portions of the leased premises capable in the

opinion of Lessees of being reached and proved to advantage and at a profit are mined by a placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and mints.

4. Lessees shall provide Lessors with duplicate copies of all smelter and mint returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, mint charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights in or on said property and the right to develop water, if needed, upon adjacent property of the Lessors together with rights of way for pipes, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions, and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly authorized government or governmental agency or subdivision, of any cause beyond the control of the Lessees, and the Lease shall not be deemed forfeited in the event of a happening of any of the said contingencies.

8. Lessee shall retain and have the right at all times to remove any and all tools and equipment or any other property placed on the said property by Lessee and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, buildings and other property of every kind and nature placed on said property by Lessee shall be classified as personal property.

9. At all times, Lessees shall keep their employees properly insured under Workmen's Compensation Insurance, and Lessees will hold harmless Lessors from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessees operations; all work and drilling operations shall be at the sole cost and expense of Lessees.

10. It is understood and agreed that Lessees are in the process of forming a corporation to be known as the Southwestern-Texas Company and that Lessees will sell, assign and transfer this Lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessees; provided however, that Lessees shall not assign this lease, except as provided in Par. 10, without the written consent of Lessors.

In witness thereof, the Lessors and Lessees have executed this Lease this 20th day of January 1951.

Constant de Nebraska, Inc., a corporation

by PAULINE CONSTANT
President

(SEAL) by MARY SMITH
Secretary

MARY E. SMITH

MARY SMITH

H. . [illegible]

WILLIAM B. TEAD

STATE OF NEVADA)
COUNTY OF MINERAL) ss

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared [illegible], MARY SMITH, [illegible], and [illegible] [illegible], known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIAN [illegible] LYONS
Notary Public

(SEAL)

In and for the County of Mineral, State of Nevada.

My commission expires: 1/15/55

STATE OF NEVADA)
COUNTY OF MINERAL) ss

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared MAURICE CONSTANT and MARY SMITH, known to me to be respectively the President and Secretary of Constant de Rebreque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIEN H. LYONS
Notary Public
In and for the County of Mineral, State of Nevada.
My commission expires: 1/15/55

(SEAL)

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, page 367, of Bonds, Agreements, Leases and Contracts in the records of Pershing County, Nevada, and given File No. 25632 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Unsereach-Lewis Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-600 X

Date received 6/26/51

Participation

PUNKERSON-MEAD COMPANY
404 Financial Center Bldg.
Oakland 12
California

Name and address of applicant

Date June 21, 1951

FILL IN THIS BLOCK

Date of application May 22, 1951

Estimated cost $15,820.

Mineral or metal Tin and mercury

Percentage of Government participation 90%

Location of mine Rosebud Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
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16—64067-1

THE PROPERTY

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State amount of power to be used, rate per hour or other cost, and source.

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    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
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*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
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THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

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THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
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    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
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24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

PUNCHERSON-MEAD COMPANY
(Name of company)

By [signature]
(Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

U.S. DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

Form MF-103
Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. H. W. Purkerson, President and Director
1308 Leimert Boulevard
Oakland, California

William B. Mead, Vice-President and Director
404 Financial Center Building
Oakland, California

Mary L. Mead, Secretary and Director
1142 McKinley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Purkerson, 1308 Leimert Boulevard, Oakland, California.

4. H. W. Purkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William B. Mead has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the Lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and said Lease is in good standing.

8. No financial statement or profit and loss statement has been prepared; the Lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of Lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles southeast of Sulphur, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the purpose of exploration will be provided by gasoline driven pumps and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samplings of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are reliably informed made recovery of 68 to 70 cents of gold per yard.

(c) We refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, gallium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 28 inches by 28 inches to a depth of 50 feet or more, and the gravel removed from each hole will be jigged and assayed and concentrated, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting separations and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to Exhibits "A", "B", "C", and "D" accompanying your form No. NF-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require spending of the entire estimated budget.

LEASE

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Arbeague, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and H. W. Patterson and William E. Head herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that part in real property situated in the County of Pershing, State of Nevada, more particularly described as follows, and containing 1360 acres more or less:

> Apate No. 1, Apate No. 2, Apate No. 3, Apate No. 4, Apate No. 5, Little Hunter, Oolite, Sun Rose, Mohawk Point, Canyon Claim, Pinto View Claim, Tahoe Claim, being placers mining claims owned by said Lessors and recorded in official records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.
2. Said premises shall be used and employed by Lessees for mining purposes and work and improvements incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the premises so far as it may pertain to lode and valuable ornamental metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and profit, Lessees agree, but within a reasonable time thereafter, to enter upon said property and to commence operation of a mining or other enterprise thereon with equipment, or to the extent they consider advisable, and to continue such operations within said property until such time as all or some of the mineral values known to be in the

option of lessees of being refined and sold to advantage and at a profit as mined by placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting, charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and plants.

4. Lessees shall provide Lessors with duplicate copies of all smelter and plant returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, plant charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights on or on said property and the right to develop water, if needed, from adjacent property of the Lessors subject to their rights of way for ditches, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly constituted government or governmental agency or political entity having jurisdiction over the premises, and the Lessees shall not be held responsible in the event of a failure of any of the aforementioned conditions.

8. Lessee shall retain and have the right at all times to remove any and all tools and equipment or any other personal property placed on the said property by Lessee and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, [illegible] and other property of every kind and nature placed on said property by Lessee shall be classified as personal property.

9. At all times, Lessee shall keep their [illegible] properly insured under Lessee's Compensation Insurance, and Lessee will hold harmless Lessor from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessee's operations; all repairs and alterations shall be at the sole cost and expense of Lessee.

10. It is understood and agreed that Lessee are in the process of forming a corporation to be known as the [illegible] Company and that Lessee will sell, assign and transfer this lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessee; provided however, that Lessee shall not assign this lease, except as provided in par. 10, without the written consent of Lessors.

In witness whereof, the Lessors and Lessee have executed this Lease this 20th day of January 1951.

Constant de Nebesque, Inc., a corporation

by [illegible]
President

(SEAL) by [illegible]
Secretary

[illegible] F. [illegible]

[illegible]

[illegible]

WILLIAM R. [illegible]

STATE OF NEVADA)
) ss
COUNTY OF LANDER)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared [illegible], [illegible], [illegible], and [illegible] [illegible], known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

[illegible]
Notary Public
In and for the County of Lander, State of Nevada.

(SEAL)

My commission expires: 1/15/55

STATE OF NEVADA)
) SS
COUNTY OF LANDER)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared [illegible], [illegible] and [illegible] [illegible], known to me to be respectively the President and Secretary of Comstock de Rebosque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

[illegible]
Notary Public
In and for the County of Lander, State of Nevada.
My commission expires: 1/15/55

(SEAL)

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, Page 367, of Leases, Agreements, Leases and Contracts in the records of Churchill County, Nevada, and given File No. 35682 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Intercontinental Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

EXHIBIT "E"

N O N E

DMA-600X

SUBORDINATION AGREEMENT

WHEREAS, on January 20, 1951, the undersigned, as owners of the real property herein described, entered into a Lease of said real property wherein H. W. Parkerson and William B. Mead are Lessees; and

WHEREAS, said Lease was assigned by the Lessees to the Parkerson-Mead Company, a Nevada corporation; and

WHEREAS, said Parkerson-Mead Company has applied for an Exploration Project Loan pursuant to Mineral Order 5 under the Defense Production Act of 1950;

NOW THEREFORE, the undersigned in consideration of the premises and other valuable consideration received by them agree as follows:

I

That the said Parkerson-Mead Company is Lessee, in possession and entitled to possession of all that certain land situate in the County of Pershing, State of Nevada, containing 1360acres more or less, and more particularly described as follows:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Tamina, Opalite, Four Aces, Nebanko Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official Records of Pershing County, Nevada.

II

That the undersigned, as owners and Lessors of said property described in paragraph I above, subordinate their interest therein to the U.S. Government and to the Exploration Project Contract on Form MF-200 executed by the said Lessees and the United States of America.

III

This Subordination Agreement may be attached to and made

MC
MS
HFS

a part of said contract. This agreement shall not be construed as a mortgage against the land in said lease.

IN WITNESS WHEREOF this agreement has been executed by the undersigned this 21st day of June, 1951.

CONSTANT de FEREUDE, Inc.,
a corporation.

By Maurice Constant
President

By Mary Smith
Secretary

Henry F. Smith
HENRY F. SMITH

Mary Smith
MARY SMITH

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-600X

Date received 6/26/51

Participation

[illegible] Company
400 Financial Center Bldg.
Oakland 12
California

Name and address of applicant

Date June 21, 1951

FILL IN THIS BLOCK

Date of application May 22, 1951

Estimated cost $15,000.

Mineral or metal Tin and tungsten

Percentage of Government participation 50%

Location of mine Pacific Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*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*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—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 (*b*) 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.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*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.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

[illegible] (Name of company)

By H. W. Purpuson (Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

[illegible]
Defense Materials Administration

Form [illegible]-103
[illegible] Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. [illegible] Jurkerson, President and Director
1[illegible] Lehnert Boulevard
Oakland, California

William S. Penn, Vice-President and Director
[illegible] Financial Center Building
Oakland, California

[illegible]ry [illegible] Penn, Secretary and Director
[illegible] Stanley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Jurkerson, 1[illegible] Lehnert Boulevard, Oakland, California.

4. [illegible] Jurkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William S. Penn has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and [illegible] is in good standing.

8. No financial statement or profit and loss statement has been prepared; the lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles northeast of Sulphur, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the use of exploration will be furnished by gasoline driven plants and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samples of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are fully informed, made recovery of 65 to 70 cents of gold per yard.

(c) We refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, vanadium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 20 inches by 20 inches to a depth of 50 feet or more, and the gravel recovered from each hole will be jigged and assayed and concentrates, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting assay jigs and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to exhibits "A", "B", "C", and "D" accompanying your form No. MT-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require expending of the entire estimated budget.

COPY COPY COPY

LEASE

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Debecque, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and R. G. Purkerson and William B. Reed herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that certain real property situated in the County of Pershing, State of Nevada, more particularly described as follows, and containing 1350 acres more or less:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cap, Little Manning, Opalite, Four Aces, Webanne Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official Records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.

2. Said premises shall be used and employed by Lessees for mining purposes and uses and purposes incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the ground so far as it may contain strategic and valuable minerals and metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and at a profit, Lessees agree, that within a reasonable time thereafter, to enter upon said property and to commence operation of a bucket line dredge or other suitable placer mining equipment, and thereafter will prosecute mining operations within said property until such time as all portions of the leased premises capable in the

opinion of Lessees of being reached and worked to advantage and at a profit are mined by a placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and mints.

4. Lessees shall provide Lessors with duplicate copies of all smelter and mint returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, mint charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights in or on said property and the right to develop water, if needed, upon adjacent property of the Lessors together with rights of way for pipes, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions, and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly authorized government or governmental agency or subdivision, of any cause beyond the control of the Lessees, and the Lease shall not be deemed forfeited in the event of a happening of any of the said contingencies.

8. Lessees shall retain and have the right at all times to remove any and all tools and equipment or any other property placed on the said property by Lessees and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, buildings and other property of every kind and nature placed on said property by Lessees shall be classified as personal property.

9. At all times, Lessees shall keep their employees properly insured under Workmen's Compensation Insurance, and Lessees will hold harmless Lessors from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessees operations; all work and mining operations shall be at the sole cost and expense of Lessees.

10. It is understood and agreed that Lessees are in the process of forming a corporation to be known as the Durkerson-Head Company and that Lessees will sell, assign and transfer this Lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessees; provided however, that Lessees shall not assign this lease, except as provided in Par. 10, without the written consent of Lessors.

In Witness whereof, the Lessors and Lessees have executed this Lease this 20th day of January 1951.

Constant de Rebecque, Inc., a corporation

by MAURICE CONSTANT
President

(SEAL)

by MARY SMITH
Secretary

HENRY F. SMITH

MARY SMITH

N. D. DURKERSON

WILLIAM B. HEAD

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared ALBERT F. SMITH, MARY SMITH, [illegible], and LILLIAN D. NEAL, known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIEN E. M. LYONS
Notary Public

In and for the County of Washoe,
State of Nevada.

(SEAL)

My commission expires: 1/15/55

STATE OF NEVADA)
COUNTY OF WASHOE) ss

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared MAURICE CONSTANT and MARY SMITH, known to me to be respectively the President and Secretary of Constant de Rebecque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIEN E M. LYONS
Notary Public
In and for the County of Washoe,
State of Nevada.
My commission expires: 1/15/55

(SEAL)

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, page 367, of Bonds, Agreements, Leases and Contracts in the records of Pershing County, Nevada, and given File No. 35682 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Purkerson-Mead Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-600 X

Date received 6/26/51

Participation

[illegible] COMPANY
[illegible] Financial Center Bldg.
[illegible] 12
California

Name and address of applicant

Date June 22, 1951

FILL IN THIS BLOCK

Date of application Nov 22, 1951

Estimated cost $15,820.

Mineral or metal Tin and mercury

Percentage of Government participation 90%

Location of mine Kennedy Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*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*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—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 (*b*) 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.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*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.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

[illegible] (Name of company)

By H. W. Parkerson (Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

[illegible] Defense [illegible] Administration

Form M-103
Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. [illegible] Parkerson, President and Director
1805 Leimert Boulevard
Oakland, California

William S. Mead, Vice-President and Director
404 Financial Center Building
Oakland, California

[illegible] L. Mead, Secretary and Director
1142 McKinley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Parkerson, 1805 Leimert Boulevard, Oakland, California.

4. [illegible] Parkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William S. Mead has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and [illegible] is in good standing.

8. No financial statement or profit and loss statement has been prepared; the Lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles southeast of Gardner, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the proper use of exploration will be provided by gasoline driven pumps and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samplings of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are reliably informed made recovery of 65 to 70 cents of gold per yard.

(c) We refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, gallium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 20 inches by 20 inches to a depth of 50 feet or more, and the gravel removed from each hole will be jigged and assayed and concentrated, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting separations and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to Exhibits " ", "[illegible]", "C", and "D" accompanying your form No. RF-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require spending of the entire estimated budget.

COPY COPY COPY

LEASE

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Sebecque, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and E. W. Forkerson and William B. Read herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that certain real property situated in the County of Pershing, State of Nevada, more particularly described as follows, and containing 1380 acres more or less:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Sue, Little Mannin, Opalite, Four Aces, Sebanne Point, Canyon Claim, Plain View Claim, Tahoma Group, being placers mining claims owned by said Lessors and recorded in official records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.

2. Said premises shall be used and employed by Lessees for mining purposes and uses and purposes incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the ground so far as it may contain strategic and valuable minerals and metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and at a profit, Lessees agree, that within a reasonable time thereafter, to enter upon said property and to commence operation of a bucket line dredge or other suitable placer mining equipment, and thereafter will work said claims or portions within said property until such time as all portions of the leased premises capable in the

(Page 2)

condition of Lessees of being reached and worked to advantage and at a profit are mined by a placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and mints.

4. Lessees shall provide Lessors with duplicate copies of all smelter and mint returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, mint charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights in or on said property and the right to develop water, if needed, upon adjacent property of the Lessors together with rights of way for pipes, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions, and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly authorized government or governmental agency or subdivision, of any cause beyond the control of the Lessees, and the Lease shall not be deemed forfeited in the event of a happening of any of the said contingencies.

8. Lessees shall retain and have the right at all times to remove any and all tools and equipment or any other property placed on the said property by Lessees and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, buildings and other property of every kind and nature placed on said property by Lessees shall be classified as personal property.

9. At all times, Lessees shall keep their employees properly insured under Workmen's Compensation Insurance, and Lessees will hold harmless Lessors from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessees operations; all work and drilling operations shall be at the sole cost and expense of Lessees.

10. It is understood and agreed that Lessees are in the process of forming a corporation to be known as the Barkerson-Head Company and that Lessees will sell, assign and transfer this Lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessees; provided however, that Lessees shall not assign this lease, except as provided in Par. 10, without the written consent of Lessors.

In witness whereof, the Lessors and Lessees have executed this Lease this 20th day of January 1951.

Constant de Rebouque, Inc., a corporation

by MAURICE COUSSANT
President

(SEAL) by MARY SMITH
Secretary

HENRY F. SMITH

MARY SMITH

H. L. BARKERSON

WILLIAM B. HEAD

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared HENRY E. [illegible], [illegible] [illegible], [illegible] [illegible], and WILLIAM G. [illegible], known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public

(SEAL)

In and for the County of Washoe, State of Nevada.

My commission expires: 1/15/55

STATE OF NEVADA)
COUNTY OF WASHOE) ss

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared MARVIN COMSTOCK and HENRY SMITH, known to me to be respectively the President and Secretary of Comstock de Robesque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public
In and for the County of Washoe, State of Nevada.
My commission expires: 1/15/55

(SEAL)

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, page 367, of Deeds, Agreements, Leases and Contracts in the records of Pershing County, Nevada, and given File No. 35632 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Furnerson-Rebo Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-600 X

Date received 6/26/51

Participation

PURKERSON-MEAD COMPANY
404 Financial Center Bldg.
Oakland 12
California

Name and address of applicant

Date June 21, 1951

FILL IN THIS BLOCK

Date of application May 22, 1951

Estimated cost $15,820.

Mineral or metal Tin and mercury

Percentage of Government participation 90%

Location of mine Rosebud Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*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*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—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 (*b*) 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.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*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.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

PURKERSON-MEAD COMPANY
(Name of company)

By H. W. Purkerson
(Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

U.S. DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

Form MF-103
Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. H. W. Purkerson, President and Director
1808 Leimert Boulevard
Oakland, California

William B. Mead, Vice-President and Director
404 Financial Center Building
Oakland, California

Mary L. Mead, Secretary and Director
1142 McKinley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Purkerson, 1808 Leimert Boulevard, Oakland, California.

4. H. W. Purkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William B. Mead has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the Lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and said Lease is in good standing.

8. No financial statement or profit and loss statement has been prepared; the Lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of Lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles southeast of Sulphur, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the purpose of exploration will be provided by gasoline driven pumps and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samplings of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are reliably informed made recovery of 68 to 70 cents of gold per yard.

(c) we refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, gallium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 28 inches by 28 inches to a depth of 50 feet or more, and the gravel removed from each hole will be jigged and assayed and concentrated, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting separations and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to Exhibits "A", "B", "C", and "D" accompanying your form No. MF-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require spending of the entire estimated budget.

L E A S E

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Rebecque, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and H. V. Purkerson and William B. Mead herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that certain real property situated in the County of Persing, State of Nevada, more particularly described as follows, and containing 1380 acres more or less:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Manning, Opalite, Four Aces, Webanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official Records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.

2. Said premises shall be used and employed by Lessees for mining purposes and uses and purposes incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the ground so far as it may contain strategic and valuable minerals and metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and at a profit, Lessees agree, that within a reasonable time thereafter, to enter upon said property and to commence operation of a bucket line dredge or other suitable placer mining equipment, and thereafter will prosecute mining operations within said property until such time as all portions of the leased premises capable in the

opinion of Lessees of being reached and worked to advantage and at a profit are mined by a placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and mints.

4. Lessees shall provide Lessors with duplicate copies of all smelter and mint returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, mint charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights in or on said property and the right to develop water, if needed, upon adjacent property of the Lessors together with rights of way for pipes, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions, and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly authorized government or governmental agency or subdivision, of any cause beyond the control of the Lessees, and the Lease shall not be deemed forfeited in the event of a happening of any of the said contingencies.

8. Lessees shall retain and have the right at all times to remove any and all tools and equipment or any other property placed on the said property by Lessees and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, buildings and other property of every kind and nature placed on said property by Lessees shall be classified as personal property.

9. At all times, Lessees shall keep their employees properly insured under Workmen's Compensation Insurance, and Lessees will hold harmless Lessors from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessees operations; all work and mining operations shall be at the sole cost and expense of Lessees.

10. It is understood and agreed that Lessees are in the process of forming a corporation to be knows as the Purkerson-Mead Company and that Lessees will sell, assign and transfer this Lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessees; provided however, that Lessees shall not assign this lease, except as provided in Par. 10, without the written consent of Lessors.

In Witness whereof, the Lessors and Lessees have executed this Lease this 20th day of January 1951.

Constant de Rebecque, Inc., a corporation

by MAURICE CONSTANT
President

(SEAL)

by MARY SMITH
Secretary

HENRY F. SMITH

MARY SMITH

H. W. PURKERSON

WILLIAM B. MEAD

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared HENRY F. SMITH, MARY SMITH, J. W. PURKERSON, and WILLIAM B. MEAD, known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public

(SEAL)

In and for the County of Washoe, State of Nevada.

My commission expires: 1/15/55

STATE OF NEVADA)
COUNTY OF WASHOE) SS

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared MAURICE CONSTANT and MARY SMITH, known to me to be respectively the President and Secretary of Constant de Rebecque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public

(SEAL)

In and for the County of Washoe, State of Nevada.
My commission expires: 1/15/55

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, page 367, of Bonds, Agreements, Leases and Contracts in the records of Pershing County, Nevada, and given File No. 35682 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Purkerson-Mead Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-600X

Date received 6/26/51

Participation

PURKERSON-MEAD COMPANY
404 Financial Center Bldg.
Oakland 12
California

Name and address of applicant

Date June 21, 1951

FILL IN THIS BLOCK

Date of application May 22, 1951

Estimated cost $15,820.

Mineral or metal Tin and mercury

Percentage of Government participation 90%

Location of mine Rosebud Mining District, Pershing County, Nevada

Date of filing MF-100 January 30, 1951

DMA Docket Number, if available 600 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*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*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—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 (*b*) 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.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*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.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

PURKERSON-MEAD COMPANY
(Name of company)

By F. W. Purkerson
(Signature of authorized official)

June 21, 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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

U.S. DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

Form MF-103
Supplemental Page

1. Applicant is a corporation.

2. Not applicable.

3. H. W. Purkerson, President and Director
1808 Leimert Boulevard
Oakland, California

William B. Mead, Vice-President and Director
404 Financial Center Building
Oakland, California

Mary L. Mead, Secretary and Director
1142 McKinley Avenue
Oakland, California

All of the capital stock is held by the named officers and directors plus Virginia Purkerson, 1808 Leimert Boulevard, Oakland, California.

4. H. W. Purkerson has had extensive experience in managing mines and mining property both in this country and in Canada and has been a machinery consultant for mining operations;

William B. Mead has had general experience as a director in various corporations and as an attorney for mining companies.

5. Applicant is the Lessee of the said property.

6. Not applicable.

7. Attached is a copy of the Lease and said Lease is in good standing.

8. No financial statement or profit and loss statement has been prepared; the Lease is the only asset of the corporation, and at this stage the officers have advanced and are advancing the expenses that may be required by the corporation.

9. Applicant proposes to supply its share of the project in the form of labor; in the event that this is not sufficient to total 10 per cent, the difference will be advanced by the officers of applicant.

10. (a) The description of the real property is contained in the attached copy of Lease.

10. (b) See 10 (a) above.

11. The property as such has not been given any name other than the names connected with each claim.

12. The property is approximately six miles southeast of Sulphur, Nevada, which town has shipping facilities being located on the Western Pacific Railroad main line; and the property is approximately sixty miles northeast of Lovelock, Nevada, and can be reached from either town by a fairly good county highway.

13. Water is available at the rate of about 1,000 gallons a minute from a well, and additional water can be secured from any additional wells that may be ultimately necessary. Power for the purpose of exploration will be provided by gasoline driven pumps and equipment.

14. None.

15. The end result of this exploration will be a jigged concentrate, the separated cassiterite will be sent to a smelter in Texas City, Texas, the other concentrates will be shipped to Selby, California or Salt Lake City, Utah.

16. (a) The property has not been operated or developed previously having been discovered relatively recently; various samplings of the property have been encouraging, the results of which were previously supplied to you.

(b) A neighboring property was operated with a dry land plant for the recovery of gold only. This operation, we are reliably informed made recovery of 68 to 70 cents of gold per yard.

(c) We refer you to the report of examination made by the U.S. Bureau of Mines and Defense Minerals Administration in April, 1951.

17. Not applicable.

18. Not applicable.

19. Not applicable.

20. Cassiterite, cinnabar and concentrates will be assayed for gold, gallium and titanium as well; the deposit is alluvial and the exploration will consist of drilling twenty holes to a depth of 50 feet or more.

21. The proposed work will consist of twenty holes, 28 inches by 28 inches to a depth of 50 feet or more, and the gravel removed from each hole will be jigged and assayed and concentrated, frequent assays at varying depths will be made in connection with each hole and the entire tonnage recovered from the holes will be put through jigs and the small washing plant for the purpose of effecting separations and concentrates. This work can probably be done within a period of two months from the

time of commencement.

22. You are referred to the report of the United States Bureau of Mines in April, 1951.

23. You are respectfully referred to Exhibits "A", "B", "C", and "D" accompanying your form No. MF-200.

24. We would expect project to be completed within sixty to ninety days after commencement, and that the project will require spending of the entire estimated budget.

COPY COPY COPY

LEASE

This agreement, made and entered this 20th day of January, 1951, by and between Constant de Rebecque, Inc., a corporation, Henry F. Smith and Mary Smith, his wife, of Reno, Nevada, herein called Lessors, and H. W. Purkerson and William B. Mead herein called Lessees.

WITNESSETH:

Lessors hereby lease unto said Lessees for mining purposes, all that certain real property situated in the County of Persing, State of Nevada, more particularly described as follows, and containing 1380 acres more or less:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Manning, Opalite, Four Aces, Webanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official Records of Pershing County, Nevada.

This lease is subject to the following terms and conditions:

1. The term of this lease shall commence from the date hereof and shall continue during the period of Lessees mining operations thereon.

2. Said premises shall be used and employed by Lessees for mining purposes and uses and purposes incidental thereto. Said Lessees agree to enter upon said property within a reasonable time to ascertain the mineral content of the ground so far as it may contain strategic and valuable minerals and metals. In the event Lessees determine in their judgment that said property is capable of being worked to advantage and at a profit, Lessees agree, that within a reasonable time thereafter, to enter upon said property and to commence operation of a bucket line dredge or other suitable placer mining equipment, and thereafter will prosecute mining operations within said property until such time as all portions of the leased premises capable in the

opinion of Lessees of being reached and worked to advantage and at a profit are mined by a placer method.

3. The Lessees will pay to the Lessors as royalty or rental, ten per cent of the metals or minerals recovered by them from said property, or ten per cent of the values received from the sale of said metals or minerals after deducting charges in paragraph 4. Payment of monthly rental or royalty shall be made at Reno, Nevada, on the 10th day of the month following the receipt of checks from smelters and mints.

4. Lessees shall provide Lessors with duplicate copies of all smelter and mint returns for the sale of all minerals or metals, recovered from said property. Expenses of transporting minerals and metals, smelter charges, mint charges and taxes if any, shall be deducted in arriving at net value for the purpose of computing rental or royalty.

5. Lessees shall pay all taxes levied or assessed against any machinery, equipment or improvements placed on said property by Lessees, during the term of this agreement. Lessors shall pay all taxes levied against or assessed upon said property.

6. Lessees shall have the right and privilege to use all water rights in or on said property and the right to develop water, if needed, upon adjacent property of the Lessors together with rights of way for pipes, flumes, ditches and drainage ditches. Lessees shall have the right to use roads over and through said property and adjacent property of Lessors and rights of way over said adjacent property of Lessors for power lines and other appurtenances required by Lessees in their mining operations.

7. It is agreed that the covenants, conditions, and agreements contained herein are subject to accident, inclement weather, floods, fire, strikes, lock-outs, breakdowns, public enemies, acts of God, orders of the United States Government or any other duly authorized government or governmental agency or subdivision, of any cause beyond the control of the Lessees, and the Lease shall not be deemed forfeited in the event of a happening of any of the said contingencies.

8. Lessees shall retain and have the right at all times to remove any and all tools and equipment or any other property placed on the said property by Lessees and said right shall continue in force for a period of one hundred eighty (180) days after the termination of this lease. At all times, any tools, equipment, buildings and other property of every kind and nature placed on said property by Lessees shall be classified as personal property.

9. At all times, Lessees shall keep their employees properly insured under Workmen's Compensation Insurance, and Lessees will hold harmless Lessors from any liens or encumbrances against said property for labor, materials, or other causes arising out of Lessees operations; all work and mining operations shall be at the sole cost and expense of Lessees.

10. It is understood and agreed that Lessees are in the process of forming a corporation to be knows as the Purkerson-Mead Company and that Lessees will sell, assign and transfer this Lease to said corporation.

11. This lease shall inure to the benefit of the heirs, executors, administrators and assigns of the Lessors and the Lessees; provided however, that Lessees shall not assign this lease, except as provided in Par. 10, without the written consent of Lessors.

In Witness whereof, the Lessors and Lessees have executed this Lease this 20th day of January 1951.

Constant de Rebecque, Inc., a corporation

by MAURICE CONSTANT
President

(SEAL)

by MARY SMITH
Secretary

HENRY F. SMITH

MARY SMITH

H. W. PURKERSON

WILLIAM B. MEAD

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared HENRY F. SMITH, MARY SMITH, H. W. PURKERSON, and WILLIAM B. MEAD, known to me to be the persons described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public

(SEAL)

In and for the County of Washoe, State of Nevada.

My commission expires: 1/15/55

STATE OF NEVADA)
COUNTY OF WASHOE) SS

On this 3rd day of April, 1951, before me, the undersigned, a Notary Public, personally appeared MAURICE CONSTANT and MARY SMITH, known to me to be respectively the President and Secretary of Constant de Rebecque, Inc., a corporation, who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

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

JULIENNE M. LYONS
Notary Public

(SEAL)

In and for the County of Washoe, State of Nevada.
My commission expires: 1/15/55

NOTE: The foregoing lease was recorded April 4, 1951, in Book No. 5, page 367, of Bonds, Agreements, Leases and Contracts in the records of Pershing County, Nevada, and given File No. 35682 therein.

NOTE 2: The foregoing lease was assigned by the Lessees to Purkerson-Mead Company, a Nevada corporation, which said corporation is in possession and entitled to possession of the property described in said lease.

404 Financial Center Building
Oakland 12, California
June 22, 1951

Mr. Tom Lyons
Director Supply Division
U.S. Department of the Interior
Washington 25, D.C.

Re: Purkerson-Mead Co.
DMA Docket No. 600 X

Dear Mr. Lyons:

This will acknowledge your air mail letter of June 11th, 1951, wherein you enclosed six copies each of Forms No. MF 200 and MF 103.

Enclosed herewith are five copies each of completed Forms MF 103 and MF 200.

Attached to Form MF 200 are Exhibits "A" through "E" inclusive, together with Subordination Agreement of the Lessors and a copy of the map of the property. You will note that the maps have marked on them the location of the proposed drill holes.

A copy of the Lease has been attached to Form MF 103.

I trust that you will find these documents in order, and that we will be notified at an early date of the action of your department.

With many thanks for your efforts in expediting the matter, I remain

Yours sincerely,

PURKERSON-MEAD COMPANY

By William B. Mead
William B. Mead

encls.
WBM:jps

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

Office of
Executive Officer
DMA Field Team
Region III

1415 Appraisers Bldg.,
630 Sansome Street
San Francisco 11, Calif.

June 13, 1951

Air Mail

Memorandum

To: Tom Lyon, Director, Supply Division,
Defense Minerals Administration, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Constant Placer, Rosebud District; DMA Docket No. 600--
Purkerson-Mead Company

Reference is to your letter to me, dated June 6, suggesting that I contact subject applicant and inquire if the Purkerson-Mead Company would be interested in applying for a small exploration project, say, $5,000 or $10,000.

I wrote Mr. Purkerson on June 8 and the original of a reply from him, dated June 11, is attached. It is evident from Mr. Purkerson's letter that he and Mr. Mead are of the firm opinion that it would be a waste of Government and their money to limit the cost of their exploration work to $10,000.

I talked with Mr. Purkerson over the telephone, and he indicated to me that neither he nor his company wanted to spend a cent more than is necessary and that if the first few holes give negative results they would probably halt further drilling. On the other hand, he feels that if limited to too small an amount the company could not do the exploratory work according to a predetermined program and would rather not start at all.

H. C. Miller
Executive Officer, DMA Field Team
Region III

Attachment

Copy via regular mail without attachment
Original letter via air mail

FILE COPY
SURNAME:

Bourret
Jon
Strobel 6/14

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

June 12, 1951

Hon. Thomas H. Werdel
House of Representatives
Washington 25, D. C.

Re: Purkerson-Mead Company
Tin
DMA docket - 600

My dear Mr. Werdel:

Thank you very much for your letter of June 4, 1951 in regard to the exploration project requested by the Purkerson-Mead Company of Oakland, California. We have previously received Mr. Meads outline of this project and are now awaiting for his detailed plans. As soon as this formal application is received I feel sure the matter will be given prompt and careful consideration by the Minor and Rare Metals Branch of the Defense Minerals Administration.

Sincerely yours,

JAMES BOYD
Administrator

WBourret/mh
cc: Adm. Reading File
Strobel
Field Team, III
Norton, USGS
Renick rm. 3071
Bourret
Files

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

a. e. c.

June 12, 1951

Hon. Thomas H. Werdel
House of Representatives
Washington 25, D. C.

Re: ~~Parkerson-Lead~~ Company
Min
DM Docket - 600

My dear Mr. Werdel:

Thank you very much for your letter of June 4, 1951 in regard to the exploration project requested by the Parkerson-Lead Company of Oakland, California. We have previously received Mr. Isaacs outline of this project and are now awaiting for his detailed plans. As soon as this formal application is received I feel sure the matter will be given prompt and careful consideration by the Minor and Rare Metals Branch of the Defense Minerals Administration.

Sincerely yours,

JAMES BOYD

Acting Director

WBourret/mh
cc: Adm. Reading File
Strobel
Field Team, III
Norton, USGS
Renick rm. 3071
Bourret
Files

THOMAS H. WERDEL
[illegible], CALIFORNIA

[illegible]
[illegible]
[illegible]

COMMITTEES
EDUCATION AND LABOR

DISTRICT OFFICE
[illegible] HARRISON BUILDING

Congress of the United States
House of Representatives
Washington, D. C.

March - Copy control

June 4, 1951

Dr. James Boyd, Administrator
Defense Minerals Administration
Department of the Interior
Washington, D. C.

Dear Dr. Boyd:

This letter will refer to our previous correspondence and particularly my original letter of January 30, 1951 relative to the application of the Purkerson-Read Company, 404 Financial Center Building, Oakland, California (D.M.A. Application No. 600) for a loan in the amount of $750,000, under the provisions of the Defense Production Act of 1950.

Subsequent to the original filing of the application, the case was referred to the field to determine the question as to whether there are adequate reserves to justify the installation of machinery.

As a result of the preliminary testing, engineers and geologists of the Office of the Bureau of Mines, Reno, Nevada, have recommended an extensive exploration of the project. In this connection, I have been furnished with a copy of a letter addressed to you by the Purkerson-Read Company under date of May 22, 1951, which itemizes the necessary equipment, expense and cost incident to fully exploring this particular project. This action was recommended by Mr. A. C. Johnson of your Reno, Nevada office.

I would be deeply grateful of your early and favorable consideration of this application, particularly since your Reno office felt the results of the preliminary survey warranted a further exploration of this deposit of strategic minerals located in Pershing County, Nevada.

Sincerely yours,

T. H. Werdel

THOMAS H. WERDEL, M.C.

THW/gc

6/7
Bennet
ans

X

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1951
LANDON F. STROBEL
Executive Secretary

FILE COPY
SURNAME:

Bourret

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

AIR MAIL

June 11, 1951

Mr. William Mead
Purkerson-Mead Company
404 Financial Center Building
Oakland, California

Re: Rosebud, Constant Tin Placer
DMA docket - 600

Dear Mr. Mead:

This will acknowledge receipt of your informal application of May 22, 1951 outlining an exploration program for tin and mercury in the amount of $15,820.00.

I am attaching hereto contract form MF-200 which I suggest you review carefully at this time. In the event your project is given preliminary clearance, the next step is to draw up a contract; unless the exhibits referred to (Exhibits A to E inclusive) are complete in all respects, including maps, some delay of course may result. I would suggest therefore that you prepare six copies each of these data immediately and forward to this office. I am also enclosing herewith six copies of form MF-103, application for an exploration project, kindly complete your report on the exploration program along the lines indicated by this questionaire.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

Enclosure
WBourret/mh
cc: Adm. Reading File
Strobel
lyon
Field Team, III
Norton, USGS
Renick
Bourret
Files

DMA 600

857

BUREAU OF MINES
REGION III
RECEIVED
JUN 12 1951
SAN FRANCISCO, CALIFORNIA

404 Financial Center Building
Oakland 12, California
June 11, 1951

Refer to	Noted	Date
Answered		

Mr. H. C. Miller
Regional Director, Region III
United States Department of the Interior
Bureau of Mines
1415 Appraisers Building
San Francisco 11, California

Re: Docket DMA-600
Purkerson-Mead Company
Rosebud Mining District
Pershing County, Nevada

Dear Mr. Miller:

This is in reply to your letter of June 8th, 1951 on the above subject. In your letter you state that Mr. Tom Lyon, Director, Supply Division, Defense Minerals Administration, Washington, D. C., has inquired whether or not our company would be interested in a loan of $5,000 to $10,000.

We believe that our request for a loan of slightly more than $15,000 to carry on the exploration project was figured conservatively and is about a minimum figure for doing sufficient work to get a result that will either prove or disprove the potential of the property.

The figures in our application were based upon the cost of moving equipment and rentals for equipment, and, therefore, it would be virtually impossible to commence the operation if we are limited to a figure of $10,000.

We would prefer to forget the entire proposition rather than to attempt to do an inadequate job or to start the project on insufficient funds and half way through run out of money, and in that way be faced with excessive costs in trying to get more money to carry on the project with rentals and labor going on without any productive work.

It is possible that the work may proceed a bit faster than we anticipate, and certainly if it does, we will be able to effect some savings. It is not our desire to spend money just for the sake of spending it , and if savings are possible, we certainly intend to effect them, but on the other hand, we think the budgeting of the project should be sufficient to enable us to carry it to a succesful conclusion, and we do not believe that it would be wise to start the project on a lesser amount than we have budgeted in our application.

Sincerely yours,

PURKERSON - MEAD COMPANY

By H. Purkerson

By William B. Mead

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

Air Mail

June 11, 1951

Mr. William Reed
Parkerson-Reed Company
401 Financial Center Building
Oakland, California

Re: Oxnard, Constant Tin Placer
DMA Docket - 600

Dear Mr. Reed:

This will acknowledge receipt of your informal application of May 22, 1951 establishing an exploration program for tin and mercury in the amount of $15,320.00.

I am attaching hereto contract form DF-200 which I suggest you review carefully at this time. In the event your project is given preliminary clearance, the next step is to draw up a contract; unless the exhibits referred to (Exhibits A to E inclusive) are complete in all respects, including maps, some delay of course may result. I would suggest therefore that you prepare six copies each of these data immediately and forward to this office. I am also enclosing herewith six copies of form DF-103, application for an exploration project, kindly complete your report on the exploration program along the lines indicated by this questionaire.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

Enclosure
JBourret/mh
cc: Adm. Reading File
Strobel
Lyon
Field Team, III
Norton, USGS
Renick
Bourret
Files

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-600X

Commodity Tin and mercury

Total Amount $15,820

Govt. Participation 90%

1. Name and Address of Applicant Purkerson-Mead Company

404 Financial Center Bldg., Oakland 12, California

2. Location of Property Rosebud district, Pershing County, Nevada

3. Mineral or metal Tin and mercury Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination Field team has already examined this property for another application. They should evaluate this application. See attached memorandum.

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? (question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary?_____

a) MF-201?_____

b) MF-202_____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower_____

b) Equipment and supplies_____
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)*_____

d) Water (question 13)*_____

e) Power (question 13)*_____

Is a field check needed on any of these points?_____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)*_____

_____

Is a field check needed on this point?_____

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described?_____

If not, are there sufficient data given so that you can describe the project?_____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work?_____

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5?_____

If not, what part of it is?_____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed?_____

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable?_____

f) Should more information be requested from applicant?_____

g) Is a field examination necessary to complete Exhibit A?_____

11. Exhibit B (question 23-d)*

a) Is it applicable?_____

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable?_____

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____ _____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data?_____

b) Is the schedule adequate for the work proposed?_____

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable?_____

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable?_____

b) Sufficient data?_____

c) Reasonable?_____

d) Field check needed?_____

15. In your judgment, can the proposed work be done in the proposed time?_____

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? **The application should be referred to Gentry and Reeves, who examined the property recently for a development loan application. The field team should examine the memorandum from Norton to Bourret dated July 11, 1951.**

Reviewed by: J J Norton 7/11/51

Date_____

97692

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-600X

Commodity Tin and mercury

Total Amount $15,820

Govt. Participation 90%

1. Name and Address of Applicant Purkerson-Mead Company

404 Financial Center Bldg., Oakland 12, California

2. Location of Property Rosebud district, Pershing County, Nevada

3. Mineral or metal Tin and mercury Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination Field team has already examined this property for another application. They should evaluate this application. See attached memorandum.

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated?
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary?_____

   a) MF-201?_____

   b) MF-202_____

8. From the data presented, does the proposed project appear feasible from the point of view of:

   a) Available manpower_____

   b) Equipment and supplies_____
      (Question 14 plus general knowledge of availability)*

   c) Accessibility (question 12)*_____

   d) Water (question 13)*_____

   e) Power (question 13)*_____

   Is a field check needed on any of these points?_____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)*_____

   _____

   Is a field check needed on this point?_____

10. Exhibit A. (questions 21 and 22)*

   a) Is the project adequately described?_____

      If not, are there sufficient data given so that you can describe the project?_____ If so, attach a draft.

   b) Is there an adequate map or sketch of the proposed work?_____

      _____

   c) Is the proposed work "exploration" under the definition of Section 8, MO-5?_____

      If not, what part of it is?_____

      _____

      _____

      _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed?_____

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable?_____

f) Should more information be requested from applicant?_____

g) Is a field examination necessary to complete Exhibit A?_____

11. Exhibit B (question 23-d)*

a) Is it applicable?_____

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable?_____

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____ _____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data?_____

b) Is the schedule adequate for the work proposed?_____

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable?_____

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable?_____

b) Sufficient data?_____

c) Reasonable?_____

d) Field check needed?_____

15. In your judgment, can the proposed work be done in the proposed time?_____

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? The application should be referred to Gentry and Reeves, who examined the property recently for a development loan application. The field team should examine the memorandum from Norton to Bourret dated July 11, 1951.

Reviewed by: J J Norton 7/11/51

Date_____

97692

MF-200
(April 1951)

Docket No. DMA 600X
Commodity Tin & Mercury

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Purkerson-Mead Company, a Nevada corporation, whose mailing address is 404 Financial Center Building, Oakland 12, California, and whose principal place of business ~~of business~~ in Nevada is at Room 214, 140 North Virginia Street, Reno, Nevada hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Nevada, County of Pershing described as follows: [3] Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Manning, Opalite, Four Aces, Webanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by Lessors and recorded in official Records of Pershing County, Nevada.
with respect to which the Operator represents and undertakes: [4]

~~(a) That he is the sole 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 he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] tin and mercury; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] one hundred eighty days from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, 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.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator ninety percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 14,238., which is ninety percent of the agreed estimated total cost of this project, $ 15,820.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____

PURKERSON-MEAD COMPANY
(Operator)

By H. W. Purkerson
President

By William B. Mead
Vice-President

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

EXHIBIT "A"

The exploration project will consist of blocking out and proving approximately 100 acres of placer gravel. The company plans to drill twenty holes to a depth of 56 feet by means of a square-hole digger, which machine digs a hole 28 inches by 28 inches. Approximately 11 yards of gravel will be extracted from each hole, and from the 20 holes about 220 yards or approximately 300 tons of material will be extracted. The gravel will then be run through a washing plant, screened to 1/2 inch and then through a set of jigs and Hungarian riffles to secure the best possible recovery of all possible strategic materials.

The square-hole digger is a thoroughly tested device that is used in this general area not alone for placer ground testing but also is used by public utility companies that desire holes in the earth that carry perpendicular and square side walls.

The project when completed will prove approximately 7,200,000 yards of gravel and the average strategic material content thereof.

EXHIBIT "B"

N O N E

EXHIBIT "C"

DETAILED LISTING OF OPERATING EQUIPMENT

Equipment to be Rented:	
Square-hole digger - This equipment is rented for $11.00 per hour and the estimated cost for drilling 20 holes to a depth of 56 feet is - -	$ 3,080.
Traveling time to and from the job	330.
Washing Plant - including jig, 1/2 horsepower gas motor, belts and pulleys, riffles and bunker	975.
Pickup Truck - 1 ton capacity, rental rate of $25 per week plus 9 cents per mile to total an estimated rental of	740.
One Dump Truck - same rental rate as for the pickup, estimated total rental	985.
Materials and Supplies:	
Gasoline - 2,500 gallons	750.
Oil and Grease	100.
Assay and Freight on Samples	730.
Repairs to Equipment - estimated cost	500.
Travel	650.
Insurance	150.

EXHIBIT "D"

SCHEDULE OF LABOR

Engineering fees and expenses	$ 750.
Labor - 4 men at $2.50 per hour	2,400.
Food and Lodging for 7 men at $8.00 per day each	1,680.
Contingencies	2,000.

Note: General supervision of the project will be supplied by the officers and agents of the Purkerson-Mead Company.

Note 2: The workmen on the project will be transported each day from Lovelock, Nevada to the property as living facilities are at present not available on the property and would be too costly to provide at this time.

EXHIBIT "E"

N O N E

MF-200
(April 1951)

Docket No. DMA _____ X

Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195_, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] _____ hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of _____, County of _____ described as follows: [3] _____ with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole 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 he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for [5] tin and mercury; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] one hundred, eighty days from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, 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.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator _____ percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $_____, which is _____ percent of the agreed estimated total cost of this project, $_____.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____

By H. W. Parkinson
PRESIDENT

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

William B. Mead
VICE PRESIDENT

EXHIBIT "A"

The exploration project will consist of blocking out and proving approximately 100 acres of placer gravel. The company plans to drill twenty holes to a depth of 56 feet by means of a square-hole digger, which machine digs a hole 28 inches by 28 inches. Approximately 11 yards of gravel will be extracted from each hole, and from the 20 holes about 220 yards or approximately 300 tons of material will be extracted. The gravel will then be run through a washing plant, screened to 1/2 inch and then through a set of jigs and hungarian riffles to secure the best possible recovery of all possible strategic materials.

The square-hole digger is a thoroughly tested device that is used in this general area not alone for placer ground testing but also is used by public utility companies that desire holes in the earth that carry perpendicular and square side walls.

The project when completed will prove approximately 7,200,000 yards of gravel and the average strategic material content thereof.

EXHIBIT "B"

N O N E

EXHIBIT "C"

DETAILED LISTING OF OPERATING EQUIPMENT

Equipment to be rented:

Square-hole digger - This equipment is rented for $11.00 per hour and the estimated cost for drilling 20 holes to a depth of 56 feet is - -	$ 3,080.
Traveling time to and from the job	330.
Washing plant - including jig, 1/2 horsepower gas motor, belts and pulleys, riffles and bunker	975.
Pickup truck - 1 ton capacity, rental rate of $25 per week plus 9 cents per mile to total an estimated rental of	740.
One dump truck - same rental rate as for the pickup, estimated total rental	985.

Materials and Supplies:

Gasoline - 2,500 gallons	750.
Oil and Grease	100.
Assay and Freight on Samples	730.
Repairs to Equipment - estimated cost	500.
Travel	950.
Insurance	150.

EXHIBIT "D"

SCHEDULE OF LABOR

Engineering fees and expenses	$ 750.
Labor - 4 men at $2.50 per hour	2,400.
Food and Lodging for 7 men at $8.00 per day each	1,680.
Contingencies	2,000.

Note: General supervision of the project will be supplied by the officers and agents of the Jurkerson-Mead Company.

Note 2: The workmen on the project will be transported each day from Lovelock, Nevada to the property as living facilities are at present not available on the property and would be too costly to provide at this time.

EXHIBIT "I"

N O N E

MF-200
(April 1951)

Docket No. DMA-[illegible]
Commodity [illegible]

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] _____ hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of _____, County of _____ described as follows: [3] _____ with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole 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 he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for [5] tin and mercury; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] one hundred, eighty days from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, 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.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 100 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $[illegible], which is 50 percent of the agreed estimated total cost of this project, $[illegible].

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

[illegible]

(Operator)

By [illegible]

President

By [illegible]

Vice-President

By [illegible]

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

EXHIBIT "A"

The exploration project will consist of blocking out and proving approximately 100 acres of placer gravel. The company plans to drill twenty holes to a depth of 56 feet by means of a square-hole digger, which machine digs a hole 28 inches by 28 inches. Approximately 11 yards of gravel will be extracted from each hole, and from the 20 holes about 220 yards or approximately 300 tons of material will be extracted. The gravel will then be run through a washing plant, screened to 1/2 inch and then through a set of jigs and Hungarian riffles to secure the best possible recovery of all possible strategic materials.

The square-hole digger is a thoroughly tested device that is used in this general area not alone for placer ground testing but also is used by public utility companies that desire holes in the earth that carry perpendicular and square side walls.

The project when completed will prove approximately 7,200,000 yards of gravel and the average strategic material content thereof.

EXHIBIT "B"

N O N E

EXHIBIT "C"

DETAILED LISTING OF OPERATING EQUIPMENT

Equipment to be Rented:

Square-hole digger - This equipment is rented for $11.00 per hour and the estimated cost for drilling 20 holes to a depth of 56 feet is - -	$ 3,080.
Traveling time to and from the job	330.
Washing plant - including jig, 1/2 horsepower gas motor, belts and pulleys, riffles and bunker	975.
Pickup Truck - 1 ton capacity, rental rate of $25 per week plus 9 cents per mile to total an estimated rental of	740.
One Dump Truck - same rental rate as for the pickup, estimated total rental	985.

Materials and Supplies:

Gasoline - 2,500 gallons	750.
Oil and Grease	100.
Assay and Freight on Samples	750.
Repairs to Equipment - estimated cost	500.
Travel	650.
Insurance	150.

EXHIBIT "D"

SCHEDULE OF LABOR

Engineering fees and expenses	$ 750.
Labor - 4 men at $2.50 per hour	2,400.
Food and Lodging for 7 men at $8.00 per day each	1,680.
Contingencies	2,000.

Note: General supervision of the project will be supplied by the officers and agents of the Parkerson-Mead Company.

Note 2: The workmen on the project will be transported each day from Lovelock, Nevada to the property as living facilities are at present not available on the property and would be too costly to provide at this time.

EXHIBIT "E"

N O N E

MF-200
(April 1951)

Docket No. DMA _____

Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] _____ hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of _____, County of _____ described as follows: [3] _____ with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole 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 he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for [5] tin and mercury; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] one hundred eighty days from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, 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.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator _____ percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $_____, which is _____ percent of the agreed estimated total cost of this project, $_____.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____

By H. W. Parkerson

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

William B. Mead

EXHIBIT "A"

The exploration project will consist of blocking out and proving approximately 100 acres of placer gravel. The company plans to drill twenty holes to a depth of 56 feet by means of a square-hole digger, which machine digs a hole 28 inches by 28 inches. Approximately 11 yards of gravel will be extracted from each hole, and from the 20 holes about 220 yards or approximately 300 tons of material will be extracted. The gravel will then be run through a washing plant, screened to 1/2 inch and then through a set of jigs and hungarian riffles to secure the best possible recovery of all possible strategic materials.

The square-hole digger is a thoroughly tested device that is used in this general area not alone for placer ground testing but also is used by public utility companies that desire holes in the earth that carry perpendicular and square side walls.

The project when completed will prove approximately 7,200,000 yards of gravel and the average strategic material content thereof.

EXHIBIT "B"

N O N E

EXHIBIT "C"

DETAILED LISTING OF OPERATING EQUIPMENT

Equipment to be Rented:

Square-hole digger - This equipment is rented for $11.00 per hour and the estimated cost for drilling 20 holes to a depth of 56 feet is - -	$ 3,080.
Traveling time to and from the job	330.
Washing plant - including jig, 1/2 horsepower gas motor, belts and pulleys, riffles and bunker	975.
Pickup Truck - 1 ton capacity, rental rate of $25 per week plus 9 cents per mile to total an estimated rental of	740.
One Dump Truck - same rental rate as for the pickup, estimated total rental	985.

Materials and Supplies:

Gasoline - 2,500 gallons	750.
Oil and Grease	100.
Assay and Freight on Samples	250.
Repairs to Equipment - estimated cost	500.
Travel	250.
Insurance	150.

EXHIBIT "D"

SCHEDULE OF LABOR

Engineering fees and expenses	$ 750.
Labor - 4 men at $2.50 per hour	2,400.
Food and lodging for 7 men at $8.00 per day each	1,680.
Contingencies	2,000.

Note: General supervision of the project will be supplied by the officers and agents of the Purkerson-Mead Company.

Note 2: The workmen on the project will be transported each day from Lovelock, Nevada to the property as living facilities are at present not available on the property and would be too costly to provide at this time.

EXHIBIT "L"

N O N E

DMA-600 X

SUBORDINATION AGREEMENT

WHEREAS, on January 20, 1951, the undersigned, as owners of the real property herein described, entered into a Lease of said real property wherein H. W. Purkerson and William B. Mead are Lessees; and

WHEREAS, said Lease was assigned by the Lessees to the Purkerson-Mead Company, a Nevada corporation; and

WHEREAS, said Purkerson-Mead Company has applied for an Exploration Project Loan pursuant to Mineral Order 5 under the Defense Production Act of 1950;

NOW THEREFORE, the undersigned in consideration of the premises and other valuable consideration received by them agree as follows:

I

That the said Purkerson-Mead Company is Lessee, in possession and entitled to possession of all that certain land situate in the County of Pershing, State of Nevada, containing 1380acres more or less, and more particularly described as follows:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Manning, Opalite, Four Aces, Webanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official Records of Pershing County, Nevada.

II

That the undersigned, as owners and Lessors of said property described in paragraph I above, subordinate their interest therein to the U.S. Government and to the Exploration Project Contract on Form MF-200 executed by the said Lessees and the United States of America.

III

This Subordination Agreement may be attached to and made

M.C.
#78
m.s.
Disp
WBM.

a part of said contract. This agreement shall not be construed as a mortgage against the land in said lease.

IN WITNESS WHEREOF this agreement has been executed by the undersigned this 21st day of June, 1951.

CONSTANT de REBECQUE, Inc.,
a corporation.

By Maurice Constant
President

By Mary Smith
Secretary

Henry F. Smith
HENRY F. SMITH

Mary Smith
MARY SMITH

DMA 600

SUBORDINATION AGREEMENT

WHEREAS, on January 20, 1951, the undersigned, as owners of the real property herein described, entered into a Lease of said real property wherein M. W. Purkerson and William A. Mead are Lessees; and

WHEREAS, said Lease was assigned by the Lessee to the Purkerson-Mead Company, a Nevada corporation; and

WHEREAS, said Purkerson-Mead Company has applied for an Exploration Project Loan pursuant to Mineral Order 5 under the Defense Production Act of 1950;

NOW THEREFORE, the undersigned in consideration of the premises and other valuable consideration received by them agree as follows:

I

That the said Purkerson-Mead Company is Lessee, in possession and entitled to possession of all that certain land situate in the County of Pershing, State of Nevada, containing 1360acres more or less, and more particularly described as follows:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Gulch, Little Canning, Opalite, Four Aces, Nebanke Point, Canyon Claim, Plain View Claim, Tahema Group, being placers mining claims owned by said Lessors and recorded in official records of Pershing County, Nevada.

II

That the undersigned, as owners and Lessors of said property described in paragraph I above, subordinate their interest therein to the U.S. Government and to the Exploration Project Contract on Form MF-200 executed by the said Lessees and the United States of America.

III

This Subordination Agreement may be attached to and made

MC
MS
HFS

part of said contract. This agreement shall not be construed as a mortgage against the land in said lease.

IN WITNESS WHEREOF this agreement has been executed by the under signed this 21st day of June, 1951.

CONSTANT DE REMEDIOS, Inc.,
a corporation.

By Maurice Constant
President

By Mary Smith
Secretary

Henry F. Smith
HENRY F. SMITH

Mary Smith
MARY SMITH

DMA 600 X

SUBORDINATION AGREEMENT

WHEREAS, on January 20, 1951, the undersigned, as owners of the real property herein described, entered into a Lease of said real property wherein [illegible] and William B. [illegible] are Lessees; and

WHEREAS, said Lease was assigned by the Lessees to the Purkerson-Head Company, a Nevada corporation; and

WHEREAS, said Purkerson-Head Company has applied for an Exploration Project Loan pursuant to Mineral Order 5 under the Defense Production Act of 1950;

NOW THEREFORE, the undersigned in consideration of the premises and other valuable consideration received by them agree as follows:

I

That the said Purkerson-Head Company is Lessee, in possession and entitled to possession of all that certain land situate in the County of [illegible], State of Nevada, containing 120 acres more or less, and more particularly described as follows:

Agate No. 1, Agate No. 2, Agate No. 3, [illegible] No. 4, Agate Gulch, Little [illegible], Opalite, Four [illegible], [illegible] Point, Canyon Claim, Main View Claim, [illegible], being placers mining claims owned by said Lessors and recorded in official records of [illegible] County, Nevada.

II

That the undersigned, as owners and Lessors of said property described in paragraph I above, subordinate their interest therein to the U.S. Government and to the exploration project contract on Form Mr-200 executed by the said Lessees and the United States of America.

III

This subordination agreement may be attached to and made

MC
MS
HFS

a part of said contract. This agreement shall not be construed as a mortgage against the land in said lease.

IN WITNESS WHEREOF this agreement has been executed by the undersigned this 21st day of June, 1951.

CONSTANT de REMAUDIE, inc.,
a corporation.

By Maurice Constant
President

By Mary Smith
Secretary

Henry F. Smith
HENRY F. SMITH

Mary Smith
MARY SMITH

DMA-600X

SUBORDINATION AGREEMENT

WHEREAS, on January 20, 1951, the undersigned, as owners of the real property herein described, entered into a Lease of said real property wherein [illegible] Purkerson and William D. Mead are Lessees; and

WHEREAS, said Lease was assigned by the Lessees to the Purkerson-Mead Company, a Nevada corporation; and

WHEREAS, said Purkerson-Mead Company has applied for an Exploration Project Loan pursuant to Mineral Order 5 under the Defense Production Act of 1950;

NOW THEREFORE, the undersigned in consideration of the premises and other valuable consideration received by them agree as follows:

I

That the said Purkerson-Mead Company is Lessee, in possession and entitled to possession of all that certain land situate in the County of Pershing, State of Nevada, containing 1360 acres more or less, and more particularly described as follows:

Agate No. 1, Agate No. 2, Agate No. 3, Agate No. 4, Agate Cup, Little Jenny, Opalite, Four Aces, Lecunke Point, Canyon Claim, Grain View Claim, Talema Group, being placers mining claims owned by said Lessors and recorded in official records of Pershing County, Nevada.

II

That the undersigned, as owners and Lessors of said property described in paragraph I above, subordinate their interest therein to the U.S. Government and to the Exploration Project Contract on Form MF-200 executed by the said Lessees and the United States of America.

III

This subordination agreement may be attached to and made

MC
MS
HFS

a part of said contract. This agreement shall not be construed as a mortgage against the land in said lease.

IN WITNESS WHEREOF this agreement has been executed by the undersigned this 21st day of June, 1951.

CONSTANT de REBECQUE, Inc.,
a corporation.

By Maurice Constant
President

By Mary Smith
Secretary

Henry F. Smith
HENRY F. SMITH

Mary Smith
MARY SMITH

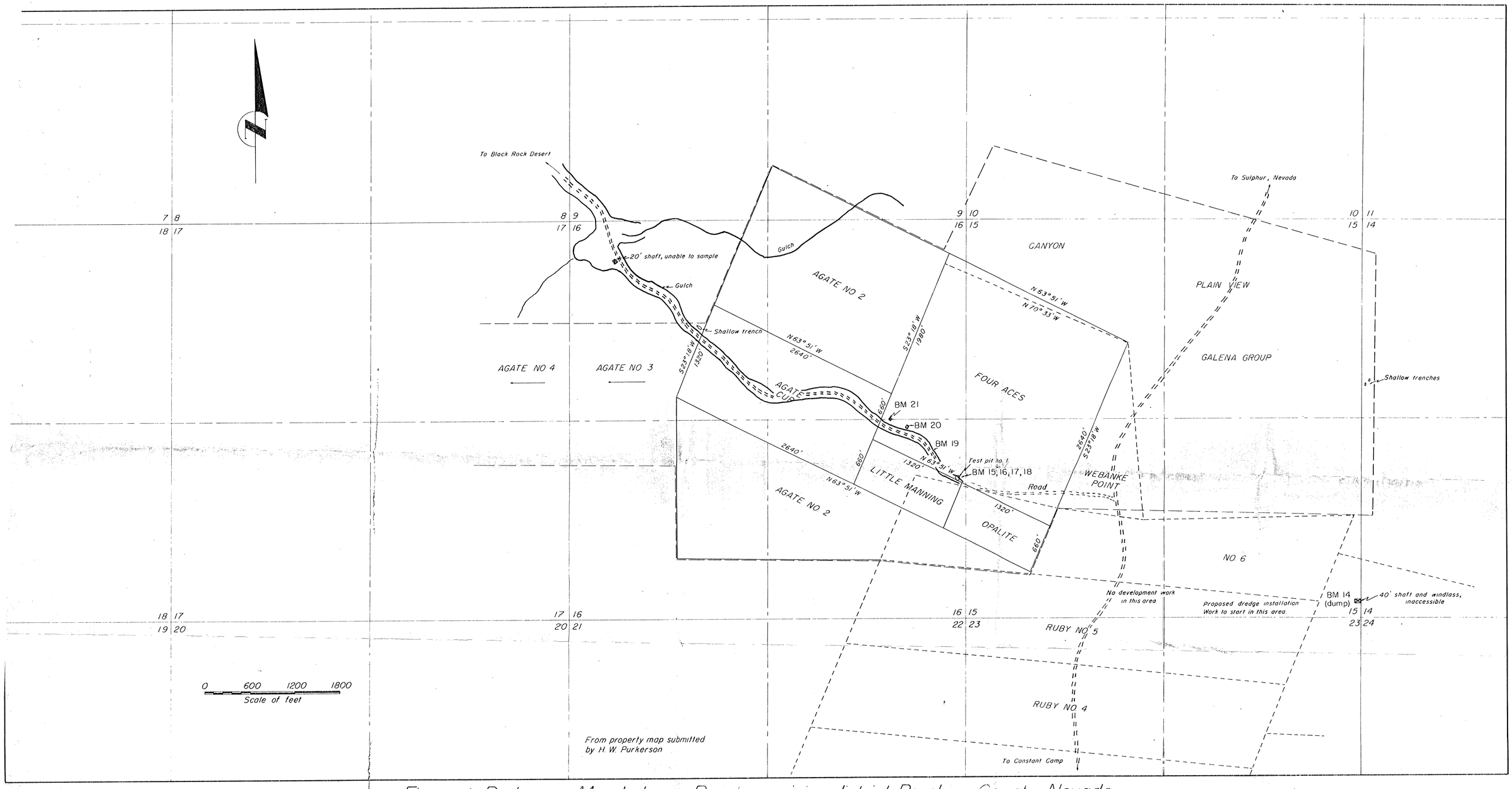


Figure 1 Purkerson-Mead placer, Rosebud mining district, Pershing County, Nevada

DMA-600

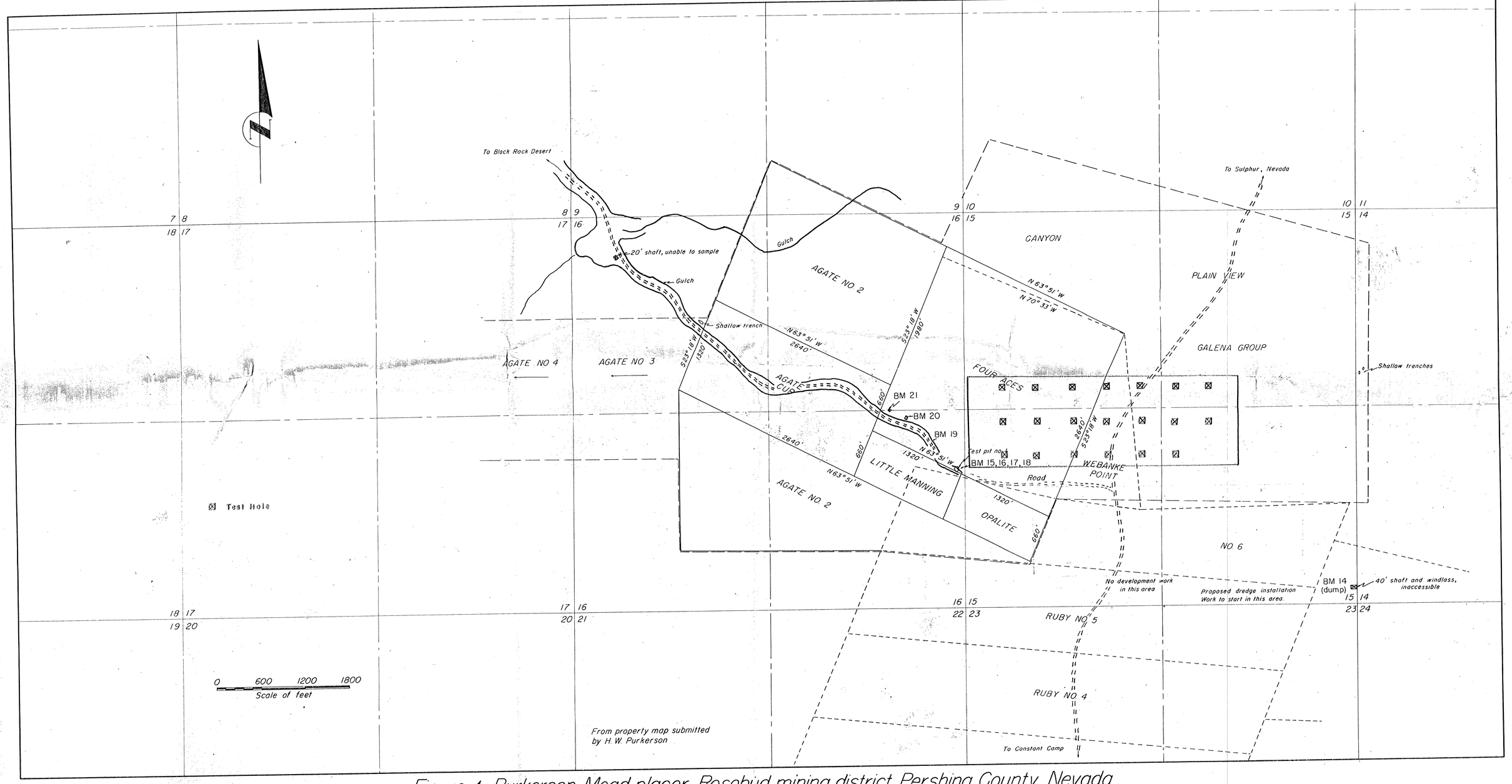


Figure 1 Purkerson-Mead placer, Rosebud mining district, Pershing County, Nevada

DMA-600

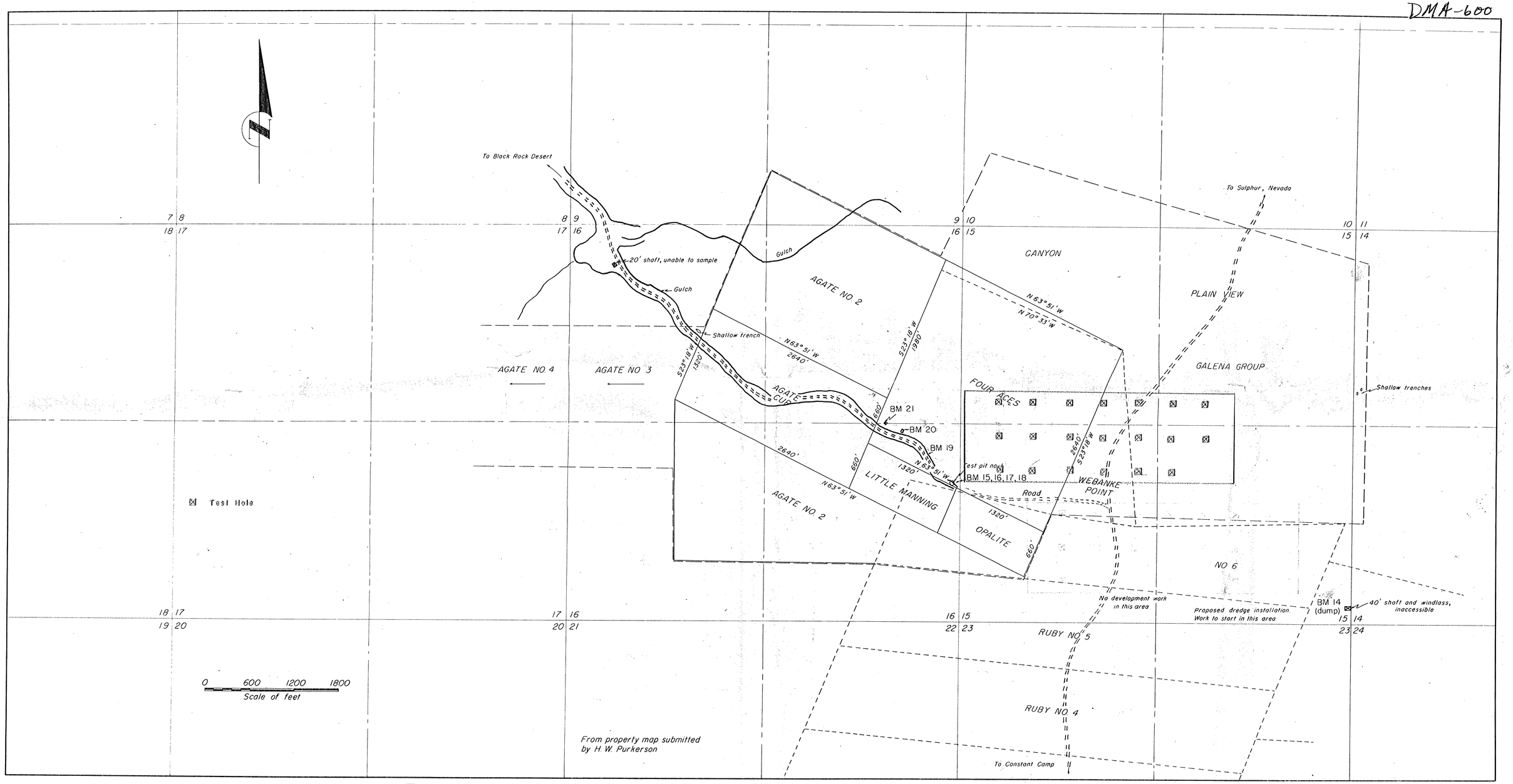
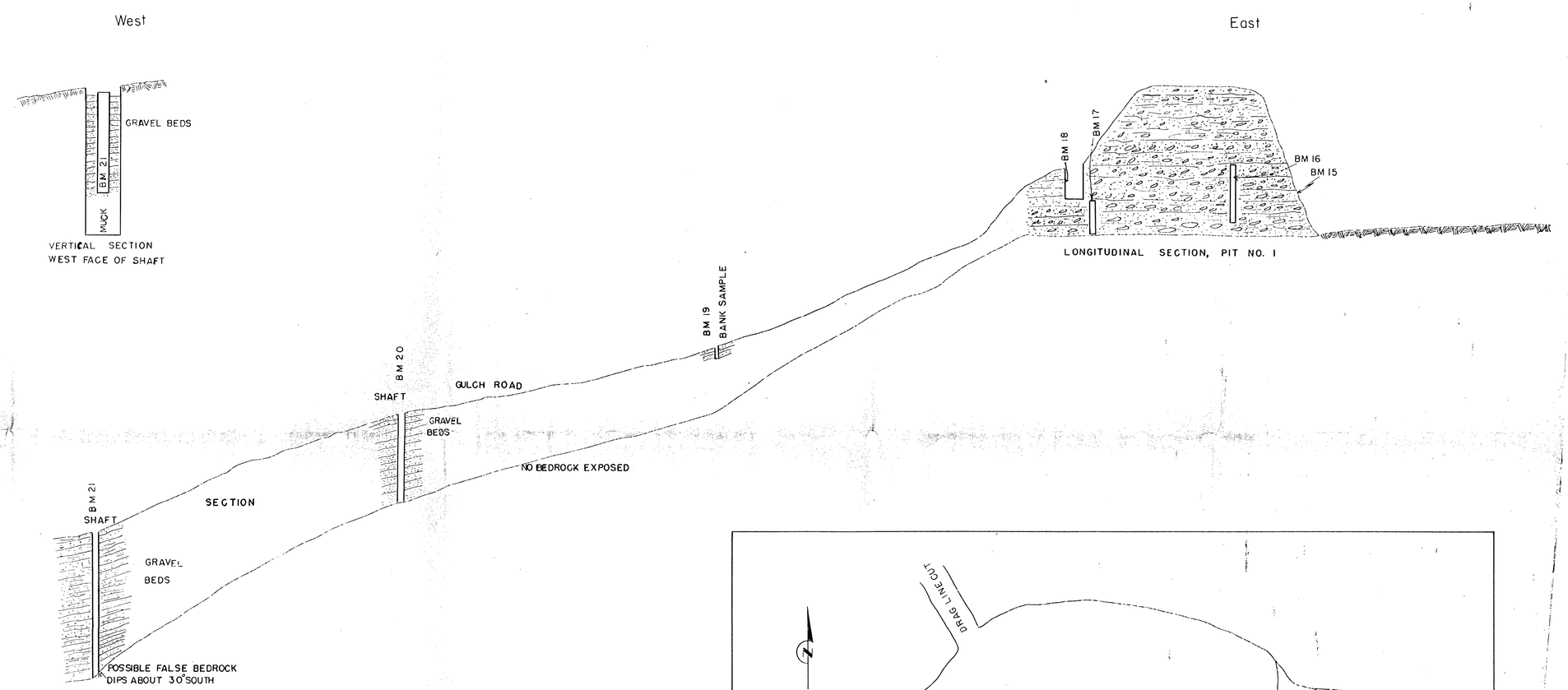
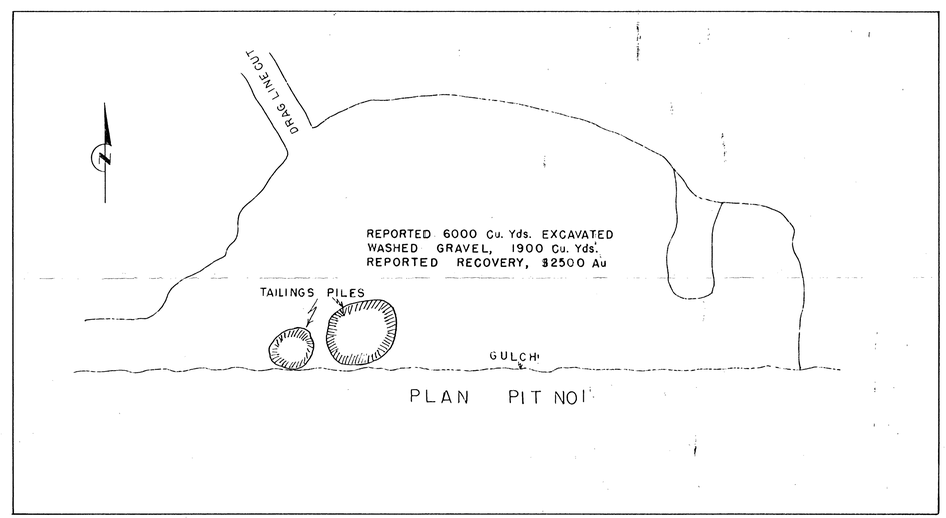


Figure 1 Purkerson-Mead placer, Rosebud mining district, Pershing County, Nevada



Not to any scale



SAMPLES

	OZS AU	PER CENT SN	PER CENT WO_3	PER CENT HG
BM 14	0.005	* 0.05	0.1	0.01
" 15	TRACE	* 0.05	0.1	0.01
" 16	"	* 0.05	0.1	0.01
" 17	"	* 0.05	0.1	0.01
" 18	"	* 0.05	0.1	0.01
" 19	"	* 0.05	0.1	0.01
" 20	"	* 0.05	0.1	0.01
" 21	0.005	* 0.05	0.1	0.01
" 22	TRACE	* 0.05	0.1	0.01
" 23	REFER TO PLACER TEST			

*LESS THAN

FIGURE 2 PURKERSON-MEADE TIN PLACER